

# Oracle Fusion Cloud Sales Automation



**Using Customer Contracts**

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# Get Help

There are a number of ways to learn more about your product and interact with Oracle and other users.

## Get Help in the Applications

Use help icons  to access help in the application. If you don't see any help icons on your page, click your user image or name in the global header and select Show Help Icons.

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Thanks for helping us improve our user assistance!



# 1 About This Guide

## Audience and Scope

This guide provides information about how sales representatives and their managers can use the Oracle Enterprise Contracts solution.

This guide describes the business flows and functionality in contract creation, terms authoring, and contract maintenance areas, and shows how you can perform your day-to-day actions in these areas.

## Related Guides

In addition to this guide, the following table provides summary information about other guides.

These may be important references as you use Enterprise Contracts:

Title	Description
<i>Oracle Fusion Cloud Sales Automation: Implementing Enterprise Contracts</i>	Describes tasks to configure and set up Enterprise Contracts.
<i>Oracle Fusion Cloud Applications: Using Common Features</i>	Describes user tasks and features that are common across Oracle Applications Cloud.
<i>Oracle Fusion Cloud Sales Automation: Using Sales</i>	Contains information to help sales managers, salespeople, and other sales users perform daily sales tasks.
<i>Oracle Fusion Cloud Customer Experience: Creating and Administering Analytics for Sales and Fusion Service</i>	Contains information about supplied reports and analytics, as well as how to create your own reports.





# 2 Introduction

## Overview of Enterprise Contracts

Oracle Enterprise Contracts provides the most complete solution for managing sales, procurement, and other contracts. It is a comprehensive offering for standardizing corporate contract policies, improving internal controls, and complying with all contractual obligations and regulatory requirements.

### Summary of Features

The key features of Enterprise Contracts include the following:

- Standardize the contract process
- Accelerate contract renewal cycles
- Improve visibility and drive contract compliance

### Standardize the Contract Process

With Enterprise Contracts, companies can implement contract best practices with standard templates, clauses, and contract policy rules that can be enforced enterprise-wide. Global organizations can establish company-wide standards that can be adopted and tailored by regional administrators to comply with local or country-specific regulations.

Contract administrators and legal personnel may author and negotiate many complex contracts each year. Enterprise Contracts simplifies the process by allowing contract administrators to maintain a central library of standard clauses, contract templates, and policy rules across the enterprise. Contract templates enable rapid assembly and creation of contracts by providing standard contract boilerplate language for each type of sale or procurement. Policy rules specify which clauses are mandatory for a contract or protected against updates during negotiation.

### Accelerate Contract and Renewal Cycles

The Contract Expert feature guides users through a questionnaire. Based on the user's responses and other negotiated business terms, such as products, prices, and contract amount, Contract Expert adds any required clauses. Standards-based contracts can be generated, reviewed, and approved with little or no legal supervision. Users can print the contract as a PDF document for signature. The application also enforces contract policy controls to prevent unauthorized modifications. Contract collaboration and negotiation is streamlined using the two-way integration with Microsoft Word. The change tracking in Microsoft Word enables the contract administrator, legal department, or the external party to make changes offline. The document is synchronized with the structured contract terms stored in the application.

### Improve Visibility and Drive Contract Compliance

A single view of all enterprise contracts is essential for effective management of contract activities and for reporting and analysis of outstanding supplier, customer, and partner commitments. Contracts enables contract professionals to search and view all contracts from a single location. The text-based search engine can combine keyword searches with structured information like contract dates or amounts, providing unprecedented access to contracts for all key

stakeholders. The Contracts Dashboard provides a snapshot of all contract-related activities, including deliverables progress, approvals, and contracts that need attention.

## Overview of Customer Contracts

You can smoothly execute and reuse well-prepared customer contracts. When creating a contract for the first time, you can create it manually or use the Contract Wizard. To reuse a contract, simply duplicate the contract and make your edits, or save the contract as a contract template and use this template to create new contracts.

### General Feature Summary

Here are the key actions you can perform using general features:

- Manage contract types.
- Create customer contracts using either the duplicate feature, a contract template, or a wizard. You also can create contracts manually.
- Import contracts.
- Manage contracts using web services.
- Create a contract template and activate it to create contracts from it.
- Enter basic customer information. The contract type determines other details that you can enter, such as:
  - Product type or project information for contract lines
  - Contract terms and conditions
  - Renewal notification recipient and number of days before contract end date, when it must be sent
  - Contacts designated as signers
  - Contract relationships, if Enable Related Documents option is set
  - Layouts for printing the contract, contract terms, and contract deviations
- Validate a contract. A valid contract must have at least one contract owner and valid contract type, dates, parties, accounts, sites, and lines.
- Understand the contract lifecycle statuses from draft to final approval and acceptance, when the contract becomes active and ready to be executed.
- Amend a contract to make edits to the contract after you have started executing the active contract.
- Record sales credits for each salesperson.
- Specify details of contract risk.

### Project Contracts Feature Summary

Here are the key actions you can perform using project contracts:

- Create bill plans and revenue plans and associate them to one or more contract lines.
- Select the appropriate invoice and revenue method.
  - Optionally, specify whether the billing extension must calculate an event for the associated project or for the contract line, that is, all projects associated with the contract line.

- When you select a rate-based invoice or revenue method, select labor and nonlabor bill rate schedules and enter any applicable overrides or multipliers.
- Enable the hold option to prevent contract line billing transactions being included in invoice or revenue generation.
- Configure cross-charge options on bill plans and revenue plans for interproject and intercompany billing.

## Service Contracts Feature Summary

Here are the key actions you can perform using service contracts:

- Specify coverage lines and subscription lines for downstream integration with Oracle Configure, Price, and Quote (CPQ) Cloud.
- Automatically track included warranties of covered assets upon the sale of goods and services.
- Specify one-time, recurring, or usage charges.
- Optionally, price at the time of billing, with the option to drill down to price breakdown of each item from the total amount.
- Enter billing attributes and review the billing schedule for both one-time and recurring charges.
- Retrieve invoice details from Financial Cloud.
- Set default coverage at a global or customer-specific level.
- Track coverage entitlements on intangible or tangible goods. For example, software or hardware.
- Process service renewals based on pre-defined renewal rules.

**Note:** Service Contracts integration with Oracle Order Management and Oracle Configure, Price, and Quote (Oracle CPQ) lets customers easily amend contracts at various points during contract lifecycle.



# 3 Create Customer Contracts

## How Authoring a Customer Contract Works

You can author a customer contract in the Contracts work area. Here's the procedure to create, validate, and submit the contract for approval.

1. In the Create Contract window, you enter the basic information required to create the customer contract.

Selecting the contract type determines what additional information you can enter. This creates the contract which you can then edit.

2. Enter additional contract details.

3. Depending on the contract type, you can:

- o Add contract lines.

If the contract lines are related to projects, enter project information.

If the contract lines are related to products, enter the product type information.

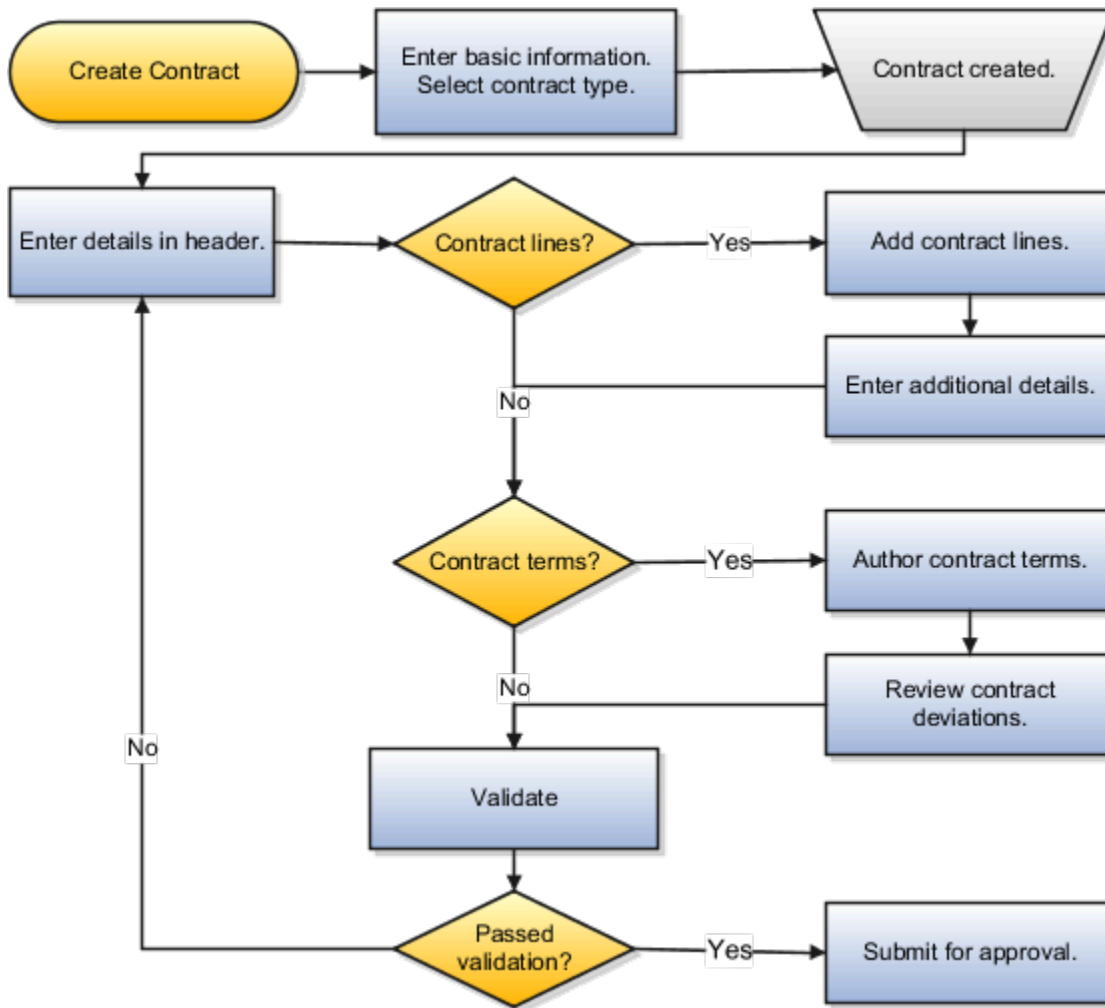
If the contract lines are related to services, enter the service type information.

- o Author contract terms and review contract deviations.
- o Designate contacts as signers on the contract.

4. Validate the contract and correct any errors.

5. Submit the contract for approval.

Here's the figure that outlines the process described in the sections of this topic.



## Entering Basic Contract Information

In the Create Contract window, you enter the basic information to create the contract. This includes:

- Business Unit

The business unit where you are creating the contract. Selecting the business unit determines the contract types you can select. If your contract is not project-based, you can also select a business unit with no assigned ledger or legal entity.

- Legal Entity

The internal legal entity entering into the contract. This field is required only for project-based contracts.

- Type

A contract type is a contract category that determines the nature of the contract. For example, the type determines if the contract is a project contract, a purchasing contract, a service contract, or simple nondisclosure or employment agreement. A contract type also specifies what kind of information you can enter and the contract lines, parties, and party contacts are permitted.

- Primary Party

The primary customer entering into the contract.

- Contract Start Date

The date on which the contract is initiated.

- Contract End Date

For service contracts, you must enter the duration - the numeric value of the validity of the contract, and the period - day, month, or year which corresponds to the duration. This value generates the end date of the contract. The end date is always calculated as start date + duration - 1 day. For example, if you enter the start date as 2/28/2018 (last date of the month) and duration as 1 year, the application calculates the end date as 2/27/2019. But, if you enter the start date as 2/28/2019 (last date of the month) and duration as 1 year, the application calculates the end date as 2/28/2020 because 2020 is a leap year and the last date of the month is 2/29/2020.

- Contract Currency

Depending on the business unit and contract type you selected, you may also be asked to enter:

- Number

This field appears only if you are required to enter the contract number manually. The number you enter can include any alphanumeric characters and must be unique.

- Item Master

If the contract type includes item-based lines, then you must enter the item master inventory organization, associated with the contract business unit, that will be used to select the inventory items you are selling.

- Pricing Effective Date

This field appears in contracts related to services. It is the date the application uses to get pricing information for a contract.

- Pricing Strategy

This field is displayed as a read-only field created during setup. It is the strategy to price the contract based on the tiered pricing segment of the contract. The pricing strategy can include Price, Discount, Currency, Cost, and so on.

**CAUTION:** You can't change the business unit, the legal entity, the currency, the contract type, and the contract number after the contract is created.

## Adding Contract Information to the Contract Header

On the contract header tab, add additional information depending on the contract type you selected. This may include:

- Additional contract parties and contacts
- Billing information related to projects and services, such as bill plans, revenue plans, and purchase order number
- Information about possible contract risks and their probabilities
- Contract documents

- List of related contracts
- Notes

## Adding Contract Lines

If the Lines tab is visible, add contract lines to specify what you are selling. Depending on the contract type, you may enter one or more of the following line types:

- Item  
For items selected from inventory based on the item master you selected for the contract.
- Free Form  
For goods or services you are selling that are not tracked in inventory, such as consulting services, for example.
- Subscription  
For a recurring sale of items associated with the service contract over a period of time, such as backup services, for example.
- Coverage  
Services that are provided on covered assets, such as maintenance, for example.

If the type of line you added is related to projects, then you can add project and billing information in the Line Details region. If the type of line you added is related to services, then you can add billing and renewal information.

**Note:** For item, project-based contract lines, the item master, inventory item identifier, and unit of measure are all passed to the receivables invoice staging tables. For project-based contract lines, if no purchase order number is entered at the header level, there is no default value at line level. In this case, enter the purchase order number for the line. This number is passed as a reference on Receivables invoices.

## Authoring Contract Terms

If the Contract Terms tab is visible, you can add and edit contract terms and conditions.

Just what actions you can take during contract terms authoring depends on your implementation, your privileges, and contract type. Some contracts may have their contract terms already populated from a contract terms template and permit you only to add and delete clauses from the Contract Terms Library. Other contracts may allow you to create nonstandard clauses or require you to answer questions to determine if additional clauses are required. For some contracts, you may attach the contract terms in a separate document and not use the authoring capabilities of the application at all.

If you do author contract terms for your contract, select the **Review Contract Deviations** action on the Contract Terms tab to determine if your contract deviates from your company standards. You can add any explanations for the deviations in the report which can be attached to the notification sent to the contract approvers.

## Validating and Submitting the Contract for Approval

The contract must pass validation before it is sent for approval. To validate the contract, select **Validate** from the Actions menu. Clicking the **Submit** button to submit the contract for approval also triggers the same validation process. You must fix all errors for the contract to pass validation. Resolving warnings is optional.



### Related Topics

- [Contract Actions and Status Changes](#)
- [Best Practices for Creating a Contract](#)
- [How Authoring Contract Terms Works](#)
- [Item Master Organizations](#)

## Get Started Creating Contracts

### Contract Actions and Status Changes

A contract typically moves through a variety of states throughout its life cycle, from initial drafting to negotiation to active management and eventually to contract closeout. A contract status indicates where a contract is in its life cycle, and also determines what actions and operations are permitted for the contract.

Some of the actions available for a contract have no effect on the status of the contract. These actions are:

- **Preview:** Displays contract with terms and conditions in the PDF format.

**Note:** The PDF generated from the Preview action only supports the portrait layout. The application truncates the tables sourced from Microsoft Word that created in the landscape layout when you generate the PDF preview.

- **Validate:** Displays errors and warnings, if any.
- **Duplicate:** Creates a new contract in Draft status with a new number for which you can select to retain dates, primary and other party information, contract terms, notes, and contract line information from the original contract.
- **Save as Contract Template:** Creates a new contract template in Draft status with the same attributes as that of the contract.
- **Delete:** Removes the contract.
- **Edit Contract in Wizard:** Enables you to use the Wizard to upload documents and enter contract details such as contract terms template, variable values, and answers to questions before approving and signing the contract. This action is therefore available only in Draft and Under Amendment contracts.
- **Autocreate Fulfillment Lines:** Creates fulfillment lines for buy intent contracts.
- **Track Completion:** For sell intent contracts with lines, tracks percent complete for the project at line level.

**Note:** Contract statuses are predefined and you cannot define new statuses. However, you can define user statuses and their transitions and use them, for example, to pass the contract from one team to another for review before submitting the contract for approval.

The following table describes the available contract statuses and lists those permitted actions for each status that cause a change in contract status:

Status	Description	Available Actions and Resulting Statuses
Draft	The initial status of a contract	<ul style="list-style-type: none"> <li>• Cancel Resulting status: Canceled</li> <li>• Submit for Approval Resulting status: Pending approval</li> <li>• Create New Version Resulting status: Draft</li> </ul> <p>When a contract is in Draft status and a new version of it is created, this new version will also be in Draft status.</p> <p><b>Note:</b> When you try to activate a renewed Contract that is in 'Draft' status, the application checks if all the components of the contract are valid. If there's an inactive asset, you can't activate the contract. In such cases, delete the invalid asset from the renewed Draft Contract or set the Asset line Status as 'Cancel' and proceed. Another option is to remove the end date of the asset and activate the contract.</p>
Canceled	The status of a contract changes to Canceled when the draft is canceled.	There is no action available that changes the status of the contract.
Pending approval	The status of a contract changes to Pending approval when it is submitted for internal approval.	<ul style="list-style-type: none"> <li>• Stop Approval Resulting Status: Draft</li> </ul> <p>The contract is withdrawn from approval. You can now make corrections to the contract and resubmit it for approval.</p> <ul style="list-style-type: none"> <li>• Stop Approval Resulting Status: Under amendment</li> </ul> <p>The current contract is in Under amendment status if it has an earlier active version.</p> <ul style="list-style-type: none"> <li>• Approve Resulting status: Active</li> </ul> <p>If, based on the contract type, signature is not required for acceptance, and all approvers have approved.</p>

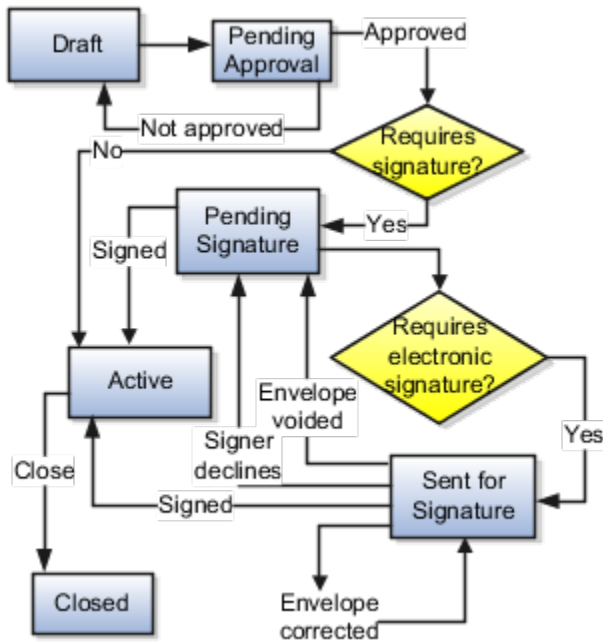
Status	Description	Available Actions and Resulting Statuses
		<ul style="list-style-type: none"> <li>• Approve Resulting status: Pending signature If, based on the contract type, signature is required for acceptance.</li> <li>• Approve Resulting status: Hold When a contract is approved, if there is an existing Hold on it with Hold date later than the system date, its status changes to Hold.</li> <li>• Reject Resulting status: Draft When one or more approvers do not approve the contract.</li> <li>• Reject Resulting status: Under amendment This status results when one or more approvers do not approve the contract and the contract has a previous active version.</li> </ul> <p><b>Note:</b> The Approve and Reject actions are available from the approval workflow notification.</p>
Pending signature	The status of a contract changes to Pending signature when it is internally approved by all approvers but is pending customer or supplier acceptance. Acceptance can be by manual or electronic signature.	<ul style="list-style-type: none"> <li>• Sign Contract Resulting status: Active If manual signature is required for acceptance, then clicking on this action displays the Accept Contract page where designated signers enter their name and date of acceptance.</li> <li>• Sign Contract Resulting status: Sent for signature If electronic signature is required for acceptance, then this action displays the integrated Sign Contract page. On this page, the sender must click on Send to send the contract for electronic signature to the designated signers.</li> <li>• Sign Contract Resulting status: Hold When a contract is accepted, if there is an existing Hold on it with Hold date later</li> </ul>

Status	Description	Available Actions and Resulting Statuses
		<p>than system date, its status changes to Hold.</p> <ul style="list-style-type: none"> <li>• Sign Contract</li> </ul> <p>Resulting status: Expired</p> <p>Sign Contract can go straight to Expired if the end date has been reached.</p> <ul style="list-style-type: none"> <li>• Create New Version</li> </ul> <ul style="list-style-type: none"> <li>○ Resulting status: Draft</li> </ul> <p>When a contract is pending signature, if a new version of it is created, this new version is in Draft status.</p> <ul style="list-style-type: none"> <li>○ Resulting status: Under amendment</li> </ul> <p>If the original contract pending signature was under amendment, the new version will also be in Under amendment status.</p> <ul style="list-style-type: none"> <li>• Cancel</li> </ul> <p>Resulting status: Canceled</p>
Sent for signature	<p>The status of a contract changes to Sent for signature when the contract is sent for signature using the integrated electronic signature solution.</p> <p>Run the Track Electronic Signature Status process to activate the contract after all signers have signed the contract.</p>	<ul style="list-style-type: none"> <li>• Manage Signatures</li> <li>• No resulting status</li> </ul> <p>If the sender corrects the envelope and resends it for signature.</p> <ul style="list-style-type: none"> <li>• Resulting status: Pending signature</li> </ul> <p>If the signer declines to sign or the sender voids the envelope.</p> <ul style="list-style-type: none"> <li>• Resulting status: Active</li> </ul> <p>If all the signers sign the contract.</p>
Active	<p>If the contract does not require signature for acceptance, then the status of the contract changes to Active when it is approved by all the approvers. If the contract requires signature for acceptance, then the status of the contract changes to Active only when it is approved by all the approvers and signed by all the signers.</p>	<ul style="list-style-type: none"> <li>• Amend</li> </ul> <p>Resulting status: Under amendment</p> <p>Enables you to make changes to the contract and resubmit it for approval.</p> <ul style="list-style-type: none"> <li>• Apply Hold</li> </ul> <p>Resulting status: Hold</p> <ul style="list-style-type: none"> <li>• Close (Terminate)</li> </ul> <p>Resulting status: Closed</p> <p>This contract is no longer available except from contract history.</p>

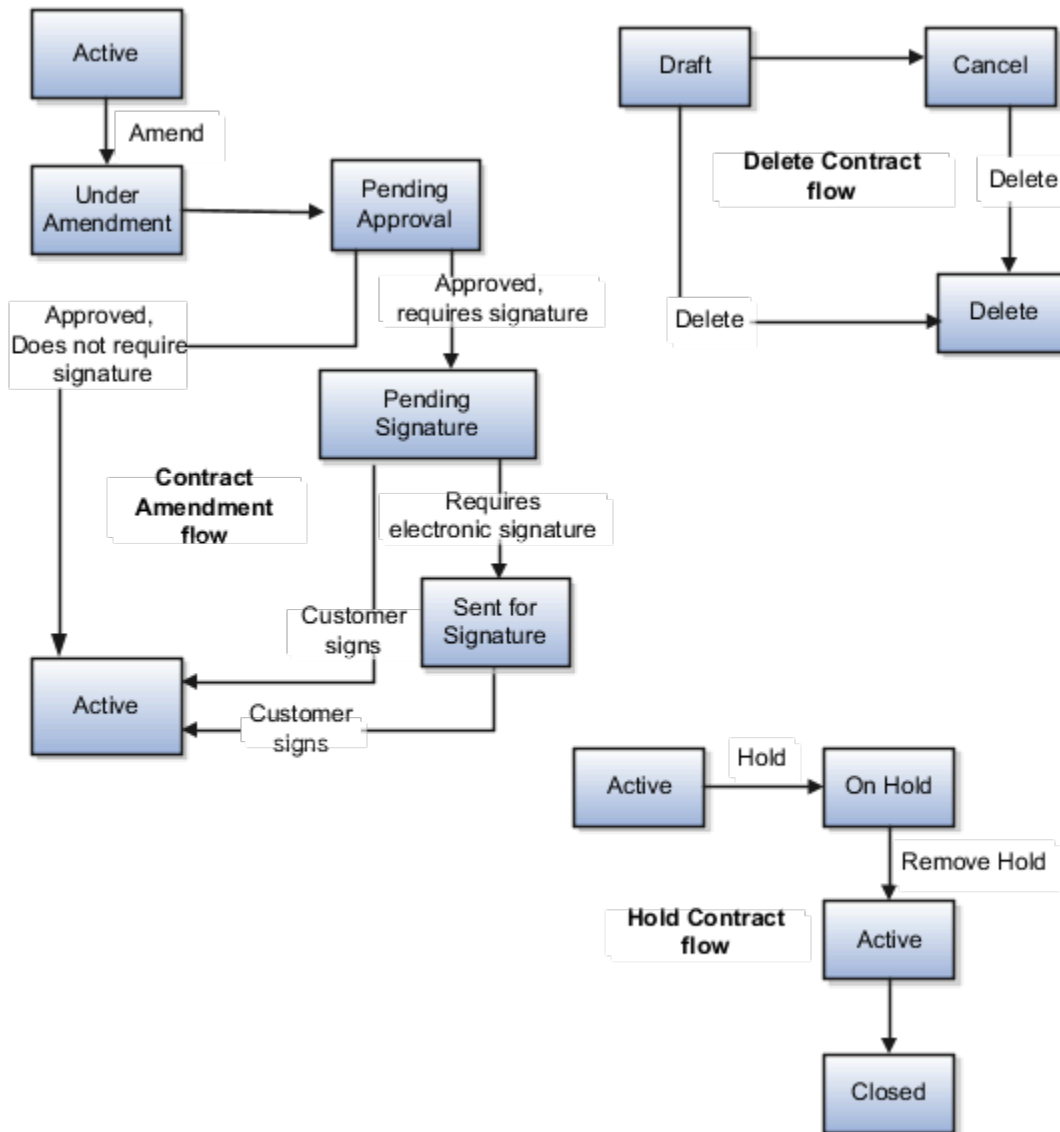
Status	Description	Available Actions and Resulting Statuses
Hold	<p>The status of a contract changes to Hold when a hold is applied.</p> <ul style="list-style-type: none"> <li>The Update Contract Status process will ignore contracts or contract lines on hold and will not change them to the Expired status.</li> </ul>	<ul style="list-style-type: none"> <li>Amend Resulting status: Under amendment Enables you to make changes to the contract and resubmit it for approval.</li> <li>Remove Hold Resulting status: Active if prior to end date. otherwise the status will be Expired.</li> <li>Close (Terminate) Resulting status: Closed This contract is no longer available except from contract history.</li> </ul>
Under amendment	<p>The status of a contract changes to Under amendment when it is amended.</p>	<ul style="list-style-type: none"> <li>Submit for Approval Resulting status: Pending approval</li> <li>Revert Resulting status: Active The status of a contract under amendment changes to Active if the latest changes are canceled by reverting. The contract returns to its state prior to its amendment.</li> <li>Create New Version Resulting status: Under amendment When a contract is in Under amendment status and a new version of it is created, this new version will also be in Under amendment status.</li> </ul>
Closed	<p>The status of a contract changes to Closed when you close (terminate) it. Closed status implies either a foreclosure or a closeout after expiration.</p>	<ul style="list-style-type: none"> <li>Reopen Resulting status: Draft Makes this contract available for corrections and resubmission for approval.</li> </ul>
Expired	<p>When the contract end date is reached for an active contract, the contract status changes to expired only when you run the Update Contract Status process.</p>	<ul style="list-style-type: none"> <li>Amend Resulting status: Under amendment Opens the contract for corrections and before resubmitting for approval.</li> <li>Apply Hold Resulting status: Hold</li> </ul>

Status	Description	Available Actions and Resulting Statuses
		<ul style="list-style-type: none"> <li>Close</li> </ul> <p>Resulting status: Closed</p> <p>Resulting status: Closed This contract is no longer available except from contract history.</p>

The following figure shows a contract flow from draft to approval to acceptance.



The following figure shows contract amendment, contract delete, and contract hold flows.



*Related Topics*

- [Contract Line Actions and Status Changes](#)
- [Why does contract status show active even though the contract's end date is in the past period?](#)
- [User Statuses and Transitions](#)

## How Authoring Contracts Works with Contract Wizard

You can select the Create Contract in Wizard and Edit Contract in Wizard tasks to quickly author enterprise contracts using a guided process.

The Contract Wizard guided process is based on the origin of the contract terms. If the contract terms originate internally in your organization, then you add the contract terms by applying a contract terms template. If the contract terms originate from an external party, such as a supplier, then you upload the file containing the contract terms because the contract terms are authored outside the application.

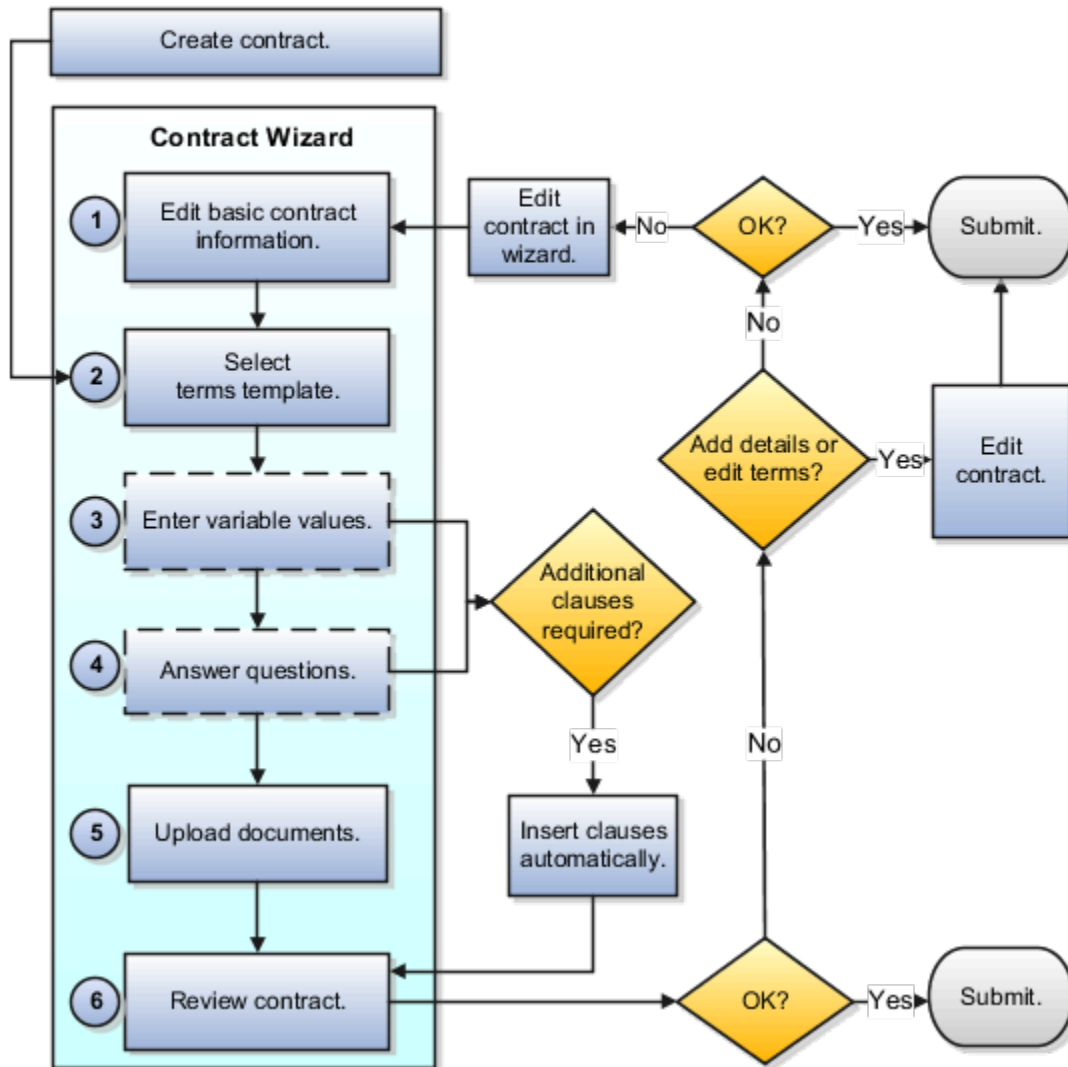
This figure outlines how Contract Wizard guides you through creating a contract, where the contract terms originate with an internal party.

1. You select **Internal** as the authoring party and enter basic contract information on the Create Contract window. The application displays the page of the Contract Wizard where you can select and preview the contract terms template you want to use.
2. Depending on the setup, the application may recommend the template or let you select one of your own.
3. Depending on the business rules set up for the selected template, you may be required to enter values for contract variables (Step 3) and to answer questions (Step 4). These steps are the equivalent of running the Contract Expert. On this figure, they are outlined in dashed lines. Based on your entries in Steps 3 and 4, the application may insert additional clauses into the contract terms.
4. You can upload supporting documents.
5. You can preview the contract terms, including any additional clauses inserted by the application.
6. If you're satisfied, click **Submit** on the Review Contract page to validate the contract. If there are no validation errors, the contract is submitted for approval.
7. If you want to make changes, instead of submitting, save and do one of the following: Select the **Edit Contract in Wizard** action to revise what you entered in the wizard; or, select the Edit Contract action if you want to add contract lines and other details or edit the contract terms.

This figure outlines the contract authoring process using the Contract Wizard for an internal party.



### Internal Party Contract

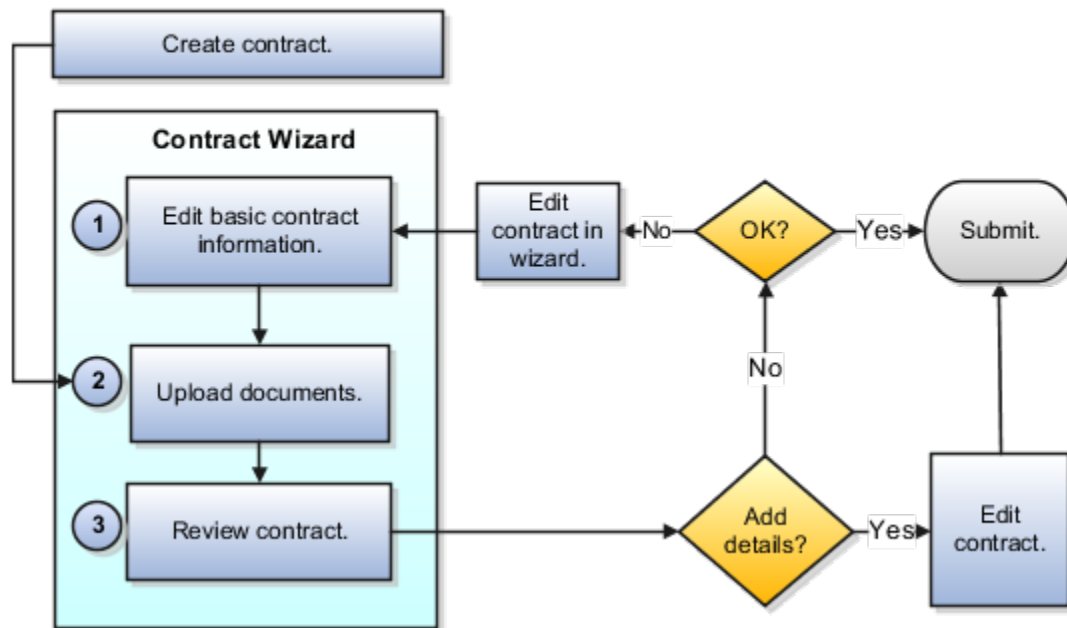


Here's how Contract Wizard guides you to create a contract with contract terms that an external party supplies in a file:

**1.**

You select **External** as the authoring party and enter basic contract information on the Create Contract window. You upload the file containing the contract terms as the primary contract document and any other supporting documents. You can't add custom categories to primary contract document. However, you can add custom categories to the supporting documents. For more information, see the attachments section in the Implementing Enterprise Contracts guide. You review the contract information. If you are satisfied, you click Submit on the Review Contract page to validate the contract. If there are no validation errors, the contract is submitted for approval. If you want to make changes, save the contract and either select the Edit Contract in Wizard action to revise what you entered in the wizard or select the Edit Contract action if you need to add contract lines and other details. The following figure outlines the contract authoring process using the Contract Wizard for an external party.

### External Party Contract



### Entering Basic Contract Information

To create the contract, you select the contract type and enter basic contract information, including the contract party and the contract amount. If you set the Authoring Party field to External, then the contract terms are being authored outside the application in a separate document which you upload in the Upload Documents page.

### Selecting and Previewing the Contract Terms Template

If the Authoring Party is Internal, depending on the setup, the application recommends a contract terms template or lets you select one of your own. You can preview templates by clicking the Preview Contract button. The preview does not appear in the same format as the final contract and does not include the clauses that may be inserted by the application in later steps.

### Entering Variable Values

Depending on the business rules for the selected template, you may need to enter variable values. The application substitutes the values in the contract and may use them to determine if additional clauses are required. This step is the equivalent to entering variable values using the Editing Variable Values action or running the Contract Expert feature during authoring without the wizard.

### Answering Questions

You may also need to answer a few questions. Based on your answers, the application inserts additional clauses into the contract. This step is equivalent to running Contract Expert during authoring when you do not use the wizard.

### Uploading Documents

You can upload files as contract attachments. If you selected External as the Authoring Party, then you must upload the file with the contract terms as the primary contract document. If the contract terms are taken from the template,

then the primary contract document is generated by the application automatically when you submit the contract for approval.

## Reviewing the Contract

You can review the final contract terms, including any additional clauses inserted by the application. The displayed contract terms are formatted for HTML, but not in final format yet. If you want to view the contract in the final format, select the Preview Contract button. The PDF version is sent to approvers when you submit the contract for approval.

## Editing the Contract and the Contract Terms

You can edit basic contract information using the Edit Contract in the Wizard action. Using the Edit Contract action, you can edit both the contract and the contract terms, and also add contract lines and other contract details.

### Related Topics

- [How Authoring Contract Terms Works](#)

## Best Practices for Creating a Contract

You can create a contract by duplicating an existing contract or by creating an entirely new one either with or without the Contract Wizard. You can also create a contract from a contract template or using Import Management or web services. This topic outlines when you should use each method.

## Duplicating an Existing Contract

To create a contract that is similar to an existing contract, select the **Duplicate** action either from within an existing contract or from the contract search page. When you duplicate an existing contract, you can select what to copy to the new contract.

## Creating a Contract Using the Contract Wizard

Select the **Create Contract in Wizard** task in the Contracts work area to use a quick and simple method for creating a contract without lines and without party information. You can later edit this to add additional details. With the Contract Wizard:

- You are guided through a set of steps to create contracts
- You are not required to run Contract Expert separately
- You are not required to preview any clauses that Contract Expert automatically inserts into the contract terms

## Creating a Contract Without the Contract Wizard

Select the **Create Contract** task in the Contract work area to create complex contracts. Using this task you can:

- Add and edit parties and party contacts.
- Add and edit contract lines.
- Edit the contract terms.
- Export the contract terms for editing in Microsoft Word.
- Add notes and view contract history.

- Run Contract Expert, when required.
- Preview any clauses recommended by Contract Expert before they are inserted.
- Create and manage contract fulfillment lines in buy-intent or supplier contracts.
- View and enter contract risk management and projects billing information for sell-intent or customer contracts.
- Create contracts of contract types with no contract terms.

## Creating a Contract from a Contract Template

Select the Manage Contract Template task in the Contract work area and search for an active contract template. You can then open the template in edit mode or select the template in the search results area and click on the Create Contract from Template action menu item to create a contract quickly.

Using this method, you can create a contract for the default system date, or choose any other date as the start date of the contract. You can also choose to retain party and line information from the template, if available. If you enabled the contract type for terms, then the template inserts the latest terms from the Contract Terms Library. You can also create a contract for a different party, or one with retaining lines, billing information, associated projects and tasks, and notes. These contracts will be in Draft status.

## Creating a Contract Using Web Services

You can use Web services to create many contracts in one go in an integrated application such as partner management or projects.

Use the `contractService` endpoint URL and select the `createContract` operation and the required source, if HTML or XML. To create a contract in integrated applications, select and enter the following required parameters to be included in the message:

- Contract header information
- Party information,
- Amounts and currency
- Contract lines
- Bill and revenue plans
- Labor and non-labor rates and rate overrides
- Labor multipliers
- Job title and assignment details

### *Related Topics*

- [How Authoring a Customer Contract Works](#)
- [How Authoring Contracts Works with Contract Wizard](#)
- [How You Author a Procurement Contract](#)

## Create a Sales Agreement Line

When creating a contract, you can add a sales agreement line to accommodate future sales and avoid negotiating terms on each individual quote or order. You can capture the customer information, the pricing terms, and volume commitments if any, between suppliers and customers.

You can also author customer-specific terms for a period of time into the future while adding a sales agreement line to a contract.

You create and manage a sales agreement line with the same Enterprise Contracts UI that is used for creating a contract. Besides the information you enter while creating a contract, you must enter the following additional information for a sales agreement line:

- **Effective Agreement Date:** Date that this agreement goes into effect or becomes active.
- **Item:** Any part, material, product or service that is unique as compared with other items by nature of its attributes.
- **Pricing and Adjustments:** See the "Pricing Terms in a Sales Agreement" section.
- **Commitment Amounts:** Total amounts that were agreed upon for the sales agreement.

**Note:** Sales agreements are integrated with the Price Book application for your cloud service to obtain pricing information (list prices) for agreement line items.

## Pricing Terms in a Sales Agreement

The pricing in a sales agreement line is based on a price book. You can use an existing standard price book as the starting price for a line item. For example, a Preferred Customer price book, a Computer Accessories price book, and so on. You can then specify a price, a discount, or a markup for a particular product if needed.

The header price book is preset as the price book for the line if the item and UOM (unit of measure) selected for the line exist on the header price book. If not, you can select a different price book from the price book drop-down list at the line level. You can also override the preset price book.

You can specify a price book for a given price adjustment. If more than one price book is applicable, then select a price book other than the default. You can make the following pricing adjustments on an agreement line item:

- Override the price for a particular product.
- Specify a discount or a markup value to adjust the list price of the product as the adjustment when creating the sales agreement line.
- Specify a discount or a markup percentage to adjust the list price of the product as the adjustment when creating the sales agreement line.

### *Related Topics*

- [How Authoring a Customer Contract Works](#)
- [Overview of Price Books](#)

## Create a Service Contract

In order to create a service contract, you need to select and enter the fields from the Business Unit and Legal Entity list. Then you choose the contract type that you created during contract setup.

You create and manage a service contract with the same Contracts UI that's used when you create a contract.

In addition to the information you enter when creating a contract, you must enter the following additional information for a service contract:

- **Pricing Effective Date:** Date that the service contract becomes active or effective.
- **Number:** A unique number to identify your service contract.
- **Start Date:** The effective start date of the contract.
- **End Date:** You must enter either the End Date of the contract or enter the Duration and Period of the contract after which the End Date is generated.

After you select the contract type, business unit, and legal entity, the currency and the item master are generated. The pricing strategy of the contract is generated after the primary party is selected. This is based on the setup of the contract done prior to contract creation. After you save, you can then edit the contract based on your business unit, while the contract is in Draft status.

## Create a Service Contract Subscription Line

While creating a service contract, you can add subscription lines for recurring sale of items associated with the contract over a period of time.

They can include a number of serviceable items, both tangible and intangible, within each line along with their pricing terms. You must create and manage a subscription line with the same Enterprise Contracts UI that is used for creating a contract. You must enter the following additional information for a subscription line to be processed:

- **Number:** Line number of the subscription line for the item selected.
- **Start Date:** Start date of the subscription line. This value can be changed and may differ from the start date of the contract.
- **End Date:** Date until which the subscription line is valid. This value can be changed and may differ from the start date of the contract.
- **Line Quantity:** Number of subscriptions of each item selected.
- **Name:** Inventory item name of the subscription line.
- **Price UOM:** Optional for service contracts, it is the unit of measurement for pricing. For example, the Price UOM can be 'Each'.

After creating a subscription line, you can review the billing schedule of each item within the line. You can create more subscription lines by following the same process. In case of amendment to the contract lines, you must regenerate the billing schedule for the changes to reflect on the contract.

In addition, you can create, amend and cancel subscription items in the contract, after which you can submit the contract for approval.

**Note:** Prior to subscription line creation, ensure setup of the 'Sales Product Type' and 'Service Duration Type' fields in the Create Item task.

## Create a Service Contract Coverage Line

While creating a service contract, you can add coverage lines which include the setup and maintenance of serviceable items for a specified period of time.

Coverage lines describe the type of service required for covered assets within the line. You must create and manage a coverage line with the same Enterprise Contracts UI that is used for creating a contract. You must enter the following additional information for a coverage line to be processed:

- **Number:** Line number of the coverage line for the item selected.
- **Name:** Service type extracted from the inventory to the coverage line.
- **Price UOM:** Optional for service contracts, it is the unit of measurement for pricing. For example, the Price UOM can be 'Each'.
- **Start Date:** Start date of the coverage line. This value can be changed and may differ from the start date of the contract.
- **End Date:** Date until which the coverage line is valid. This value can be changed and may differ from the start date of the contract.

On creation of the coverage line, you can view the details of each covered asset including the Net Price, Price Periodicity, Tax estimations and Unit Price in the billing summary. The charges of price type 'One time' are the charges per covered asset quantity, like registration fee, for example. The charges of price type 'Recurring' are the charges per covered asset quantity per recurring periodicity, like usage and consumption fee, for example.

**Note:** Prior to the coverage line creation, ensure setup of the pricing and periodicity of the covered lines following which the contract line can be created with associated billing schedules.

## Create Contracts FAQs

### Should I set up a ledger before I create a contract?

If you're creating a contract without project information, you can select a business unit that has no assigned ledger or legal entity. To apply autonumbering for such a contract, enable the contract type for different global numbering levels and business unit.

In this case, the numbering levels of the ledger and the legal entity don't apply. Also, create document sequences for the document categories of the global and business unit.

**Note:** The currency on such a contract is the currency of the business unit of the contract.

### How can I specify contract risk?

Select the risk type, probability of such risk occurring, impact of such a risk, and any other relevant comments.

You can record the occurrence of any of these contracts risks by entering the date of occurrence for the contract risk, at any point of time.

Recording contract risks helps your organization prepare for potential problems. It doesn't affect contract processing.

**Note:** Entering or editing contract risk information doesn't require you to amend the contract.

## How can I set up contract risk?

You select the Manage Contract Risks task from the Setup and Maintenance work area, as part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area. Contract authors use this list during contract authoring to record contract risks.

Recording contract risks helps your organization prepare for potential problems. It doesn't affect contract processing.

**Note:** Risk names must be unique.

### Related Topics

- [How can I specify contract risk?](#)

## How can I record sales credits for each salesperson?

Select the salesperson name, credit type, and credit percentage on the contract's Parties tab. The sum of all sales credits must be 100.

## When can I create a new contract version?

When it's in Draft, Under Amendment, or Pending Signature status. Create a new version when a customer or supplier requests changes in a contract that's internally approved and pending signature.

The new version is in Draft or Under Amendment status based on whether it was created for a Draft contract or an Under Amendment contract that's Pending Signature.

**Note:** You can't create a new version after you submit the contract for approval and the contract is in Pending Approval status.

This new version will be in Draft status if the original contract was in Draft or Pending Signature status. For a contract in Under Amendment status, the new version that you create is also created in the Under Amendment status. You can also create a new version of an active contract using the Amend action. This new version will be in Under Amendment status. Once a new version is created, the original version retains the status it was in when the new version was created and is only accessible from the Contracts History page.

## What happens to document attachments when I create a new contract version?

New contract version inherits the documents attached during the previous versions.

## Why does contract status show active even though the contract's end date is in the past period?

When the contract end date is reached or past period for an active contract, the contract status changes to expired only when you run the Update Contract Status process.



When you change the contract status to hold, the Update Contract Status process will ignore contracts or contract lines on hold and not change them to the Expired status.

#### Related Topics

- [Contract Actions and Status Changes](#)

## Contract Search

### Contracts Search Options

You can search for contracts: either by using contract attributes or by searching for specific words or phrases in the text of the contract's attachments. Searching by contract attributes is the quickest way to search for a contract.

#### Search by Enterprise Contract Attributes

You can search for enterprise contracts using one attribute, such as the party name or contact number, or by using multiple attributes.

- To search using a single attribute, enter your search term in the Search: Contract pane.
- To search using multiple attributes, use the advanced search available in the Search regions of the Manage Contract page and Contracts work area.

You can use the advanced search to find all the contracts that list you as an owner, and to save your most common searches for reuse.

The application only displays up to 200 contracts when you use search criteria to find contracts. You must use additional filters to narrow down the search results when the contract you are trying to find does not appear in the list of searched contract.

#### Search Contracts by Text

The Search Contracts by Text feature uses Oracle Search Extension Framework to provide a powerful search tool that combines a text string with contract metadata to search contracts in Enterprise Contracts and their attached documents.

You can use a text phrase, contract attributes, or a combination of both to search contracts and attached documents. The text you enter is searched across:

- Contract number
- Contract name
- Party names
- Contract owner names
- Version description
- Description
- Contract type name

- Business unit name
- Attached documents
  - File Name
  - Title
  - Description
  - File Contents

To access this search page, click the **Tasks** side panel and select **Search Contracts by Text** in the **Contracts** tasks. You can use this feature only when:

- Your administrator enables this feature using Opt In.
- Your job role contains the Search Contract privilege. By default, this privilege isn't added to any job roles. Contact your administrator to grant you this privilege if it's not available.

You can also incorporate special characters and terms to control how the application applies your text string during the search:

Search Element	Special Character	Example
Wildcards	* and ?	*Lines Contract_Sell?
Exact match	""	"Oracle Cloud"
Boolean operator	AND and OR	Cloud AND Oracle Cloud OR Oracle
Include or exclude operator	+ and -	+Cloud -Sales +Oracle
Fuzzy search	~	<b>Orcl~</b> Finds contract with letters O,R,C, and L, in a word. For example, Oracle.
Field based search Supported only with the <b>Text</b> field.	Field name: Text	_fndAttachments.Description: sell AND VersionDescription: cloud

When using the field based search, you must use the field name as described in this table:

Attributes	Field Name
Contract Number	ContractNumber
Contract Name	ContractName

Attributes	Field Name
Party Name	ContractParty.ContractPartyName.PartyName
Version Description	VersionDescription
Description	Description
Contract Type	ContractTypeName.TypeName
Business Unit	OrgName.OrganizationName
Attached Document File Name	_fndAttachments.FileName
Attached Document Title	_fndAttachments.Title
Attached Document Description	_fndAttachments.Description
Attached Document File Contents	_fndAttachments.Content.Content

Once the search results are returned, you can see a list of contracts that contain the search term, either within the contract attributes or within documents attached to the contract. You can use the icons in the **Document Matches** column to navigate to:

- The Document Matches window displays a list of documents attached to the contract that are returned in the search results.
- The Matched Content window displays snippets of text from the document containing the search terms. The application highlights the search term in each snippet.

In the search results page, if the Number or Name columns contain the text that you entered as your search term that text is highlighted in bold in your search results.

In the Document Matches dialog window, the Matched Content icon only appears when the document's content contains the search term. After you have decided that the document in the Matched Content window is the one you're interested in, you can open or download the document directly by clicking the **Download** button. To see where the search term shows up in that document, you can open the document itself and search for the term.

## Global Search

You can also search enterprise contracts and documents from other applications using the Search field. This search, which also searches the text of attachments, lets you search for documents in a broader variety of applications, including Oracle Fusion Projects and Oracle Fusion financial applications, depending on your level of access. While you can use this search to find and display enterprise contracts, you cannot narrow your searches or include all versions in your search.

## Search Contracts Using SOAP API

You can find contracts based on a specific party with a specific date range.

A sample **find** payload is given below:

```
<soap: Envelope xmlns:soap="http://schemas.xmlsoap.org/soap/envelope/"
  <soap:Body>
  <ns1:findContract
  xmlns:ns1="http://xmlns.oracle.com/apps/contracts/coreAuthoring/contractService/types/">
  <ns1:findCriteria
  xmlns:ns2="http://xmlns.oracle.com/adf/svc/types/">
  <ns2:fetchStart>0</ns2:fetchStart>
  <ns2:fetchSize>10</ns2:fetchSize>
  <ns2:findAttribute>ContractNumber</ns2:findAttribute>
  <ns2:findAttribute>PartyName</ns2:findAttribute>
  <ns2:findAttribute>PartyId</ns2:findAttribute>
  <ns2:findAttribute>ContractTypeName</ns2:findAttribute>
  <ns2:findAttribute>stsCode</ns2:findAttribute>
  <ns2:findAttribute>PartyName</ns2:findAttribute>
  <ns2:excludeAttribute>False</ns2:findAttribute>
  <ns2:filter>
  <ns2:conjunction>And</ns2:conjunction>
  <ns2:group>
  <ns2:conjunction>And</ns2:conjunction>
  <ns2:upperCaseCompare>And</ns2:upperCaseCompare>
  <ns2:item>
  <ns2:conjunction>And</ns2:conjunction>
  <ns2:attribute>ContractParty</ns2:attribute>
  <ns2:nested>
  <ns2:group>
  <ns2:item>
  <ns2:conjunction>And</ns2:conjunction>
  <ns2:upperCaseCompare>And</ns2:upperCaseCompare>
  <ns2:Attribute>PartyId</ns2:Attribute>
  <ns2:operator>=</ns2:operator>ue>
  <ns2:value>PARTY NUMBER</ns2:value>
  <ns2:item>
  <ns2:group>
  <ns2:nested>
  <ns2:item>
  <ns2:group>
  <ns2:filter>
  <ns1:findCriteria>
  <ns1:findControl
  xmlns:ns2="http://xmlns.oracle.com/adf/svc/types/">
  <ns2:retrieveAllTransactions>false</ns2:retrieveAllTransactions>
  </ns1:findControl>
  </ns1:findContract>
  </soap:Body>
</soap:Envelope>
```

### Related Topics

- [Set Up Contract Text Search](#)

## Why can't I see all contracts on a worklist?

The worklist only lists contracts that require your approval.

## Work with Contracts

### Service Contract Billing

For service contracts, you can create billing templates on the UI which you associate with billing attributes. You can apply these templates to new and renewed contracts based on various criteria.

These attributes of subscription and coverage line types constitute the billing tab of the contract. The billing frequency - Year, Month, or Day - is chosen during the billing template creation.

The billing attributes for both, subscription and coverage include the following:

- **Billing Frequency:** Period for a serviceable item. For example, MONTH.
- **Bill-from** and **Bill to** Date: The start and end dates of the serviceable item.
- **Tax:** The tax levied on the service based on the region and regulations of the contract. All tax control information that is captured in the contract header is generated at the subscription or coverage line level. The estimated tax calculation is performed every time the subtotal changes for a line or covered asset.
- **Invoice Date** and **Invoice Number:** Billing invoice date and unique number specific to the billing summary of the contract line type.
- **Invoicing Rule:** Rule that indicates the time of payment - Advance Invoice and Arrears Invoice for subscription and coverage items.
- **Billing Sequence:** All values are generated in the Billing Sequence based on the following information: line start date, line end date, line subtotal, invoicing rule, billing frequency, and partial period attributes.
- **Accounting Rule:** Indicates the rule for revenue recognition. Accounting rule is mandatory during contract creation.
- **Sales Credit:** Region with the following fields - Salesperson, Credit Type, Percent, Start Date and End Date.

Upon creation of billing attributes of the subscription and coverage lines, the billing information is then sent to Account Receivables (AR) through the Scheduled ESS Programs for contract execution. You can generate invoices with individual charge information in cases of multiple charges.

**Note:** The Invoicing Rule for 'Advance Invoice' indicates the time of payment which applies only to one time, and recurring charge whereas consumption fee is done based on usage; that is Arrears Invoice.

### Service Contract Pricing

For service contracts, you must first set up the pricing strategy for the contract. The pricing strategy of the contract is then retrieved when the Business Unit, Legal Entity, contract Type, Number and Primary Party are entered during contract creation.

When lines are added, the pricing information is retrieved automatically and finalized during contract submission.

The pricing attributes of the service contract, as seen in the Overview, Billing, and Lines tabs include the following:

- **Charge Name:** The type of charge - one time, recurring, multiple charge for a service.
- **Pricing Effective Date:** Mandatory for contracts, the system date is taken as the effective date of the contract and can be changed during the process of contract creation, after which you cannot update or change it.
- **Pricing Strategy:** Displayed as a read-only field and is created during setup.
- **Price as of Date:** Pricing date of the contract line, which may vary from the final price of the serviceable items.
- **Price UOM:** Optional for service contracts, it is the unit of measurement for pricing. For example, the Price UOM can be 'Each'.
- **Price List:** List containing the one time, recurring, and usage charges for serviceable items in the contract line.
- **Price Periodicity:** Period for which the contract line is priced. For example, 'MONTH'.
- **Unit Price:** Price per unit of the serviceable item.
- **Net Price:** Price of the total number of items in the contract line.

For details on the pricing profile, pricing segment, and pricing strategy of service contracts, see the Managing Pricing for Covered Items section in the Oracle SCM Cloud, Administering Pricing guide.

## Contract Line Actions and Status Changes

A contract line can move through a variety of states throughout its life cycle. A contract line status indicates where a line is in its life cycle, and also determines what actions and operations are permitted for the line.

Some of the actions available for a contract and associated lines have no effect on the status of the contract. These actions are:

- **Preview:** Displays contract and lines with terms and conditions in PDF format.
- **Validate:** Displays errors and warnings, if any.
- **Duplicate:** Creates a new line in Draft status with a new number for which you can select to retain contract line information from the original line.
- **Delete:** Removes the line. You can only remove contract lines when they're in the draft status.

**Note:** Statuses are predefined and you can't define new statuses. However, you can define user statuses and their transitions and use them, for example, to pass the contract from one team to another for review before submitting the contract for approval.

This table shows the available contract line statuses and lists those permitted actions for each status that cause a change in the line status:

Status	Description	Available Actions and Resulting Statuses
Active	The initial status of a line.	<ul style="list-style-type: none"> <li>• Apply Hold Resulting status: Hold</li> <li>• Close (Terminate) Resulting status: Closed</li> </ul>

Status	Description	Available Actions and Resulting Statuses
		This line is no longer available except from contract history.
Hold	The status of a line changes to Hold when a hold is applied. The Update Contract Status process will ignore contract lines on hold and won't change them to the Expired status.	<ul style="list-style-type: none"> <li>Remove Hold</li> </ul> <p>Resulting status: Active if prior to end date. otherwise the status will be Expired.</p> <ul style="list-style-type: none"> <li>Close (Terminate)</li> </ul> <p>Resulting status: Closed</p> <p>This line is no longer available except from contract history.</p>
Expired	The status of a line changes to Expired when its end date is reached.	<ul style="list-style-type: none"> <li>Apply Hold</li> </ul> <p>Resulting status: Hold</p> <ul style="list-style-type: none"> <li>Close</li> </ul> <p>Resulting status: Closed</p> <p>Resulting status: Closed This line is no longer available except from contract history.</p>

*Related Topics*

- [Contract Actions and Status Changes](#)

## Contract Validation

Contract validation performs a series of checks that determine if your contract can be submitted for approval. You must correct all errors. Fixing the warnings is optional.

You can validate your contract at any time during contract authoring by selecting the Validate Contract action. The same validation is performed automatically when you submit the contract for approval.

### Required Information

The application checks the contract for the following:

- The selected contract type and line type must be active.
- A contract must have at least one of its contacts as its owner. The owner role is defined in the contract type set up.
- The contract must have at least one contract line if the contract types allows contract lines.

## Date Validations

Date validations include the following checks:

- The contract must have a start date.
- Line start and end dates must be within the header start and end date.
- Line due date must be equal to or later than the line start date, and must be equal to or earlier than the line end date.

## Validations for Supplier Contracts

Validations for supplier contracts include:

- The purchasing category must be valid.
- For a supplier contract, the supplier site must be valid and active.
- If line type is Item, Item must be valid for the purchase category.
- Payment terms, freight terms, FOB, and ship-to-location must be valid.
- Supplier site must be valid for Supplier.
- The selected carrier must be active and valid for ship-to-organization.

**Note:** You must only add a supplier or customer to a contract that's created before the start date of the contract. Adding a supplier or customer that's created after a contract start date may cause an error.

## Validations for Customer Contracts

Validations for customer contracts include:

- Ship-to site must be entered if the contract is billable.
- Days to expiration must be less than the contract duration.
- At least one contact must be entered for the contract expiration notification.
- If the contract requires expiration information, then you must enter a contract end date and a contact for the expiration notification.
- Ship-to account must be active for the line.
- Supplier at the line level must be one of the suppliers entered as a party for the contract.
- The sum of all sales credits must equal 100.

## Validation of Parties, Accounts, and Sites

Validations of parties, accounts, and sites include checks such as:

- A contract must have at least two parties: a buyer, and a seller.
- For a contract that is enabled for electronic signature, all contacts marked as signers must have a valid e-mail address.
- Billing control effective dates on a contract header must be within contract effective dates.
- Billing control effective dates on a contract line must be within contract line effective dates.



- Billing control start date for a contract or its line must be earlier than its end date.
- For project billing, the contract must have a bill plan and a revenue plan. Select a bill plan and a revenue plan for each contract line that has a contract line type source of project-based.
- For project billing, when a contract line is associated with a percent complete or percent spent bill or revenue plan, and the calculation level is associated project, a funded amount must exist for at least one active associated project.
- For project billing, when a contract line is associated with a rate based, percent spent, or percent complete bill plan or revenue plan, at least one active associated project must exist for that contract line.
- For project billing, when a billing resource is specified for an active billing control, the billing resource must be active in the resource breakdown structure.
- For project billing, the bill-to contact must be currently valid for the bill-to account.
- For project billing, the bill-to account, bill-to site, and bill-to contact values must be entered.
- For project billing, when revenue is fixed price, invoicing must be in the contract currency.
- For project billing, a contribution percentage between zero and 100 must be entered.
- For project billing, a contract organization must be entered.
- For interproject billing, the associated project must be different to the receiver project.
- Billing control hard limit amount must be between 0 and the contract amount or the contract line amount, depending on whether the billing control is at the header or the line level, when the contract type limit type is hard.
- The bill plans and revenue plans for contract lines must have valid combinations of invoice and revenue method classifications.

#### Related Topics

- [How Contract Approval Works](#)
- [Invoice and Revenue Method Classifications](#)

## Understand Contract Renewal

Contract Renewal makes a copy of the existing source contract. The source contract can be in an active or expired status. The effectivity and price details on the new renewal contract are changed based on the configured renewal defaults.

Other attributes, such as negotiation settings of the new renewal contract, can also be changed. You can choose to activate contract renewal for service contracts on a header and line level. This means that you can choose to renew the entire contract or specific contract lines, or both.

The three options to edit the renewal process at the time of contract creation are:

- Automatic: This implies automatic contract renewal, which is generated by the Automatically Renew Eligible Contracts and Contract Lines scheduled process prior to contract expiration.

**Note:** For the scheduled process to pick the eligible contract, the renewal template must have mark-up, mark-down, or repricing enabled.

- Manual: This implies that the contract or line must be renewed manually. This can be done at any point during the contract lifecycle. You are notified prior to contract expiration.

- **Do not renew:** This implies that you don't want to opt for contract renewal. On selecting this, the Renewal Type column is removed from the dashboard columns list for all lines and covered assets of the contract.

When contract renewal is selected on a header level, it doesn't reflect on the existing contract lines. The following renewal options are provided for each contract line as a Drop Down list:

- **Renew:** Renewal of the coverage or subscription line.
- **Keep duration:** Available for subscription only, the duration of the line remains unchanged in a renewed contract. It remains the same as in the source contract.
- **Do not renew:** This means that the subscription line, and coverage line along with the covered assets aren't renewed when the contract is renewed.

**Note:** The scheduled process Automatically Renew Eligible Contracts always considers the header level **Edit Renewal Process** drop-down list value to determine a contract's eligibility for renewal over the **Renewal Process** drop-down list value set in the **Negotiations and Renewal** tab.

Contracts can be renewed either manually or automatically. The user can manually renew a contract using the renew action, or the application can be configured to automatically renew a contract. The application uses renewal rules to determine the renewal defaults. The life cycle of a renewal contract is similar to a newly authored contract. However, you can configure a different life cycle for a renewal contract using the Event Model configuration. You can configure an event model to route the renewal contract to the customer for acceptance, or to the contract administrator for internal approval. You can also activate the contract without either Customer Acceptance or Internal Approval. The application, therefore, evaluates renewal rules template configured in the contract rules to retrieve the renewal process, customer acceptance criteria and internal approval criteria.

The following table provides an overview of the combinations of the Renewal Process, Customer Acceptance, and Internal Approval criteria:

Renewal Process	Customer Acceptance	Internal Approval	Description
Automatic	Not Required	Not Required	The application renews and activates the contract.
Automatic	Not Required	Required	The application renews and submits the contract for approval.
Automatic	Required	Required/Not Required	The application renews the contract and leaves it in the contract administrator's queue for further action. You can configure event notification rules to automatically send the contract to the customer for acceptance.
Manual	Required/Not Required	Required/Not Required	The application renews the contract and leaves it in the contract administrator's queue for further action.
Do not renew	N/A	N/A	The application doesn't renew the contract.

### Related Topics

- [Set Up Event Notification Rules for Customer Communications and Email Functionality](#)
- [Set Up Renewal Rules](#)

## How You Amend and Revert a Contract

Update an active contract by selecting the Amend action. When you amend a contract, you change it. This can include the terms and conditions of a contract. Cancel the changes and return to the original active contract by selecting the Revert action.

### Amend a Contract

If you amend a contract, its status, as well as the status of its contract lines, changes to Under Amendment. For a procurement contract that's under amendment, you can change all contract details except fulfillment. However, you can process fulfillment lines on the latest active version of the contract under amendment. You can also amend a contract when its status is On Hold or Expired. Amendments are effective after the amended contract is approved or rejected.

If the amendments are approved, the contract status changes as follows:

- If the contract was active before amendment, its status returns to Active.
- If the contract was On Hold, its status returns to On Hold.

**Note:** When you amend a contract, the amendment effective date needs to be the same or earlier than the submission date.

You can print a summary of the amendments made with or without the amended terms and conditions of the contract, if you selected the appropriate terms layout template for the contract type. For example, for contract types with extensive terms and conditions, such as public sector contracts, recipients of the contract may prefer to see just a summary of changes, annotated with sections added and deleted, clauses added, deleted, and updated, and amendment description instead of the full terms and conditions.

**Note:** You can create a new version of a contract that's under amendment.

You can edit some information in an active contract without amending it. This includes the contract description, name, and party information. For customer contracts related to projects, you can place a hold on the billing and revenue plans.

### View Amendment Summary

When a contract is in the amendment process, you can view a summary of the amendments made to the contract by selecting **View Amendment Summary** from the Terms Actions list on the Contract Terms panel. This summary provides visibility to updates to sections, clauses, variables, contract documents, and deliverables made during the current revision process.

### Revert a Contract

When you revert a contract, changes made in the latest amendment and changes made through Create New Version are canceled. The contract returns to its state prior to the amendment.

You can revert contract changes only when it's Under Amendment. You can't revert after the contract is approved.

**Note:** Reverting doesn't affect the contract information that you edit without amending the contract.

#### Related Topics

- [Contract Actions and Status Changes](#)
- [When can I create a new contract version?](#)

## Purge Contracts

Use the Purge Contract feature to delete all versions or only history versions of a contract from the application.

You can use this feature only when:

- Your administrator enables this contract using Opt In.
- Your job role contains the Purge Contract privilege. By default, this privilege isn't added to any job roles. Contact your administrator to grant you this privilege if it's not available.

**Tip:** You can't purge service contracts and award contracts.

Here are the steps to purge contracts from the application:

1. On the Contract Overview page, search contracts you want to purge.
2. Click **Actions > Add Contract to Purge List** to add the selected contract or click **Add All Contracts to Purge List** to add all contracts from search results.
3. After you have added all the required contracts to the purge list, click **Purge List**.
4. On the Purge Contract List page, select between the **Delete history versions** or **Delete all versions**.
5. Optionally, you can:
  - a. Enter a new name for the purge list in the **Name** field.
  - b. Filter contracts added to the purge list using the search contracts section.
  - c. Click **Select and Add** to find and add new contracts.
  - d. Select a contract and click the **Delete** icon to remove a contract.
  - e. Click **Actions > Export to Excel** to export the list of contracts added in the purge list.
6. Click **Submit**.

Once you submit the purge list for processing, the application initiates the **Purge Contracts Data** scheduled process. Click the **Purge History** tab to see the status of the **Purge Contracts Data** scheduled process and see the contracts associated with a purge list. You can reprocess the purge list by selecting **Actions > Duplicate to Purge List** to transfer all contracts associated with a purge list to the Purge Contract List page.

## Work with Contracts FAQs

### What type of documents can I attach to a contract?

You can attach any kind of file, including images, to a contract in the Documents region of the contract Header tab.

Files or URLs added in the Contract Document region can only be updated when the contract is in the Draft or Under Amendment statuses.

You can classify the documents you attach in this region as:

- Contract: For documents describing the contract
- Approval Abstract: For comments and notes made by approvers
- Contract Image: For scanned copies of the contract

The files or URLs you add to the Supporting Document region can be updated at any time. The files you attach are automatically submitted for indexing so they are available for text searches.

**Note:** If you create a new version of a contract, the application automatically carries the attachments forward to the new contract version.

## How can I delete draft or canceled contracts?

Select the Delete action. You can delete either all versions or only the current draft. You can delete a version of a contract only if the contract has more than one version.

Selecting the **Delete** action when there are multiple versions provides two options: Delete Current Version Only, and Delete All Versions. Deleting the current version reverts the contract to its previous version while deleting all versions removes the contract and all its versions. If there is only one version for a contract, selecting the **Delete** action asks for a confirmation, and deletes the contract.

### Related Topics

- [Contract Actions and Status Changes](#)

## How can I set up a contract renewal notification?

To be notified about the contract end date in advance, you must specify certain criteria during the contract type set up.

- Number of days before the contract end date by when the renewal notification should be sent.
- Who should receive the notification: contract administrator, seller, or buyer.

**Note:** Note the following while setting up renewal notifications:

- Setting up of renewal notification in contract type setup is optional.
- Renewal notifications set up for a contract type are applicable to all contracts created using such a contract type.
- Renewal notifications are sent only for contracts that have an end date specified.

### Related Topics

- [How You Amend and Revert a Contract](#)

## What's the purpose of a customer PO number?

You can capture a customer purchase order (PO) number while creating a contract for tracking purposes. The customer PO number you entered in the contract header is duplicated at the line level but is not copied across contracts.

## How can I edit a sales agreement in a spreadsheet?

To edit your sales agreement offline, save any changes you have made and click Manage in Spreadsheet to download the agreement lines to a Microsoft Excel file on your computer. You can update the pricing adjustments of the agreement line and upload the spreadsheet.

**Note:** The other attributes are read-only. You can neither delete the existing lines nor add new ones using this option.

## Contract Amendments FAQs

### How can I change a contract that is pending signature?

In cases where a customer requests changes in a contract that is internally approved and pending signature, you can create a new version for that contract to make the required changes.

If you create a new version of a contract, this new version is in Draft status, and the original version is no longer available for approval or acceptance.

**Note:** You cannot create a new version once a contract is signed and accepted. You can create a new version only for a draft, under amendment, or pending signature contract. Once the contract is signed and active, if you still need to make changes, you can amend the contract. Amending a contract creates a new version of the contract in Under Amendment status.

### How can I view amendments made to contract terms before I print them?

You can view the summary of the amendments made to contract terms.

For contract types with extensive terms and conditions such as public sector contracts, where contract terms may often be amended, you can select a terms layout template that enables you to print a summary of the amendments made to contract terms with or without the full list of amended contract terms and conditions. In such cases, recipients of contracts prefer to see just a summary of the amendments instead of the entire terms and conditions, especially as the summary is annotated with sections and clauses added and deleted, and clauses updated.

You can then use the Preview action on the Edit Contract page to view the contract and contract terms or amendment summary before you print it to send it to the recipients of the contract. Alternatively, you can also control the printing of the amendment summary without adjusting the terms layout template for each contract in the Contract Terms tab.

**Note:** The View Amendment Summary action in the Contract Terms tab of the Edit Contract page displays a tabular view of amendments made to contract terms and conditions and also to contract documents.

*Related Topics*

- [Contract Printing and Layout Templates](#)

## How can I revert a contract to a previous active version?

Revert a contract to its previous active version by selecting Revert action when the contract is under amendment. You cannot revert a contract after the amendment is approved.

*Related Topics*

- [How You Amend and Revert a Contract](#)

## Can I modify a contract without amending the contract?

Yes, you can modify the contract attributes, listed in the following table, that do not impact the legal agreement between the parties, without putting the contract under amendment.

Tab/Page Region	Attributes
Overview	Description, Name
Parties	All fields of Contacts table
Risks	All attributes
Notes	All attributes
Bill Plan	Manual Hold
Revenue Plan	Manual Hold

## How can existing contract users not be created as resources can amend a contract?

Existing contract users who weren't created as resources can amend a contract if you make them resources by using the Identify Resource feature.

You can use the Identify Resource feature to search for a user and identify the user as a resource through the Add as Resource option. While adding the user as a resource, the user can be associated with a resource organization. Once a user is mapped to a resource organization, the user gets access to the BU mapped to the resource organization.

*Related Topics*

- [How You Amend and Revert a Contract](#)

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#### Related Topics

- [How You Amend and Revert a Contract](#)

## How can I track updates to the variables when a contract is amended?

You can view updates to the values of variables as well as updates to sections, clauses, contract documents, and deliverables in the contract amendment summary.

Use the View Amendment Summary action in the Contract Terms tab of the Edit Contract page to display a tabular view of amendments made to contract terms and conditions.

# Project Contract Billing

## How Bill Plan and Revenue Plan Components Work Together

Bill plans and revenue plans provide you with the ability to create a consolidated set of billing attributes that can be shared across contract lines within a contract.

Create bill plans and revenue plans within a contract, and associate them to one or more contract lines.

Configure the regions of a bill plan and revenue plan according to your invoicing and revenue recognition requirements. The regions are:

- Hold option
- Invoice or Revenue Method Name
- General Information
- Billing Extensions
- Schedules and Overrides

### Hold Option

Enable the hold option to prevent transactions associated with contract lines using the bill plan or revenue plan from being included in invoice or revenue generation.

### Invoice or Revenue Method

Determine how you want to invoice or recognize revenue for the contract lines that use the bill plan or revenue plan. Select the invoice method or revenue method that has a method classification with the invoicing or revenue recognition instructions that meet your requirements.

### General Information

Define customer information, invoicing instructions and invoice summarization options for the bill plan. Select the associated contract lines for the bill plan or revenue plan. The following table explains the options.



Feature	Description
Customer Information	The invoice customer, site, and contact person that receives the invoice for project-related work on contract lines that use the bill plan.
Invoice Information	Instructions for the billing currency, billing cycle, payment terms, billing offset days, and the bill set number for the invoices. Enter any specific comments that you want to appear on the customer invoice. Also enter any instructions for the billing administrator to follow during invoice preparation.
Letter of Credit Details	<p>Only award contracts can use letter of credit billing. Select the Letter of credit billing check box and provide a unique Document Number for the bill plan.</p> <p><b>CAUTION:</b> If any bill plan of an award contract uses letter of credit, then all the bill plans must use letter of credit billing and the bill plan can't be set to the federal invoice format SF270.</p>
Invoice Summarization Options	Select the labor, nonlabor, and event formats that group transactions on invoice lines.
Associated Contract Lines	<p>Select the contract lines that you want to use the bill plan or revenue plan. Each bill plan or revenue plan can be associated with multiple contract lines within a contract. However, a contract line can only be linked to one bill plan or revenue plan.</p> <p>Associate contract lines to the bill plan or revenue plan when the contract is in Draft status. After the contract is approved, you must place the contract under amendment to change or add contract lines.</p>

## Billing Extensions

Optionally, add a billing extension to calculate the invoice or revenue event amounts for contract lines using the bill plan or revenue plan. If the invoice or revenue method uses a billing extension, it's automatically copied onto the bill plan or revenue plan.

The billing extension status must be Active for the invoice or revenue generation process to call the billing extension. Select whether you want the billing extension to calculate an event for either the Associated Project or the Contract Line. If you select Contract Line, the event amount will be for all projects associated with a contract line.

## Schedules and Overrides

Select the labor and nonlabor schedules that determine the origin of the standard bill rates, burdening, or transfer prices for contract lines associated with the bill plan. Enter any applicable discount information for standard bill rate schedules. Optionally, enter any overrides or multipliers that will take precedence over the standard bill rate schedules, if applicable.

**Note:** Schedules and overrides are only available for bill plans and revenue plans that use a rate-based invoice or revenue method classification.

### Related Topics

- [What's a bill plan?](#)
- [What's a revenue plan?](#)
- [What's a bill set?](#)
- [What's an invoice method?](#)
- [What's a revenue method?](#)

## Project Billing Options for Contract Types

Select the features on a contract type that you want to use for project billing. When enabled, these features are available on contracts that are used to create invoices and recognize revenue.

The options you can select for project billing are:

- Intercompany
- Interproject
- Billing controls

### Intercompany

Enable the intercompany option on a contract type for contracts designed to invoice internal parties and recognize intercompany revenue between two different business units for project-related work. The work is charged to a single project, which is associated to both an external and intercompany contract. Project transactions identified as intercompany are processed twice, once for the external contract and once for the intercompany contract. Internal billing features are available on contracts enabled for intercompany billing.

### Interproject

Enable the interproject option on a contract type for contracts designed to invoice internal parties and recognize interproject revenue between two different business units for project-related work. The external work is charged to one project, which is associated with an external contract. The interproject work is charged to a separate receiver project, which is associated with an interproject contract. Project transactions identified as interproject are processed once for the interproject contract. The interproject invoice is imported into Oracle Fusion Project Costing as a separate cost transaction for the receiver project. Internal billing features are available on contracts enabled for interproject billing.

### Billing Controls

If you enable billing controls for a contract type, you can control the amounts, resources, and dates for transactions associated with contracts of that type. Specify whether the contract line amount is a hard limit or a soft limit. If you specify the billing limit type as hard limit then you can only edit the soft limit. If you specify the limit type as soft limit then you can only edit the hard limit. When you create a contract line, a default billing control is added with a hard limit or soft limit, as specified in the contract type.

## How You Associate Contract Lines to Projects

Associating a project or a project and task to a contract line enables you to easily manage invoicing and revenue recognition for a contract.

You must associate a project or a project and tasks to a contract line if either the invoice or revenue method classification on the bill plan or revenue plan is something other than amount based.

- For amount-based contract lines, the association of a project or task to a contract line is optional.
- For percent spent and percent complete contract lines where the percent spent or percent complete billing extension is calculated at the associated project level, you must enter a funded amount for the associated project.
- A contract line can be associated with multiple projects and tasks.
- Similarly, a project can be associated with multiple contract lines.

Creating and associating contract lines to projects involves the following steps:

- Create a contract line and associate one or more projects to it.
- Define billing controls for the contract line, if the contract type is enabled for billing controls.
- Add a bill plan and revenue plan to the contract line.

### Create and Associate Contract Lines to Projects

Associate each contract line to multiple projects or tasks as necessary.

### Define Billing Controls

Create billing controls to determine the allowable limits, date range, and types of project transactions that can be invoiced and revenue recognized for the contract line. Define billing controls both at the header and line levels, including both soft and hard limits for the transactions. The application warns you when you reach a soft limit and prevents further transactions when you reach a hard limit.

### Select the Bill Plan and Revenue Plan

Add a bill plan and revenue plan that you created for the contract to the contract line.

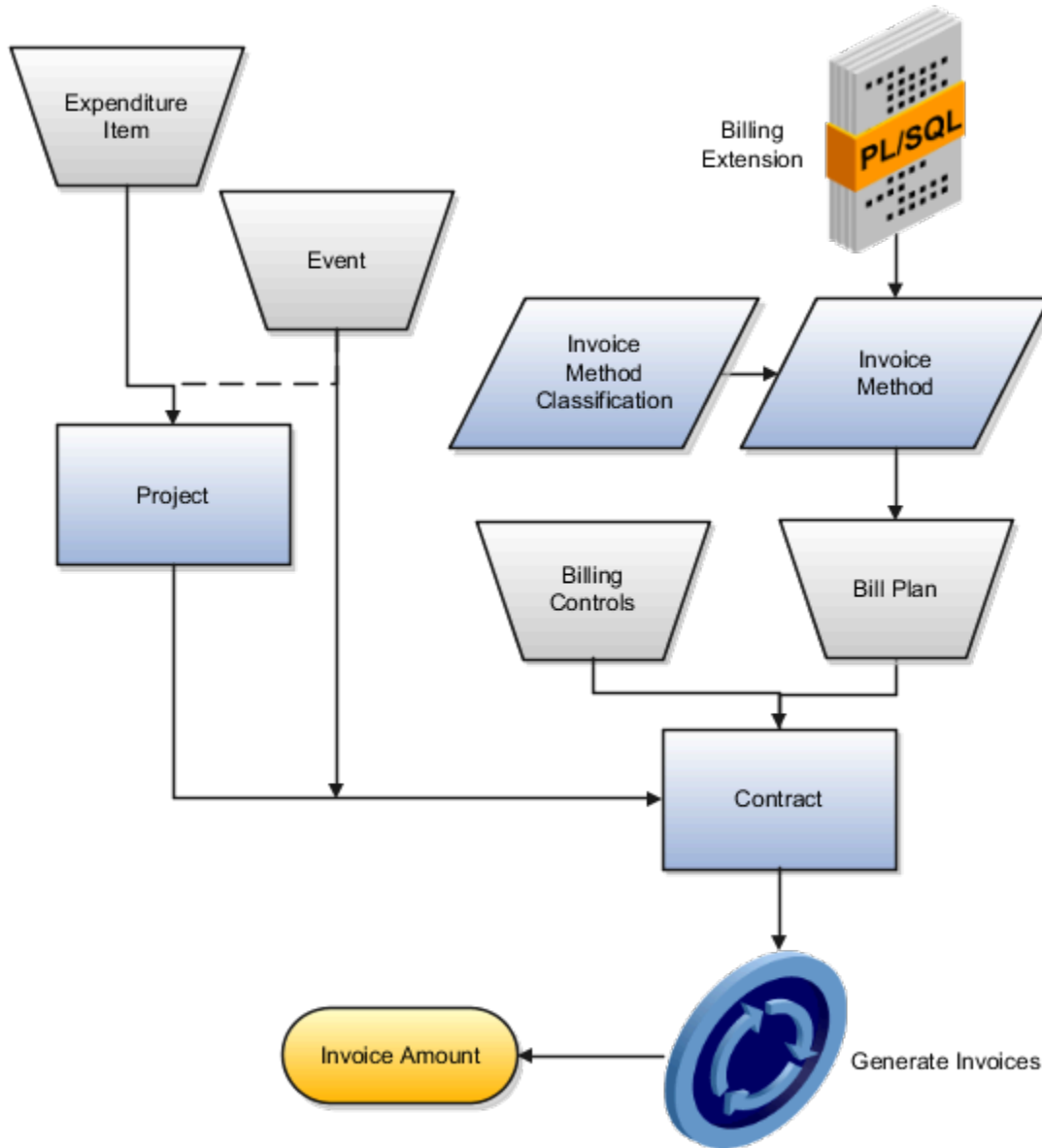
#### *Related Topics*

- [Why can't I associate a billable task with a contract line?](#)
- [How can I control the billing sequence of multiple contracts associated with the same project and task?](#)
- [What happens if I remove an associated project from a contract line?](#)

## How Project and Contract Invoice Components Work Together

Project and contract components work together to create invoice distributions. The contract contains the instructions for calculating billing invoice amounts, and the project owns the cost transaction details. When you generate an invoice, invoice distributions are created for the contract.

Expenditure items and events are the transactions for projects and contracts. Invoice method classifications determine how transactions are invoiced. The invoice method determines how invoice amounts are derived. Enter an invoice method on a bill plan, which you create for a contract and assign to contract lines to provide a set of instructions for creating an invoice. Create billing controls for a contract or contract line to define the valid transaction dates, billing resources, and amount limits for transactions associated with the contract. Generate invoices to calculate the invoice amounts for a contract. The following figure illustrates the components of a project and a contract that determine invoice amounts, and the relationships between the components.



### Invoice Method Classification

Assign a predefined invoice method classification to an invoice method. The invoice method classification determines whether the invoice amount is calculated based on rates, amounts, or progress.

## Invoice Method

Create invoice methods for bill plans to use for determining the approach for generating invoice amounts. The invoice methods contain invoice generation instructions in the form of the invoice method classification and rate definition schedule types. Rate definition schedule types determine whether the rate source for invoicing comes from rate schedules, burden schedules, or transfer price schedules.

You must assign an invoice method to a bill plan, which contains the invoice generation instructions for a specific contract or contract line. An invoice method can be used by more than one bill plan.

**CAUTION:** Enable the invoice method for intercompany billing if it will be used for intercompany billing only.

## Bill Plan

Create a bill plan within a contract that uses the invoice method you require. Assign the bill plan to one or more contract lines.

Oracle Project Billing doesn't create new invoices for:

- Contracts on hold
- Contract lines on hold
- Contract lines with a bill plan on hold

Previously generated invoices can still be updated, submitted for approval, approved, rejected, released, and transferred when the contract, contract line, or bill plan is on hold.

## Billing Control

A billing control defines the types of permitted transactions (using billing resources), transaction date range, and maximum invoice (and revenue) amounts for a contract or contract line. Create a billing control within a contract at either the contract or contract line level. The inception-to-date (ITD) invoice amount can't exceed the hard limit amount of a billing control. If the ITD invoice amount exceeds the soft limit, invoice generation will still occur, but you will receive a warning the first time this occurs.

## Expenditure Item

The project and task for an expenditure item are matched to the associated contract line during invoice generation. Invoicing can occur if the transaction date, billing resource, and amount for the expenditure item pass the contract billing controls. If the expenditure item is mapped to more than one eligible contract line, the processing order is determined as follows:

- The contract billing sequence determines the processing order of multiple contracts.
- The contract billing controls determine the processing order of multiple contract lines within a single contract.
- The contract contribution percentage determines the eligible invoice amount for each contract line.

Oracle Fusion Project Billing creates a billing transaction for each unique combination of expenditure item and contract line. The billing transaction is the source for creating invoice distributions.

## Event

Invoice events are automatically created during invoice generation if the invoice method is percent spent or percent complete. Manual events are also processed during invoice generation. Oracle Fusion Project Billing creates a billing transaction for each automatic or manual event. The billing transaction is the source for creating invoice distributions.

### Related Topics

- [Contract Validation](#)
- [How Project and Contract Revenue Components Work Together](#)
- [Invoice and Revenue Method Components](#)

## Examples of Using Billing Controls

To create a billing control for a contract, you must enable billing controls for the associated contract type. You can create billing controls for a contract or contract line to limit the amounts, billing resources, dates, and funds available for billing consumption.

The following scenario demonstrates how billing controls regulate the transactions that are invoiced and recognized for revenue.

In this example, the contract type has billing controls enabled with a hard limit. The contract has two contract lines. A default billing control was automatically created for each contract line, using the line amount as the hard limit. A default billing control was also automatically created at the contract header level, with a hard limit equal to the sum of the hard limits for the two contract lines. A soft limit was manually entered for these default billing controls. Two additional billing controls were manually created for Contract Line 1, to further restrict invoicing and revenue recognition. The following table displays the billing controls.

Billing Control Location	Default Billing Control	Billing Resource	Start Date	End Date	Soft Limit	Hard Limit
Contract	Yes	N/A	N/A	N/A	190,000	270,000
Contract Line 1	Yes	N/A	N/A	N/A	120,000	170,000
Contract Line 1	No	Labor	6/1/2010	12/31/2010	30,000	45,000
Contract Line 1	No	Expenses	6/1/2010	12/31/2010	20,000	30,000
Contract Line 2	Yes	N/A	N/A	N/A	70,000	100,000

### Contract Header Billing Control

Oracle Fusion Project Billing creates a warning during invoice or revenue generation the first time the inception-to-date (ITD) invoice or revenue amount for the contract exceeds 190,000. The total amount invoiced to the customer or recognized for revenue cannot exceed 270,000 for the contract.

## Contract Line Billing Controls

The billing controls for Contract Line 1 causes Oracle Fusion Project Billing to perform the following functions during invoice and revenue generation:

- Creates a warning the first time more than a total of 120,000 is invoiced or recognized for revenue for Contract Line 1.
- Creates a warning the first time more than a total of 30,000 of labor or 20,000 of expenses is invoiced or recognized for revenue for Contract Line 1 between 6/1/2010 and 12/31/2010.
- Prevents more than a total of 45,000 of labor and 30,000 of expenses to be invoiced or recognized for revenue for Contract Line 1 between 6/1/2010 and 12/31/2010.
- Prevents more than a total of 170,000 to be invoiced or recognized for revenue for Contract Line 1.

The billing control for Contract Line 2 causes Oracle Fusion Project Billing to perform the following functions during invoice and revenue generation:

- Creates a warning the first time more than a total of 70,000 is invoiced or recognized for revenue for Contract Line 2.
- Prevents more than a total of 100,000 to be invoiced or recognized for revenue for Contract Line 2.

### Related Topics

- [Why can't I create billing controls for a contract?](#)

## Example of Creating a Contract for Billing

This example describes how to add an existing negotiated contract to perform project work into the application so that you can invoice customers and recognize revenue.

Here's the table that summarizes key decisions for this scenario.:

Decisions to Consider	In This Example
What is the invoice method classification?	Rate Based
What is the revenue method classification?	Percent Spent
What are the maximum invoice and revenue amounts?	735,000

## Summary of the Tasks

Create a new contract by duplicating an existing contract. Verify the information on the bill plan and revenue plan. Verify the billing controls. Associate existing projects to the contract lines. Submit the contract for approval.

## Prerequisites

1. Verify the setup for the cost and bill rates that the project and contract use.
2. Create a project and project plan.
3. Create an approved cost budget.

## Creating the Contract

1. On the Manage Contracts page, expand the Search: Contract region.
2. Select **Number**.
3. Enter "New Company TM Percent Spent Contract Template" as the name.
4. In the Search Results region, select the row for New Company TM Percent Spent Contract Template.
5. Click **Actions - Duplicate**.
6. In the Duplicate Contract window, enter the values, as shown in this table.

Field	Value
<b>Contract Number</b>	Your initials, followed by <b>New Company TM Percent Spent Contract</b> .
<b>Start Date</b>	1/1/2011
<b>All other fields</b>	Select the check boxes, except for the Associated projects and tasks.

7. Click **Ok**.
8. Click **Yes** in the warning message that appears.
9. Click **Header**.
10. Click **Parties**.
11. Confirm the Customer is New Company and Associates.
12. Confirm that **Andrew Robinson, Contract Administrator** is created as the contact for the supplier role and is selected as the owner. If necessary, add this supplier contact.
13. Confirm that the Bill-to Account Number, Sold-to Account Number, and Ship-to Account Number are 1004.
14. Click **Save**.

## Reviewing the Bill Plan

1. Click **Billing**.
2. In the Bill Plans region, click **Rate**. Verify the Method Name is Bill Rate Invoice.
3. Click **General Information**. Verify that the information in the Customer Information, Invoice Information, Invoice Summarization Options, and Associated Contract Lines matches the information in the following table.

Field	Value
<b>Bill-to Customer</b>	New Company and Associates
<b>Bill-to Site</b>	Tulsa (OPS)



Field	Value
Bill-to Contact	Betty Lewis
Billing Currency	Contract
Billing Cycle	Last Day of the Month
Payment Terms	30 Net
Bill Set	1
Labor Format	Time and Material
Nonlabor Format	Contract Line Project/Task Exp
Event Format	Event Type Format
Contract Line Number	1
Line Amount in Contract Currency	735,000

- Click **Schedules and Overrides**. Verify the information in the Schedules region matches the information in the following table.

Field	Value
Person Rate Schedule	T&M Employee Bill Rate Schedule
Job Rate Schedule	T&M Job Bill Rate Schedule
Nonlabor Rate Schedule	T&M Zero Markup Nonlabor Rates

- Click **Save and Close**.

## Reviewing the Revenue Plan

- In the Revenue Plans region, click **Percent Spent Revenue**. Verify the Method Name is Percent Spent Revenue.
- Click **General Information**. Verify the information in the Associated Contract Lines region matches the information in the following table.

Field	Value
Contract Line Number	1
Line Amount in Contract Currency	735,000

3. Click **Billing Extensions**. Verify the information in the Billing Extensions table matches the information in the following table.

Field	Value
Name	Percent Spent Revenue
Status	Active
Calculation Level	Associated project

4. Click **Save and Close**.

## Reviewing the Billing Controls

1. In the Billing Controls region, verify that the values for Hard Limit Amount, Invoice Funds Available, and Revenue Funds Available are 735,000.00.

## Reviewing the Contract Line Overview

1. Click the Lines tab, and select the row for Line Number 1.
2. Click **Overview**.
3. Verify the information matches the details in the following table.

Field	Value
Number	1
Name	Contract Line 1
Start Date	1/1/2011

4. Click **Save**.

You can export the tabular data of the contract lines in the Lines tab to Microsoft Excel.

## Modifying the Billing Controls for the Contract Line

Modify the existing billing control so that labor expenditures are included in invoice and revenue generation.

1. In the Line 1: Details region, click **Billing**, and select the billing control with the 735,000.00 limit.
2. Click **Billing Resource**.
3. Select **Labor (Expenditure Category)**.
4. Click **Save**.

## Associating a Project to the Contract Line

Associate the project that was created in the Prerequisite steps with this contract.

1. Click the Associated Projects tab.
2. Select **Actions, Add Row**.
3. Select **Project Name**. Select the project that was created in the Prerequisite steps.
4. Optionally, select a **Task Number**. If you don't select a task number, all eligible transactions charged to this project are selected for invoice and revenue generation for the contract line.
5. Click **Save**.

## Submitting the Contract for Approval

1. Click **Submit**.
2. Review the validation results and fix any errors, then click **Submit** again to submit the contract for approval.

# Project Contract Billing FAQs

## What's a bill plan?

A set of instructions on a contract that define how to invoice a customer. Multiple contract lines on a contract can use the same or different bill plans.

## What's a revenue plan?

Common set of instructions for recognizing revenue within a contract. Multiple contract lines on a contract can use the same or different revenue plans.

## What's a bill set?

Transactions originating from different bill plans with the same bill set number on a contract are included on the same invoice.

If a contract has multiple bill plans and each have different values for the bill set, Oracle Fusion Project Billing creates a separate invoice for each bill plan.

## What's a billing currency type?

The type of currency in which you issue invoices to the Bill-to Account on a contract bill plan, generate revenue, and transfer revenue to Oracle Fusion General Ledger as entered currency. Valid values are Bill Transaction, Contract, and User.

For rate-based bill plans, bill transaction currency is either currency of the bill rate schedule or cost transaction currency of the expenditure item, depending on whether bill rates or markups are used. For fixed price bill plans, billing currency type must be either Contract or User.

A user-defined billing currency type indicates that you, as a user can specify the particular single currency in which invoices are issued and revenue is generated.

## What's a billing control?

Contract feature that controls the types of transactions, dates, and amounts a customer may be invoiced for and revenue can be recognized for a contract or contract line. Define billing controls at the contract or contract line level.

## What's the difference between contract and contract line billing controls?

Contract billing controls restrict the amounts, transaction dates and resources eligible for invoicing or revenue recognition for the entire contract.

For example, if a contract level billing control has a hard limit of 500, the total invoice amount or recognized revenue for the contract cannot exceed 500.

Contract line billing controls restrict the amounts, transaction dates and resources eligible for invoicing or revenue recognition for a specific contract line. Continuing with the example, a contract line has a billing control with the attributes shown in the following table.

Contract Line	Billing Resource	Start Date	End Date	Hard Limit
1	Travel	2/01/2011	3/15/2011	250

Transactions associated with Contract Line 1 are eligible for invoicing or revenue recognition if they are travel expenditures or events with an amount of 250 or less that occurred between 2/01/2011 and 3/15/2011.

## Why can't I create billing controls for a contract?

The billing controls must be enabled on the contract type used by the contract. If the billing controls are not enabled for the contract type, you cannot create billing controls for the contract or contract lines.

## Why can't I associate a billable task with a contract line?

You can either associate a project and task to a contract line, or a project without any tasks to a contract line.

If you associate a project without any tasks to a contract line, any future associations of that project to another contract line cannot include a task.

If you associate a project and task to a contract line, you can perform the following actions for future associations: Associate the same project and task to another contract line Associate a task in another branch of the same project hierarchy to the same or another contract line. For example, if you associate Project 1, Task 1 to Contract A, Line 1, you can associate in Project 1, Task 2.2.1 to Contract A, Lines 1 and 2, and also Contract B, Line 1.

To select a task from another level in the same branch of the task hierarchy, you must first inactivate the existing associated project and task. In the example, before you can associate Project 1, Task 1.1 to Contract A, Line 1, you must inactivate the existing association between Project 1, Task 1 and Contract A, Line 1.

## How can I control the billing sequence of multiple contracts associated with the same project and task?

Enter a numeric value for the billing sequence that represents the order you want to invoice, recognize revenue, and use funding for the contract. If a project or task is associated with multiple contract lines, the contract is billed in this order.

## What happens to transactions if I place a bill plan or revenue plan on hold?

When you put a bill plan or revenue plan on hold, unprocessed or partially processed invoice and revenue transactions aren't included in the invoice and revenue generation.

These bill plans and revenue plans are considered ineligible and appear in the Ineligible Bill Plan or Ineligible Revenue Plan sections of the Generate Invoice or Generate Revenue output reports.

There's no impact on transactions that were already processed for invoice or revenue.

## Why can't I see the schedules and overrides for a bill plan or revenue plan?

The schedules and overrides on a bill plan are visible only if the invoice method classification is Rate Based.

The schedules and overrides on a revenue plan are visible only if the revenue method classification is Rate Based. When the revenue method classification is As Billed or As Incurred, revenue generation uses the schedules and overrides on the bill plan to derive a common rate to be used for both invoice and revenue.

## Why can't I associate a billable task with a contract line?

You can either associate a project and task to a contract line, or a project without any tasks to a contract line.

If you associate a project without any tasks to a contract line, any future associations of that project to another contract line cannot include a task.

If you associate a project and task to a contract line, you can perform the following actions for future associations: Associate the same project and task to another contract line Associate a task in another branch of the same project hierarchy to the same or another contract line. For example, if you associate Project 1, Task 1 to Contract A, Line 1, you can associate in Project 1, Task 2.2.1 to Contract A, Lines 1 and 2, and also Contract B, Line 1.

To select a task from another level in the same branch of the task hierarchy, you must first inactivate the existing associated project and task. In the example, before you can associate Project 1, Task 1.1 to Contract A, Line 1, you must inactivate the existing association between Project 1, Task 1 and Contract A, Line 1.

# Intercompany and Interproject Billing

## Example of an Intercompany Billing Contract

This example describes the requirement of a professional services organization with global offices that must share contract revenue for a resource between different business units.

## Scenario

You are a specialized information technology professional services organization with headquarters in the New York, and international offices in Aberdeen, Scotland, Paris, France, and Jakarta, Indonesia. Your organization provides design, support, and maintenance expertise for energy companies. You just received a contract to provide information technology upgrade services for an oil and gas exploration company located in the United States. Resources will work on the contract for four weeks, and the client will be invoiced for labor hours and expenses at the end of each month. One consultant who will work on the project is based in Paris. The remainder of the resources are based in the United States.

## Billing Requirements

Major features of the contract are:

- Invoice and recognize revenue based on hours worked by resources, and expenses incurred. The travel budget is limited to \$25,000.
- The resources allowed on the contract are project manager, senior consultant, and junior consultant.
- The contract is expected to be complete in four months.

To share revenue for the consultant from Paris, you must create an intercompany contract. Your corporate policy dictates that borrowed resources from different legal entities or business units receive 70 percent of the standard job bill rate. The following table summarizes the setup of key contract and project features.

Key Feature	Configuration
Provider business unit	Paris
Receiver business unit	New York
Project	Create a project with the following key features: <ul style="list-style-type: none"> <li>• Enabled for time and materials.</li> <li>• Enable the project to receive cross-charge transactions.</li> </ul>
Project plan	Assign the following resources to a chargeable and billable task: <ul style="list-style-type: none"> <li>• Project Manager</li> <li>• Senior Consultant</li> <li>• Junior Consultant</li> <li>• Expenses</li> </ul> Set the baseline for the project plan.
Contract type	Intercompany
Contract lines	Create the following contract lines: <ul style="list-style-type: none"> <li>• Line 1 for the Paris consultant's labor.</li> </ul>

Key Feature	Configuration
	<ul style="list-style-type: none"> <li>Line 2 for the Paris consultant's expenses.</li> <li>Line 3 for all other consultants' labor.</li> <li>Line 4 for all other consultants' expenses.</li> </ul>
Bill plan	Select an invoice method with a rate-based invoice method classification , and associate it with the contract lines. Enter the transfer price schedule on the bill plan.
Revenue plan	Select a revenue method with an as-incurred revenue method classification, and associate it with the contract lines. Enter the transfer price schedule on the revenue plan.
Billing controls	Create at the contract level, with the following details: <ul style="list-style-type: none"> <li>\$25,000 hard limit for expenses.</li> <li>Billing resources: expenses and labor.</li> </ul>
Project transactions	All resources charge transactions for this contract to the same project.

## Resulting Intercompany Invoice and Revenue Details

After you submit the cross-charge identification process and generate invoices, your client receives one invoice from the New York business unit that contains charges for the work performed by all resources. The invoice amounts are determined from the transfer price schedule in the bill plan, and calculated from transactions charged to the receiver project. Revenue amounts are determined from the transfer price schedule in the revenue plan, and calculated from transactions charged to the receiver project.

## Examples of Transfer Price Rates

Use these examples to understand how to configure cross-charge options on bill plans and revenue plans to achieve various interproject and intercompany billing scenarios.

### One Cross-charge Rule or Rate, One Provider Business Unit, Any Receiver Business Unit, All Projects

The following table explains how to configure your contract billing information to share one cross-charge rule or rate between one provider business unit and any receiver business unit, and all projects associated with the contract.

Bill Plan	Bill Rate Schedule
Bill Plan 1	Assign the bill rate schedule you want to use for the contract (provider) business unit to this bill plan.

## One Cross-charge Rule or Rate, One Provider Business Unit, One Receiver Business Unit, All Projects

The following table explains how to configure your contract billing information to share one cross-charge rule or rate between one provider and receiver business unit, and all projects associated with the contract.

Bill Plan	Bill Rate Schedule
Bill Plan 1	Assign the bill rate schedule you want to use for the provider business unit to this bill plan.
Bill Plan 2  All contract lines associated with the receiver projects can use this bill plan.	Assign the bill rate schedule you want to use for the receiver business unit to this bill plan.

## Override a Cross-charge Rule or Rate, One Provider Business Unit, One Receiver Business Unit, One Project

The following table explains how to configure your contract billing information to override a cross-charge rule or rate between a provider and receiver business unit for one project.

Bill Plan	Schedules and Overrides	Associated Projects
Bill Plan 1	Create a rate override for the contract line associated with the receiver project.	Project level

## Override a Cross-charge Rule or Rate, One Provider Business Unit, One Receiver Business Unit, Task

If a resource is assigned to multiple roles and has more than one rate on a project, you may need to create an override at the project task level. The following table explains how to configure your contract billing and contract line details to override a cross-charge rule or rate between a provider and receiver business unit, for the task on a specific project.

Bill Plan	Schedules and Overrides	Associated Projects
Bill Plan 1	Create a job rate override for the contract line associated with the receiver project.	Task level

## Override a Cross-charge Rule or Rate, One Provider Business Unit, One Receiver Business Unit, Resource

If you are invoicing for a contractor, you may want to create an override at the resource level. The following table explains how to configure your contract billing and contract line details to override a cross-charge rule or rate between a provider and receiver business unit, for a specific resource on a project.



Bill Plan	Schedules and Overrides	Associated Projects
Bill Plan 1	Create a person rate override for the contract line associated with the receiver project.	Task level

## Create Contract for Percent Spent Invoice and Revenue Methods

This example describes a scenario where transactions for a contract line need to be invoiced and the revenue recognized using the percent spent method.

The following table summarizes key decisions for this scenario.

Decisions to Consider	In This Example
What are the revenue and invoice method classifications?	Percent Spent
What is the billing extension calculation level for the contract line and project association?	Project level

### Summary of the Tasks

Create a contract, create the percent spent contract lines, create the bill plan, create the revenue plan.

### Prerequisites

1. Create a project.
2. Create a financial project plan for the project.
3. Specify the desired cost plan type on the percent spent invoice or revenue billing extension.
4. If the class of the selected cost plan type is:
  - o Budget: create a project budget, set as current working, and create a baseline.
  - o Forecast: create a project forecast, set as current working, and approve.
5. Enter labor and expense transactions for the project.
6. Collect costs for the transactions.

### Creating the Contract

1. On the **Contract Overview** page, expand Search and look for the contract with the attributes listed in the following table.

Field	Value
Contract Type	Sell: Project Lines

Field	Value
<b>My Contracts</b>	If this field is checked, remove the check mark.
<b>Party Name</b>	Vision Software Install

2. Click **Search**.
3. In the Search Results region, select the row for the PJB contract (VO), Version 1.
4. Click **Actions > Duplicate**.
5. On the Duplicate Contract window, enter the values listed in the following table.

Field	Value
<b>Contract Number</b>	Your initials, PS001 (For example, TP PS001)
<b>Start Date</b>	01/01/2010
<b>All other fields</b>	Enable check boxes

6. Click **Yes**.

## Creating the Percent Spent Contract Lines

1. Select the **Lines** tab, and select the **Amount Based Invoice, Percent Spent Revenue** row. Confirm the amount is \$250,000.
2. Select the **Billing** tab, and select the row with the \$250,000 soft limit.
3. Click **Resource Member**, and select **Labor (Expenditure Category)**.
4. Click the **Create** icon. Click **Resource Member**, and select **Expenses**.
5. Enter 30,000 for **Soft Limit**.
6. Click **Save**.
7. Select the **Associated Projects** tab, and the **Create** icon.
8. Enter the information listed in the following table.

Field	Value
<b>Project Name</b>	Select the project you created in the earlier example.
Funded Amount	100,000

9. Click **Save**.

## Creating the Bill Plan

1. Select the **Header** tab, and click **Billing**.
2. Select the row with the **BP PS1 Bill Plan**.
3. Verify the information described in the following table.

Field	Value
Method Name	Percent Spent
Billing Cycle	Last Day of the Month

4. In the Associated Contract Lines region, select the **Add** icon.
5. In the Select and Associate: Contract line window, click **Search**.
6. Select the row containing Contract Line Number 4.
7. Click **Submit**.
8. Click **Save**.
9. Select the Billing Extensions tab.
10. Verify the information described in the following table.

Field	Value
Name	Percent Spent Invoice
Status	Active
Calculation Level	Associated Project

11. Click **Save and Close**.

## Creating the Revenue Plan

1. From the **Header** tab, click **Billing**.
2. Select the row with the **RP PS1 Revenue Plan**.
3. Verify if the following information is present:

Field	Value
Method Name	Percent Spent Revenue
Contract Line Number	4

4. Select the Billing Extensions tab.
5. Verify the information described in the following table.

Field	Value
Name	Percent Spent Revenue
Status	Active
Calculation Level	Associated Project

6. Click **Save and Close**.

## Can I create a contract for intercompany billing with transfer price rules?

Yes, but only if you derive rates for an intercompany contract based on an organization hierarchy structure instead of the bill rates defined on a bill plan.

The contract line and bill plan architecture lets you specify a different bill plan for each provider and receiver organization. Select a bill rate or burden rate schedule for each of your contract bill plans. However, if your rates are defined at a granular level, you may need to derive rates for an organization hierarchy structure using transfer price rules.

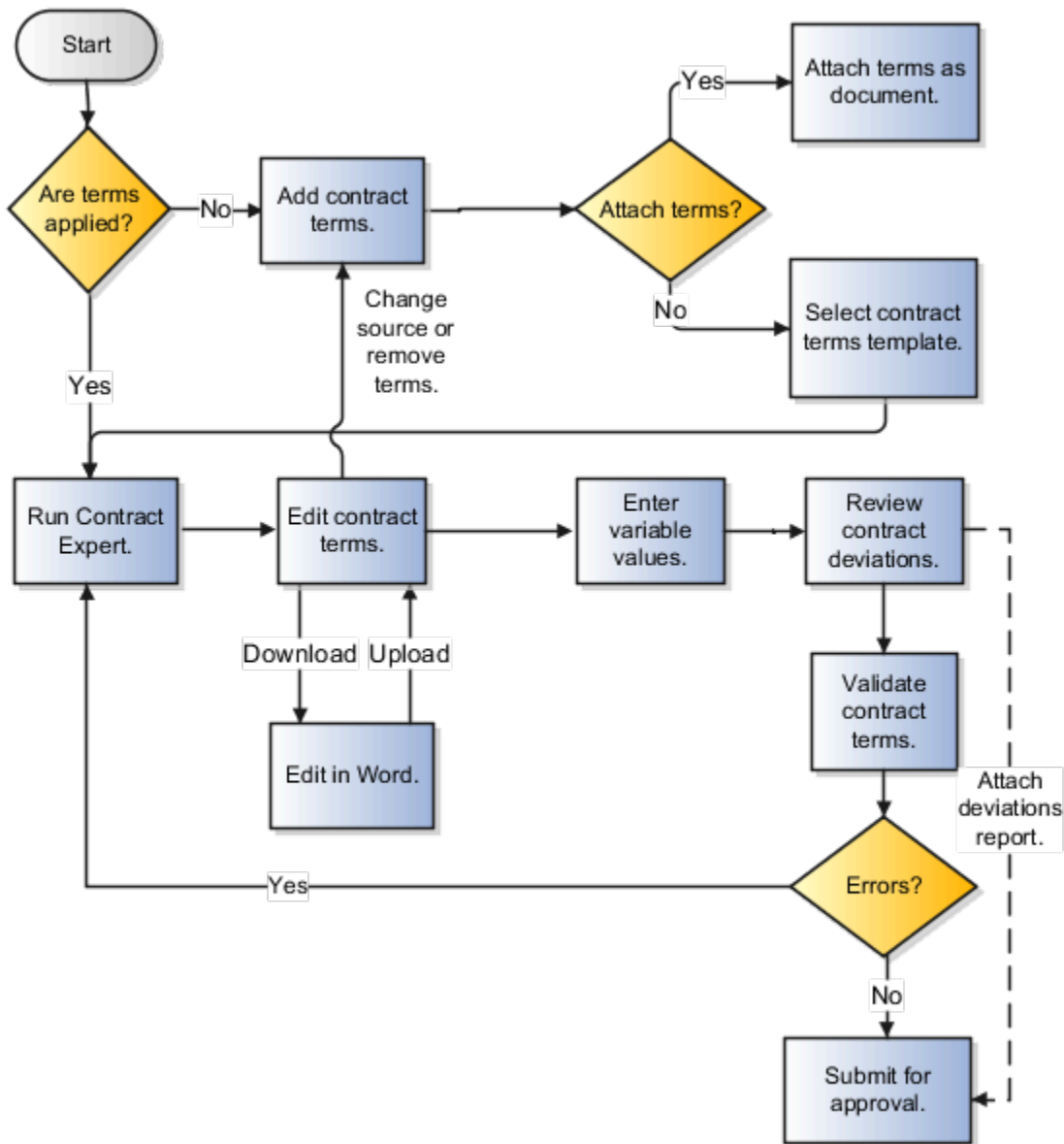
# 4 Author Contract Terms

## How Authoring Contract Terms Works

This topic provides an overview of contract terms authoring on the Contract Terms tab when you create or edit the contract by selecting the Create Contract and Edit Contract tasks in the Manage Contracts page or the Contracts work area.

Just what actions you can take during contract terms authoring depends on your implementation, your privileges, and contract type. Some contracts may have their contract terms already populated from a contract terms template and permit you only to add and delete clauses from the Contract Terms Library. Other contracts may allow you to create nonstandard clauses or require you to answer questions to determine if additional clauses are required. For some contracts, you may attach the contract terms in a separate document and not use the authoring capabilities of the application at all.

This diagram illustrates the contract terms authoring process:



If the contract terms aren't applied in the Contract Terms tab, then you must add them either by selecting a contract terms template or by attaching the contract terms in a file. Choosing a contract terms template populates the tab with the contract terms from that template. If you choose to attach the contract terms as a document, then you must continue to work outside the application.

Some contract terms templates require you to run the Contract Expert feature and enter additional information to determine if more clauses are required. You can edit the contract terms either in the application or outside the application using Microsoft Word 2007.

You must enter any missing values for variables. Optionally, you can change the contract terms source, either switching to a different contract terms template or attaching the terms in a document. Alternately, you can remove all of the contract terms completely. You can also check for any clause updates in the Contract Terms Library.

You can run a report detailing the changes you made to the contract terms applied from a template and have the deviations report submitted for approval along with the contract.

The last step before submitting the contract for approval is to validate your contract terms and eliminate any errors.

## Specify the Source of Contract Terms

The first step in the contract terms authoring process is to specify the source of your contract terms. The contract source can be either a contract terms template or an external document.

## Run Contract Expert

Some contract terms templates require you to run the Contract Expert feature to determine whether additional clauses must be added. You can tell if you must run Contract Expert when the Clauses tab includes the Contract Expert Last Run indicator before the contract terms preview region. When you run Contract Expert by selecting the **Run Contract Expert** action, Contract Expert may ask you to enter values for contract variables and to answer questions. If you don't run Contract Expert on a contract that requires it, then you receive a warning message during contract validation.

## Edit Contract Terms

Depending on the contract, you can, add, move, and delete clauses and sections. For example, you can add standard clauses, substitute alternate clauses for existing clauses, and edit standard clauses or create nonstandard clauses that are specific to the contract.

- You edit the contract terms by using the outline. You can preview the clauses by selecting clauses in the outline.
- You can edit the contract terms outside the application using Microsoft Word. You select the **Download Contract** action to export the contract terms to a file, make your edits, and select the **Upload Contract** or **Upload to Another Contract** action to import your changes back into the application.

Keep these points in mind when editing contract terms:

- Manually inserting bulleted lists isn't supported in the editor; instead, use hyphens, or use the import feature.
- For clauses that have been imported, set the indent in the XML Word file to 1 cm or 0.4 in for the numbering scheme at the first level.

## Enter Missing Variable Values

Select the **Edit Variable Values** action to enter any missing variable values. The Clauses tab displays the number of missing values in the **Pending Variables** indicator. You must enter any missing values before you submit the contract for approval. Missing variable values generate warnings during contract validation. Entering variable values using this action is equivalent to entering these values when running Contract Expert.

## Check for Clause Updates

Select the **Check for Clause Updates** action to check if a more recent clause version is available in the Contract Terms Library.

## Change the Contract Source and Remove Contract Terms

Select the **Change Contract Source** action to change the source of the contract terms from one template to another, from a template to an attachment, or from an attachment to a template.

- If you change templates, the application removes all sections and clauses added by the original template, including any you have edited. Only new clauses you added are kept under the Unassigned section heading.

- If you decide to attach the contract terms in a file to replace those from a template, then you have the option of retaining the terms from the template for reference. If you replace attached contract terms with those from a template, then the attachment is stored as one of the contract documents.
- Select the **Remove Contract Terms** action to remove all contract terms from the contract. Removing contract terms removes all contract terms documents.

## Review Deviations and Validate Contract Terms

Select the **Review Contract Deviations** action to generate a report that lists differences between the contract terms in the contract and the contract terms in the contract terms template. The deviations report lists:

- Standard clauses you added, edited, or deleted
- Alternate clauses you selected to replace the standard clauses
- Nonstandard clauses you created for this contract
- Missing clauses recommended by Contract Expert
- Outdated clause versions
- Policy deviations

You can attach the report with your comments to the notification the application sends to approvers when the contract is submitted for approval. The report is automatically refreshed at the time the contract is submitted to ensure it contains the latest information. All existing comments are deleted from the contract when:

- An approver rejects or resubmits the contract.
- You stop the approval process and submit it again for approval

A new approval workflow is triggered when these actions are performed, resulting in the deletion of all existing comments.

**Note:** For deviation category setup information, see [How You Set Up Approval Groups and Approval Task Configuration Rules](#).

Select the **Validate Contract Terms** action to determine if the contract terms are ready to be submitted for approval. Validation can generate both errors and warnings. You must correct the errors. Correcting the warnings is optional. For example, you receive an error if:

- The contract terms contain a clause that the Contract Terms Library administrator has updated, placed on hold, or made inactive.
- The contract terms template is inactive.
- The contract terms contain incompatible clauses.
- A section in the contract terms doesn't contain any clauses.
- A contract terms amendment doesn't contain a description.
- Some of the contract variables don't have values.

You receive a warning if you didn't run Contract Expert as required by the contract terms template or you didn't answer all of the Contract Expert questions. The application runs the validation process automatically when you attempt to submit the contract for approval, and displays any remaining errors and warnings at that time.

You can download the Microsoft Word and PDF versions of the deviation report for both Buy and Sell contracts. The associated data model XML for the deviation report lists all the tags and the values from the specific contract. You can



add the attributes to the SupplierContractDeviations and CustomerContractDeviations templates in Oracle Business Intelligence Publisher. Standard attributes, descriptive flexfields, custom attributes, custom child objects, and related object attributes of contracts are supported. This feature is controlled by the opt-in option, Print Standard and Custom Attributes in Deviation Reports. You can enable the opt-in from Setup and Maintenance area of your application.

If you do opt in:

- The data model XML displays the new version XML with all the supported standard attributes, custom attributes, and custom objects that have values.
- After adding standard and custom attributes according to the data model XML, you can see the values for those attributes in the deviation report.

If you don't opt in:

- The data model XML displays the old version of the XML with all of the standard attributes that were supported before this feature.
- If you add tags to the data model XML that are unlisted to the deviation report, you can't see the values of those attributes.

By default, the deviation report displays the system and user variable names. If you want to view the values instead of variable names, use the opt-in option, Show Variable Values in Supplier and Customer Contract Deviation Reports. You can use the opt-in from the Setup and Maintenance area of your application.

#### Points Specific to Procurement Contracts:

- You can add standard attributes related to Purchasing (purchase orders and agreements) in the SupplierContractDeviations template and to view the values in the report, expand **Procurement > Purchase Agreements > Manage Agreement > Contract Terms > Terms Action > Review Contract Deviations > Download**.
- You can add standard attributes related to Sourcing (negotiation) that are supported in the SupplierContractDeviations template, and to view those values in the report, expand **Procurement > Negotiation > Manage Negotiation > Contract Terms > Terms Action > View Contract Deviations > Download**.

#### Related Topics

- [How Contract Expert Works During Authoring](#)
- [How Reviewing Contract Deviations Works](#)
- [How Editing Contract Terms in Microsoft Word Works](#)
- [Edit Contract Terms in the Clauses Tab](#)

## Get Started Authoring Contract Terms

### Considerations for Selecting Contract Source

The first step in the contract terms authoring process is to specify the source of your contract terms.

Here are the two ways you can add contract terms to a contract using the Contract Source option:

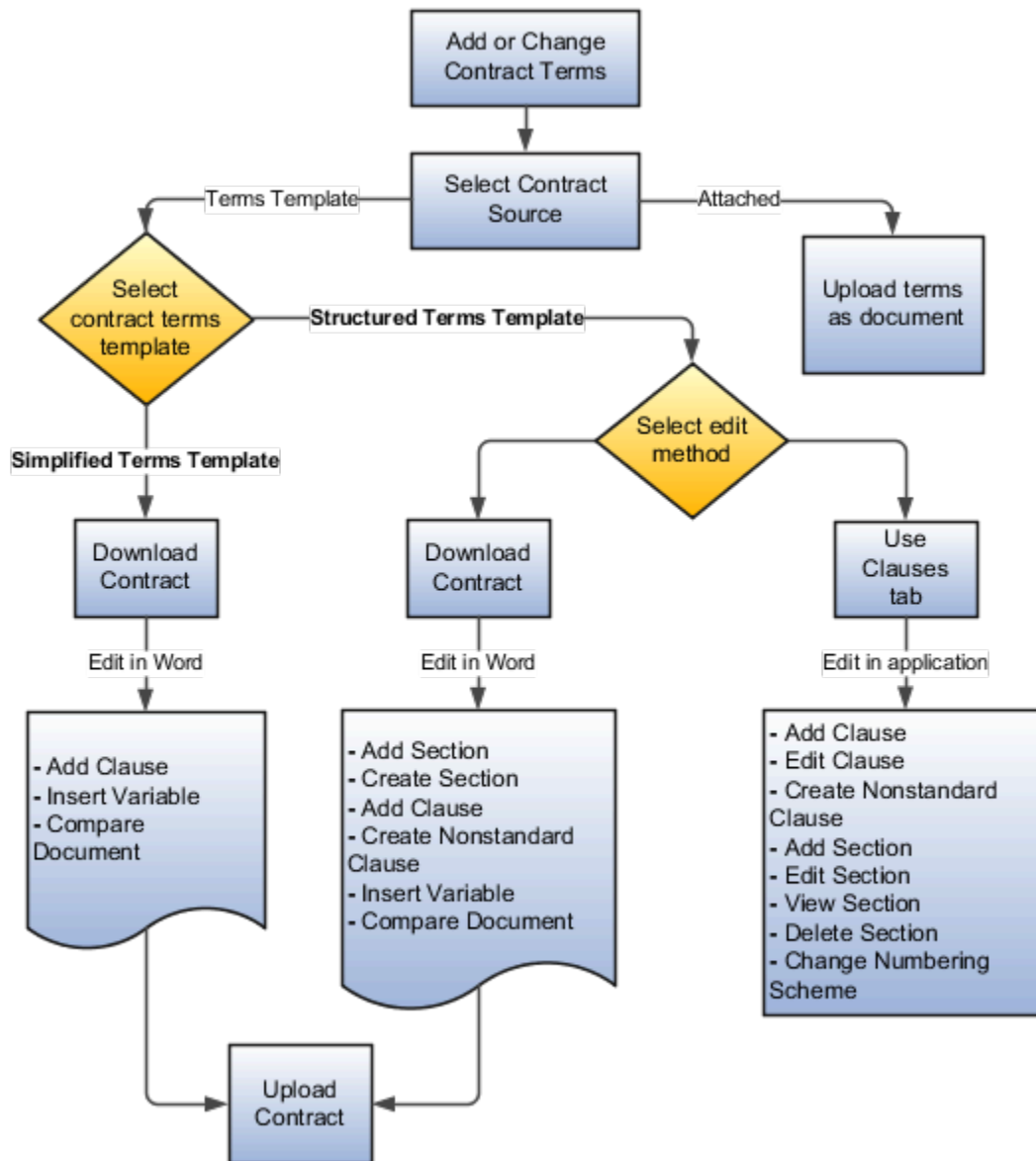
- Attached
- Terms Template

In some contracts, contract terms are applied automatically from contract terms templates based on rules set up by the Contract Terms Library administrator. In other contracts, you must add the contract terms yourself. You can either accept the template recommended by the application, select a different template, or attach the contract terms in a separate document. Depending on your permissions, you can change the source of the contract terms at any time by selecting the **Change Contract Source** action.

When adding or changing the contract terms using terms template, you can select either:

- A template derived from the structured terms template
- A template derived from the simplified terms template

Here's a diagram that illustrates different options you can use to add contract terms and associated actions you can perform to edit contract terms:



## Attached

Using the Attached option, you can create contract terms by adding all the terms and conditions in a document and uploading the document as an attachment. Use this option to upload your document in common document formats, such as .docx, .xps, or .xml.

You can use the attached option when you don't want to:

- Use the authoring capabilities available within the application.
- Use a contract terms template to add the approved contract terms stored in the centralized repository.
- Use the deviations reporting and clause analysis features.

- Use flexibility available within the application to handle translation.
- Use application driven standard and style for authoring your contract.
- Use the Contract Expert feature to determine if the contract deviates from company policies or if any additional clauses are required

**Note:** Specifying that the contract source is an attached file and uploading a file isn't the same thing as attaching a file to the contract on the **Documents** tab. The latter only attaches a supporting document.

## Structured Terms Template

In the structured terms template, the contract terms are created using the building blocks of individual clauses and sections stored in the Terms Library page.

This template requires your contract administrator to manually break down the contract terms into sections and clauses, store them in the Contract Terms Library, and then arrange them in a template. Once the contract terms template is approved, you can start using it in your contracts.

It's ideal, wherever possible, to use this template in your contracts to significantly automate the contract authoring process with centralized templates and clauses.

As this template uses clauses stored in the Contract Terms Library, it's easier and faster to update a clause used in multiple templates. Once you modify a clause information in the Contract Terms Library, all the templates using the same clause reflect the updated information automatically. This ensures accuracy and consistency in the language of the contract terms across all contracts using the same clause or template.

Use the structured terms template when you want to:

- Use deviations reporting and clause analysis features to find out added, edited, and deleted information in your clauses. The deviations report lists:
  - Standard clauses you added, edited, or deleted
  - Alternate clauses you selected to replace the standard clauses
  - Nonstandard clauses you created for this contract
  - Missing clauses recommended by Contract Expert
  - Outdated clause versions
  - Policy deviations
  - View and analyze the changes done in each clause of the contract
- Edit the contract terms from either the application or word document.
- Use application driven standard and style for authoring your contract.
- Use flexibility in handling translation for clauses.
- Compare edited clause with the standard clause stored in terms library. Changes made to clause text are highlighted in colored text. The deleted text is displayed in red with strikethrough while the inserted text in green with underlining.
- Prevent others from editing the contract terms at the same time. Thus eliminating information silos.
- Assign or change the numbering scheme from within the application.

- Use the Contract Expert feature to specify which clauses are mandatory for a contract or protected against updates during negotiation

## Simplified Terms Template

In the simplified terms template, the contract terms are created by adding all the information in a word document and uploading this document as an attachment in the .docx format.

This template enables your contract administrator to create a terms template quickly and easily by simply uploading an existing legal terms document without enforcing application driven segmentation, formatting, or style. Adding all the contract terms in one document helps in avoiding the complexity and efforts of breaking the contract terms into individual sections and clauses and then arranging them in a contract terms template.

The simplified terms template enables you to add the approved terms document stored in the centralized repository so that the same document can be reused across multiple contracts. Because clauses are directly used from a document and not retrieved from the Contract Terms Library, the updated or rearranged clauses information isn't automatically reflected in all the simplified terms templates. To keep the information consistent, you must individually update the information in all the templates. This can create consistency issues in the contract terms language when you have the same clause or terms document used across multiple simplified terms templates.

You can use the simplified terms template when you want to:

- Use the ease of authoring contract terms in the word document by ignoring the level of clause scrutiny offered with the structured terms template.
- Avoid using the application driven standard and style for creating terms document.
- Prevent others from editing the contract terms at the same time. Thus eliminating information silos.
- Use the Contract Expert feature.

## Considerations for Changing the Source of Contract Terms

Depending on the contract, its status, and your privileges, you may be able to change the contract source by selecting the Change Contract Source action on the Contract Terms tab, for instance by replacing the current contract terms template with another.

You can use this action to do the following:

- Switch templates
- Replace the contract terms in the application with an attached file
- Replace the contract terms attached in a file with those in another file
- Replace the contract terms attached in a file with those from a contract terms template

### Switching Templates

Switching templates by applying a different template removes all of the contract terms applied from the old template, including any that you may have edited and changed into nonstandard clauses. The application moves any standard clauses you added or any nonstandard clauses you created from scratch to the Unassigned section. The Unassigned section, which is created automatically, doesn't appear in the printed contract. You must move any clauses from the Unassigned section to other sections if you want them to be part of the new contract terms.

**Note:** If you're switching templates in Oracle Fusion Purchasing or Oracle Fusion Sourcing contracts, then you can retain contract terms deliverables by selecting the **Retain All Deliverables** option.

## Replacing the Contract Terms in the Application with an Attached File

You may need to attach the contract terms to replace the contract terms in the application, if you're editing the contract terms in Microsoft Word and there are too many changes to import back into the application. When you change the contract terms source from a contract terms template to an attached file, the application removes all of the contract terms and contract documents. You can select the **Retain Structured Terms for Reference** option to include the contract terms in the contract deviations report, contract terms validation, and clause analysis.

## Replacing One Attached File with Another

When you change the contract terms source from one file to another, the application deletes the old file if the file name is the same. If the new file name is different, then the application preserves the file you're replacing in contract Documents.

**Note:** The old file is not preserved in Oracle Fusion Sourcing because negotiation documents don't include the Documents tab.

## Replacing an Attached File with a Contract Terms Template

When you replace an attached contract terms file with the terms from a contract terms template, the application retains the file for reference on the Documents tab except in Oracle Fusion Sourcing where the file is deleted.

# Work with Contract Terms

## Edit Contract Terms in the Clauses Tab

Depending on your permissions of the contract type and the contract status you can edit the contract terms displayed in the Clauses tab by using the outline. You must refresh the preview pane to see the results of your edits.

On the Clauses tab you can:

- Edit clauses
- Edit sections
- Change the numbering style

## Editing Clauses

You can edit standard clauses or create a completely new clause using one of the following actions:

- Add a clause
- Delete a clause
- Move a clause
- Select an alternate clause

- Create a nonstandard clause

Different clause types permit different actions. For example, you can only select alternate clauses for clauses where alternates are available and you cannot edit protected clauses or delete mandatory clauses unless you have special permissions. Mandatory and nonstandard clauses are highlighted with icons as are clauses with available alternates. The following table summarizes what actions are available for different clause types.

Clause	Available Actions
Standard	<ul style="list-style-type: none"> <li>• Add</li> <li>• Move</li> <li>• Delete</li> <li>• Edit to create a nonstandard clause</li> </ul>
Nonstandard	<ul style="list-style-type: none"> <li>• Create by adding and editing a standard clause or create an entirely new nonstandard clause</li> <li>• Move</li> <li>• Delete</li> <li>• Edit</li> </ul>
Protected	<ul style="list-style-type: none"> <li>• Add</li> <li>• Move</li> <li>• Delete</li> <li>• Edit only with special privileges</li> </ul>
Mandatory	<ul style="list-style-type: none"> <li>• Move</li> <li>• Delete only with special privileges</li> <li>• Edit only with special privileges</li> </ul>
Alternate	<ul style="list-style-type: none"> <li>• Move</li> <li>• Edit to create a nonstandard clause</li> <li>• Delete</li> <li>• Select an alternate clause</li> </ul>

## Editing Sections

You can add, edit, delete, and move sections. When you move or delete a section, you move or delete its contents provided you have the permission to do so. For instance, you cannot delete a section if that section includes a mandatory clause and you do not have the special permission required to delete such clauses. When adding or editing a section, you have the option of selecting predefined sections from the Contract Terms Library or creating your own.

## Changing the Numbering Style

You can change the numbering style of the contract terms by selecting the **Change Numbering Scheme** action.

A standard clause displays both the clause number and clause title, whereas a nonstandard clause only displays the clause title. Once you update a standard clause using word document and upload the contract, the standard clause

becomes a nonstandard, and the clause number is removed. To retain the clause numbering for nonstandard clauses, you can use the clause numbering scheme in contract terms template.

#### *Related Topics*

- [How Authoring Contract Terms Works](#)
- [Considerations for Creating Nonstandard Clauses During Authoring](#)

## Contract Authoring with Contract Terms Templates

Contract Terms Library administrators set up contract terms templates to apply contract terms and conditions based on the type of contract you're authoring.

Depending on the setup, the application can automatically apply the contract terms and conditions from a template or let you select which contract terms template to apply manually.

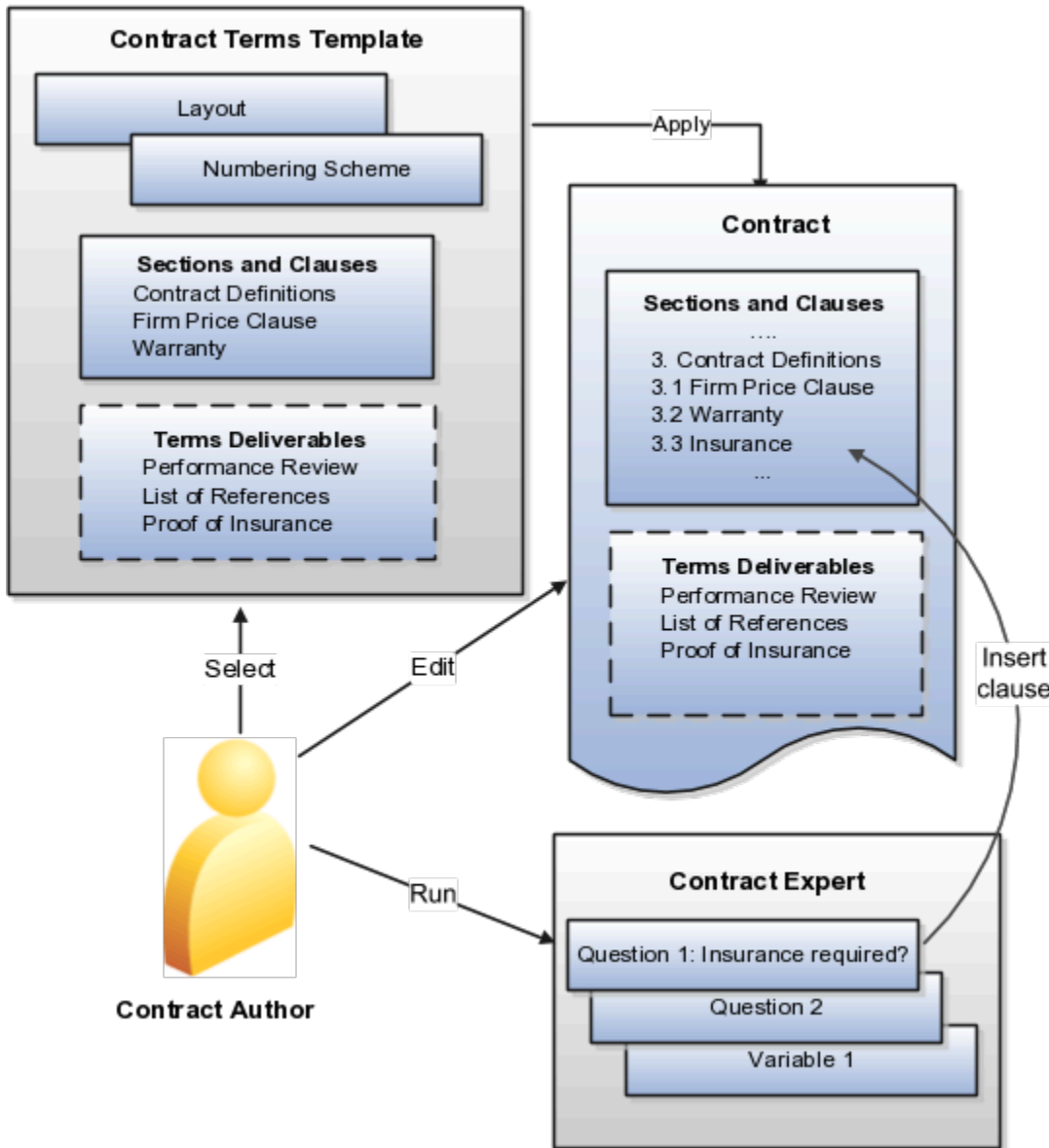
A contract terms template you apply on a contract can do the following:

- Add sections and clauses from the Contract Terms Library into your contract.
- Specify which numbering scheme and layout is used in the printed contract terms.
- Require you to run the Contract Expert feature to determine whether additional clauses are required in the contract or to determine if the contract conforms to company policies.
- Permit you to edit some or all of the contract terms and conditions. Some clauses may be protected from editing.
- Include contract deliverables for tracking scheduled milestones, such as performance reviews, and other commitments, such as references and proof of insurance.

The following figure provides an example of how you work with a contract terms template: The application applies the terms and conditions from the contract terms template either automatically or when you select the template manually. The Contract Terms tab now contains the contract terms and conditions from the template. The sections and clauses are numbered according to the template's numbering scheme. In enterprise contracts, the Deliverables tab lists the contract deliverables (shown in the boxes demarcated with dotted lines). You can edit the clauses on the Contract Terms tab using the outline. If the template requires you to run Contract Expert, you may be asked to answer questions and enter values for contract variables. Depending



on your entries, Contract Expert may insert additional clauses that weren't present in the template itself.



## Adding and Editing Sections and Clauses

The contract terms template can include all the boilerplate clauses required for a contract such as a warranty, for example, or just a few of the common clauses such as the governing jurisdiction. These are inserted automatically into the contract terms when the template is applied.

Depending on your privileges, you can add additional standard clauses, substitute an alternate clause for an existing clause, edit standard clauses or add new nonstandard clauses that are specific to the contract. Any change you make to the clauses applied from the template will be recorded as a clause deviation in the contract deviations report you run before you submit the contract for approval.

## Running Contract Expert

Some contract terms templates require you to run the Contract Expert feature to determine whether additional clauses must be added. You can tell if you must run Contract Expert when the Clauses tab includes the Contract Expert Last

Run indicator before the contract terms preview region. When you run Contract Expert by selecting the **Run Contract Expert** action, Contract Expert may ask you to enter values for contract variables and to answer questions. If you don't run Contract Expert on a contract that requires it, then you receive a warning message during contract validation.

## Adding Contract Deliverables

If the contract terms template includes contact deliverables, then these deliverables are visible only when the template is applied to a contract. You can use these contract deliverables in a contract for the submission and tracking of contractual deliverables such as reports and inspections. These deliverables are updated both by employees within your organization and by external party contacts designated as the responsible party contacts on the deliverables. Contractual deliverables are listed in a clause in the contract terms.

### Related Topics

- [How Authoring Contract Terms Works](#)
- [How Contract Expert Works During Authoring](#)
- [How You Activate and Revise Contract Terms Templates](#)
- [How Contract Terms Templates Work](#)

## Contract Terms Authoring Actions

This topic lists and briefly describes the actions for authoring contract terms. The actions in the Actions menu are divided into four groups.

There are actions for:

- Authoring within the application
- Authoring in Microsoft Word
- Checking your work
- Starting over

**Note:** The Actions menu appears only after you add contract terms. Which actions are available on a contract depends on your implementation, the contract type, and the contract life cycle.

### Actions for Authoring Within the Application

The following actions are related to authoring within the application:

Action	Description
Edit Variable Values	Select the <b>Edit Variable Values</b> action to enter any missing variable values. The Clauses tab displays the number of missing values in the <b>Pending Variables</b> indicator. You must enter any missing values before you submit the contract for approval. Missing variable values generate warnings during contract validation. Entering variable values using this action is equivalent to entering these values when running Contract Expert.
Run Contract Expert	Some contract terms templates require you to run the Contract Expert feature to determine whether additional clauses must be added. You can tell if you must run Contract Expert when the Clauses tab

Action	Description
	includes the Contract Expert Last Run indicator before the contract terms preview region. When you run Contract Expert by selecting the <b>Run Contract Expert</b> action, Contract Expert may ask you to enter values for contract variables and to answer questions. If you don't run Contract Expert on a contract that requires it, then you receive a warning message during contract validation.

## Actions for Authoring Contract Terms Using Word

The following table lists the actions you can use for editing the contract terms outside the application using Word.

Action	Description
Download Contract	Use the Download Contract action to export the contract terms sourced from: <ul style="list-style-type: none"> <li>The structured terms template as an XML file you can edit in Word.</li> <li>The simplified terms template as a DOCX file you can edit in Word.</li> </ul>
Upload Contract	Use the Upload Contract action to import the edits you made in Word. You can only upload a file that was originally downloaded from the application. The upload process for the simplified terms template requires the file to be in the DOCX format.
Upload to Another Contract	Use the Upload to Another Contract action to import the edits you made in Microsoft Word document downloaded from one contract to another contract.
Lock Contract Terms	Use the Lock Contract Terms action to prevent anyone from editing the contract terms in the application while you are editing the contract terms offline in Word.

## Actions for Checking Your Work

The following table lists the actions for checking the contract terms meet your organization's standards.

Action	Description
Review Contract Deviations	Select the <b>Review Contract Deviations</b> action to generate a report that lists differences between the contract terms in the contract and the contract terms in the contract terms template. The deviations report lists: <ul style="list-style-type: none"> <li>Standard clauses you added, edited, or deleted</li> <li>Alternate clauses you selected to replace the standard clauses</li> <li>Nonstandard clauses you created for this contract</li> <li>Missing clauses recommended by Contract Expert</li> <li>Outdated clause versions</li> <li>Policy deviations</li> </ul>
Check for Clause Updates	Select the <b>Check for Clause Updates</b> action to check if a more recent clause version is available in the Contract Terms Library.

Action	Description
Validate Contract Terms	<p>Select the <b>Validate Contract Terms</b> action to determine if the contract terms are ready to be submitted for approval. Validation can generate both errors and warnings. You must correct the errors. Correcting the warnings is optional. For example, you receive an error if:</p> <p>The application automatically performs the same contract terms validation whenever you submit the contract for approval.</p>

## Actions for Starting Over

The following table lists the actions you can use to start over.

Action	Description
Change Contract Source	<p>Select the <b>Change Contract Source</b> action to change the source of the contract terms from one template to another, from a template to an attachment, or from an attachment to a template.</p> <p>If you change templates, the application removes all sections and clauses added by the original template, including any you have edited. Only new clauses you added are kept under the Unassigned section heading.</p>
Remove Contract Terms	<p>Select the <b>Remove Contract Terms</b> action to remove all contract terms from the contract. Removing contract terms removes all contract terms documents.</p>

### Related Topics

- [How Authoring Contract Terms Works](#)

## Considerations for Creating Nonstandard Clauses During Authoring

If you don't find the standard clause you need in the Contract Terms Library, then you can create a nonstandard clause either by adding a similar standard clause and editing it or by creating an entirely new nonstandard clause.

### Creating a Nonstandard Clause by Editing a Standard Clause

Adding a similar standard clause and editing it makes it possible at any time to revert back to the most recent version of the original standard clause and to compare the nonstandard clause text with the text of the most recent version of that standard clause. The changes made to clause text are highlighted in colored text. The deleted text is displayed in red with strikethrough while the inserted text in green with underlining. This helps you conveniently analyze the modifications made in the contract document.

Application changes your standard clause into the nonstandard clause when you:

- Update the text
- Suppress the title for a clause

- Skip the numbering for a clause

## Creating a New Nonstandard Clause

Creating an entirely new nonstandard clause doesn't permit you to revert to a similar standard clause or compare the text. Both types of nonstandard clauses are listed as deviations in the Contract Deviations report submitted along with the contract for approval.

## How Contract Expert Works During Authoring

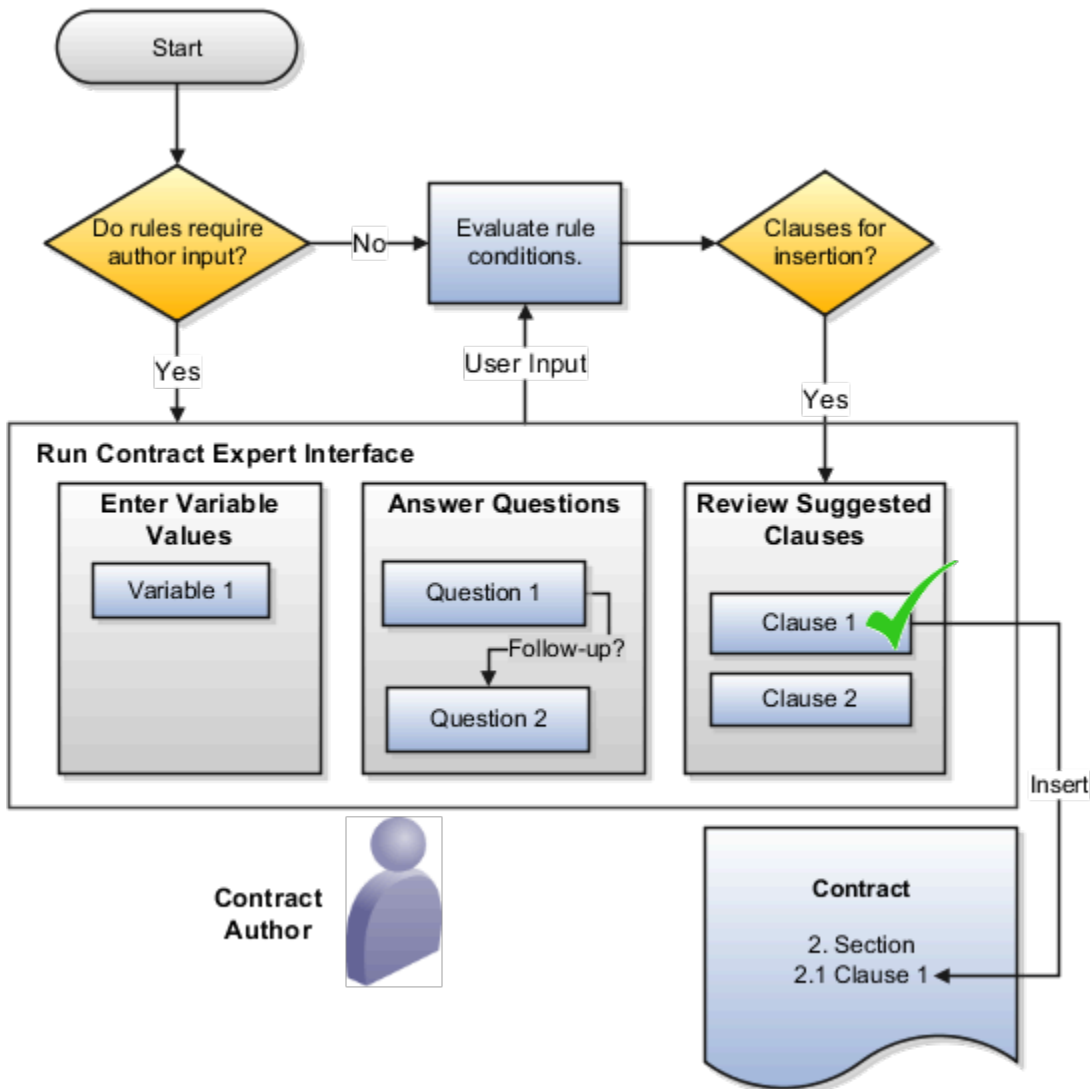
If a Contract Expert-enabled contract terms template is applied to your contract, then you must run Contract Expert to determine if the contract deviates from company policies or if any additional clauses are required.

When you run Contract Expert, you may be asked to enter values for contract variables or to answer questions. Based on your responses, Contract Expert may suggest additional clauses from the Terms Library for insertion into the contract terms. If you fail to run Contract Expert on a contract which requires it, then you will receive a warning when you attempt to submit the contract for approval or when you download the contract for editing in Word 2007 or later versions. You can run Contract Expert at that time.

The following figure illustrates what happens when you run Contract Expert by selecting the Run Contract Expert action from the Actions menu or by clicking the icon at the top of the preview section on the Clauses tab. The application: Prompts you to respond to questions and to specify values for variables. In some cases, additional questions may appear depending on the responses that you provide to previous questions. If you already ran Contract Expert on the contract before, the application remembers the values you entered previously. Evaluates your entries to determine if the contract requires additional clauses and displays them for your review. Inserts the selected clauses into the contract terms either in the locations that you specified on the terms template after you made these clauses conditional or in the designated default section under clauses or under terms. On

subsequent runs, Contract Expert removes any clauses it inserted previously and starts evaluating afresh.

### Running Contract Expert During Contract Authoring



### Contract Expert Removes Any Clauses It Inserted Previously

If this is not the first time you are running Contract Expert, then the feature removes the clauses that it inserted previously, even if you moved them to other sections. Contract Expert does not remove any of the clauses you turned into nonstandard clauses by editing them.

### Contract Expert Prompts You to Enter Additional Information

Contract Expert starts evaluating any business rules entered by the Contract Terms Library administrator for the contract terms template being used on your contract. If the rules require your entry, then Contract Expert displays pages where you enter variable values and answer questions. Answers to questions can trigger follow-up questions. In this figure, the answer to Question 1 triggered the follow-up Question 2.

## Contract Expert Evaluates Your Entries and Displays Any Additional Clauses to Review

Contract Expert completes evaluating the business rules based on any additional information you provided and displays the recommended clauses for your review before inserting them into the contract terms.

You can reject a recommended clause by deselecting the **Insert Into Document** option on the Review Suggested Clauses page provided you have sufficient privileges. Your rejection is listed as a warning when you review contract deviations. If you do not have the required privileges, you cannot deselect this option.

## Contract Expert Inserts Additional Clauses Into the Contract

Contract Expert inserts the additional clauses into the contract either in the locations that you specified on the terms template after you made these clauses conditional or in the designated default section under clauses or under terms. In addition, if there are any pending variables after running the Contract Expert, a message prompts you to enter the value for the variables.

### Related Topics

- [How Authoring Contract Terms Works](#)
- [How can I predefine locations of Contract Expert clauses in the contract?](#)

# Contract Terms in Microsoft Word

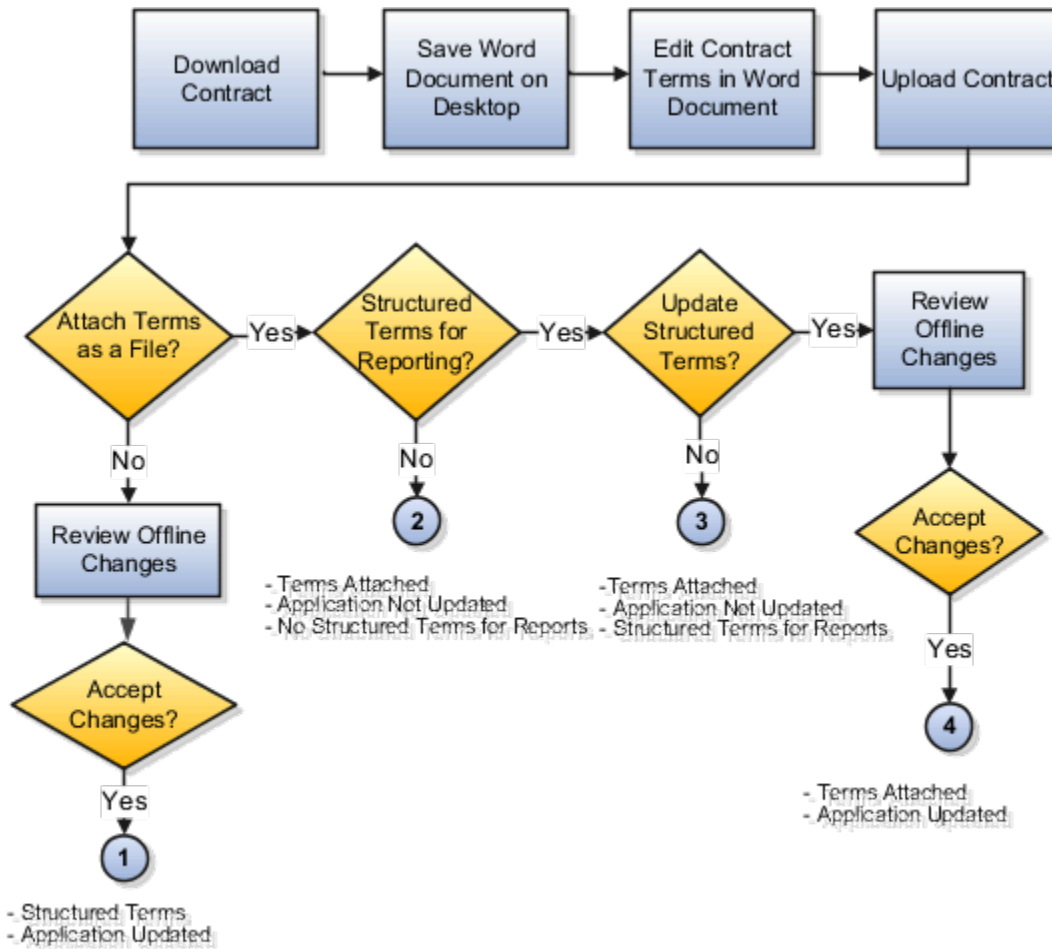
## How Editing Contract Terms in Microsoft Word Works

You can edit contract terms offline using Microsoft Word and then import the edits back into the application from the Word document.

Download the contract terms to your desktop by selecting the **Download Contract** action in the Contract Terms tab. You can lock the contract terms in the application while you're editing them offline.

**Note:** You download a contract terms document created using a structured terms template as an xml file. You download a simplified terms template as a docx file.

Open the contract terms document that you downloaded. Edit the file using Microsoft Word and accept or reject all changes. Select the **Upload Contract** action to upload your changes. Depending on your needs, different options make it possible to update the structured terms in the application with your changes or simply attach them as a file. The different use cases numbered in this figure are discussed in the Upload Your Edits section in this topic. If you decide to update the structured terms in the application, then you must review and accept the changes.



## Download the Contract Terms

Here are the actions you can use to download contract terms:

- File format: Downloads the contract in rtf or Word format based on your selection.
  - Source:
    - Regenerated contract terms: Downloads the contract based on the latest contract information and variables saved in the application. When you download a regenerated document, all tracked changes in the document are cleared. This is used as the default option when you're downloading your contract for the first time.
- Note:** When you download a contract previously uploaded from a different contract, you need to use the **Regenerated Contract Terms** option.
- Last revision document: Downloads the latest revision copy that was uploaded against the contract. With this option, changes made in the application aren't reflected in the downloaded contract document. Use this option when you want to keep changes (between previous versions) tracked in Microsoft Word. This is used as the default option after the contract is downloaded once.



- Lock contract terms until upload: Prevents others from editing the contract terms while you're working outside of the application.

## Edit Contract Terms Outside of the Application

Now that you're ready to edit your contract terms in Word, you have a choice to edit entirely offline or to use the Oracle Contracts Microsoft Word Add-in. Either choice provides integration with the application, but we recommend you consistently use one method or the other.

When you're downloading a contract in Word's .docx format, you can enter contract text anywhere in the document without being restricted by content control boxes. Content control boxes are displayed only for system and user variables.

If you want to automatically update the contract terms in the application with the edits you make in the Word file, then you must:

- Use only the file you downloaded for your edits.
- Enable Word's change control features to track your changes and accept the changes before you upload the file.
- Be aware of how your edits will be uploaded, as described here:
  - To add a new clause, apply the `clause Title` style. Press **Enter** and add the clause text. The clause text should automatically appear with the `Normal` style applied.
  - To add a new section, apply the `Heading` style.
  - If only clause title is added without clause text, it won't be imported.

There are no restrictions if you want to attach the edited file without updating the structured terms in the application.

## Upload Your Edits

You can upload a contract terms document sourced from one contract into the same or a different contract, using either the application UI or the Word add-in. When using the add-in to upload a contract, you can select:

- **Upload Contract** to upload a contract document to its original source in the application.
- **Upload to Another Contract** to upload a contract document to a different source in the application.

When you use **Upload to Another Contract**, you need to search for the contract before you can proceed with the upload. When you upload a modified document to a different contract, the application reports the changes made to the document in the Review Changes page.

To compare your uploaded document with the existing contract document, you need to download the existing contract document to create an initial version for comparison. Once uploaded, you can see your uploaded revision on the Documents tab.

The different use cases depend on your selection of these options:

- **Contract Source**  
Specifies whether you want the source of the contract terms to be the structured terms in the application or from the file you're uploading.
- **Update Contract Terms Automatically**  
Select this if you want the edits in the file imported into the application.
- **Retain Structured Terms for Reporting**

If you selected the file as the source of contract terms, then you can retain the contract terms in the application for reviewing contract deviations and other reports.

This table outlines the different options for uploading contract terms edited outside the application using Microsoft Word:

Use Case Number	Use Case	Contract Source Selection	Update Contract Terms Automatically	Retain Structured Terms for Reporting	Consequences
1	You want to import the edits from the file into the application.	Structured Terms	Selected	Not applicable for this use case.	<ul style="list-style-type: none"> <li>The contract terms in the application are updated with the edits from the Word document.</li> <li>The application remains the source of the contract terms.</li> <li>The file with your edits is uploaded as a supporting document.</li> </ul>
2	<p>The edits in the Word file are so extensive that importing them into the application is impractical.</p> <p>The contract terms in the file are so different, that running the contract deviations report against the terms in the application would be misleading.</p>	Attached Document	Deselected	Deselected	<ul style="list-style-type: none"> <li>The application isn't updated with changes.</li> <li>The Word file becomes the primary contract document.</li> <li>The structured terms in the application aren't retained for reports.</li> </ul>
3	You do not want to import the edits into the application, but you want to retain the contract terms in the application for reporting.	Attached Document	Deselected	Selected	<ul style="list-style-type: none"> <li>The application isn't updated with your changes.</li> <li>The Word file becomes the primary contract document.</li> <li>The structured terms are retained for reporting.</li> </ul>
4	You want to specify the attached file as the primary contract document, but want to import the changes	Attached Document	Selected	Selected	<ul style="list-style-type: none"> <li>The application is updated with your changes.</li> <li>The Word file becomes the</li> </ul>

Use Case Number	Use Case	Contract Source Selection	Update Contract Terms Automatically	Retain Structured Terms for Reporting	Consequences
	into the application for more accurate reporting.				primary contract document. <ul style="list-style-type: none"> <li>The structured terms are used for reporting.</li> </ul>

## Automatically Update Contract Terms in the Application

If you chose to update the contract terms in the application automatically, the application compares the contract terms in the file with those in the application and displays the changes in the Review Changes page.

**Note:** Before you upload, you must accept all tracked changes in the Word file. If the Accept and Reject buttons aren't enabled on the Review tab, you can enable them by selecting **Protect Document > Restrict Formatting and Editing** and clicking **Stop Protection**.

The application considers some – but not all – edits as changes for importing. Examples of changes that do get imported include:

- Adding a clause in the file adds the clause to the structured terms.
- Deleting a clause in the file counts as a deletion of the clause in the structured terms.
- Edits within the text of a standard clause, including the addition of spaces, turns the standard clause into a nonstandard clause.
- Text that you add outside the boundary of an existing clause is imported as a new clause.
- Headings you insert are interpreted as sections or clause titles, depending on their style. If you insert a heading with the `ClauseTitle2` style applied and that's followed by text with the **Normal** style applied, then the heading is imported as a clause title and the text as the clause text. If you enter a heading with the `Heading1` style, then it becomes a section.
- If you add a new clause without a heading, then the application automatically creates a clause title with a clause number based on the number of such clauses without titles. The first title is Clause 1 and the title of the ninth such clause is Clause 9.

The application doesn't import some edits, such as moving clauses or sections within the contract terms. Font changes are only imported if they're accompanied by another edit. For example, the application ignores clause text you placed in italics if that's the only edit you made. Nor does the application import any edits you may make to the clause or section numbers. It retains the numbering in the structured terms.

Also not imported are any changes in variable values you made in the Word document. You must edit the variable values in the application after your upload.

You can use the Review Changes page to either accept or reject all of the changes and to merge any clauses that were split accidentally. If you want to reject individual changes, then you must cancel the upload, make additional edits to the Word document, and upload again.

The application retains the file you uploaded as a supporting document. If the file name is the same as the previous version you uploaded, then the previous version is overwritten.

### Related Topics

- [Overview of Oracle Contracts Add-in for Microsoft Word to Edit Contract Terms](#)

## Overview of Oracle Contracts Add-in for Microsoft Word to Edit Contract Terms

When you edit contract terms offline using Microsoft Word, you can use the Oracle Contracts Add-in to update the contractual terms associated with a contract directly from the terms library.

Within Microsoft Word you can search and add clauses or sections from the library to your contract. You can also perform other modifications such as adding, modifying or deleting existing sections, clauses, and variables.

To edit contract terms using the Microsoft Word add-in:

- Download and install the Oracle Contracts Add-in for Microsoft Word.
- Download a contract for offline editing and use the Oracle Contracts menu from within Microsoft Word to edit the contract terms.

**Note:** The process of downloading and uploading contract terms is the same whether or not you choose to use the add-in.

### Related Topics

- [How You Install the Oracle Contracts Add-in for Microsoft Word](#)
- [Overview of Oracle Contracts Add-in for Microsoft Word to Edit Contract Terms](#)

## How You Install the Oracle Contracts Add-in for Microsoft Word

To edit contract terms using the Oracle Contracts Microsoft Word add-in, you first must download and install it.

### Installing the Add-in

1. Navigate to the Contract Terms tab of your contract.
2. From the Actions menu, select **Download Add-in for Microsoft Word**.
3. A ZIP file is downloaded to your default browser download location.
4. Open and extract the ZIP file to a local folder.
5. From the extracted files, run the `setup.exe` application file to install the add-in.

**Note:** You should repeat the download when a new version of the add-in has been released.

### Related Topics

- [Overview of Oracle Contracts Add-in for Microsoft Word to Edit Contract Terms](#)

## How the Oracle Contracts Add-in for Microsoft Word Works

You can edit contract terms offline using the Oracle Contracts Microsoft Word add-in and import the edits back into the application from the Word document.

### Using the Tools Menu

- Use **sign in** and **sign out** to connect to the server. You must be connected to the server to:
  - Edit the values of user-defined variables.
  - Search for sections, clauses and variables in the Contract Terms Library that you may want to add to the contract terms.
  - Check for the latest available version of the add-in from the About tab.
  - Generate log files for the add-in.
- The **Generate Log File** action lets you toggle generation of log files. Log file generation can assist in debugging any issues related to server connections as well as other issues.

### Using the Actions Menu

- Add Section
  - a. Place your cursor in the contract terms document at the location at which you want to insert the section.
  - b. Search for a section in the Terms Library.
  - c. A list of section names matching the search criteria is displayed in the search pane.
  - d. Select and add the section.
  - e. The section title is inserted with the appropriate formatting.
- Create Section
  - a. Select the **Create Section** action.
  - b. Enter the section title in the new text box.
  - c. You can add clauses and variables, create clauses, and insert variables from the Oracle Contracts Terms Library as needed.

- Add Clause
    - a. Place your cursor in the contract terms document at the location in the section at which you want to insert the clause either after the section heading or after a clause in the section.
    - b. Search for clauses in the Contract Terms Library. A list of clauses matching the search criteria is displayed in the search pane.
    - c. Select and add the required clause to the section in the contract terms.
    - d. The clause text is inserted with the appropriate formatting.
    - e. You can click **Clause Details** or **Preview in Word** to see details about the clause before you insert it. The Preview in Word window displays a read-only version of the actual clause text.
    - f. You can also modify the clause text that you just added. If you do so, this clause appears as a nonstandard clause once uploaded back to the application. You can revert back to the original standard clause in the application.
  - Create Nonstandard Clause
    - You can create a new clause in a section of the contract terms in Word using the **Create Nonstandard Clause** action. New text boxes are inserted in the appropriate places where you can enter the clause title and the clause text.
  - Insert Variables
    - a. Place your cursor in the contract terms document at the location in the clause text at which you want to insert the variable.
    - b. Search for variables in the Terms Library. A list of variables matching your search criteria is displayed in the search pane.
    - c. Use **Previous** and **Next** to scroll through the list of variables and use **Insert** to add the variable value to the contract terms in the Word document.
- Note:** Every variable must have a value. If the variable that you inserted doesn't already exist in the contract terms and therefore has no value, you must enter a value either in the Word Add-in or directly in the application.

## Using the Edit Variable Values Menu

- You can use the **Previous** and **Next** buttons to scroll through user variables in the document to find the ones that you want to edit.
- You can edit user variables in the Microsoft Word contract and they're saved back to the application.
- You can't save edits to system variables made using the Oracle Contracts Microsoft Word add-in back to the application, but you can delete them by deleting system variable content control. You should update these values directly in the application so that they're reflected in the Microsoft Word document.

## Using the Help Menu

- Check for Update
  - Use this action to see if there is a more recent version of the add-in that can be downloaded.

- Server
  - Use this option to check the server instance name associated with the contract. This is the environment to which the updated contract is uploaded.

*Related Topics*

- [How Editing Contract Terms in Microsoft Word Works](#)
- [How You Install the Oracle Contracts Add-in for Microsoft Word](#)

## Actions Supported with Individual Contract Source

Here's the table that demonstrates supported Oracle Contracts Add-in actions with the individual contract source type:

Oracle Contracts Word Add-in Actions	Structured Terms Template	Simplified Terms Template	Attached document
Add Section	Yes	No	No
Create Section	Yes	No	No
Add clause	Yes	Yes	Yes
Create Nonstandard Clause	Yes	No	No
Insert Variable	Yes	Yes	No
Download	Yes	Yes	Yes
Upload	Yes	Yes	Yes
Compare	Yes	Yes	Yes

## What versions of Microsoft Word can I use with Oracle Contracts?

You can enter contract text in the Contract Terms Library or the Contract Terms tab using Microsoft Word. The versions of Microsoft Word that Oracle Contracts supports are listed on the System Requirements for Oracle Applications Cloud page ([www.oracle.com/us/products/system-requirements/overview](http://www.oracle.com/us/products/system-requirements/overview)).

*Related Topics*

## Terms Templates FAQs

### What Contract Expert rules apply to a contract terms template?

The Contract Expert rules that apply to a contract terms template are listed in the Rules tab of the Edit Terms Template page. A Contract Expert rule applies to a contract terms template when that rule lists the contract terms template specifically or when it applies to all templates.

The Contract Expert rule must be active before it is evaluated during contract authoring.

*Related Topics*

- [How Contract Expert Rules Work](#)

### Why are some clauses missing from a contract terms template I copied over for use in a local business unit?

If the clauses aren't adopted or localized in the local business unit, they're lost in the template you copy. So, first ensure that the clauses you want to copy with a contract terms template are adopted or localized.

And then, copy the template from a global business unit for use in a local business unit.

*Related Topics*

- [How Content is Adopted from Global to Local Terms Libraries](#)
- [When do I create a clause as part of a contract terms template?](#)

## Contract Terms FAQs

### Why can't I create a contract from the contract template?

You can't create a contract from a contract template at times.

Any of these can be reasons:

- The contract template is still in draft - pending for activation, or has expired.
- When you create a contract from a template, the application uses the latest active version of the template. If a template is being revised, it's in Draft status though active. Then, you can't create contract using that template.



## How can I configure contract terms before I print them?

You select contract terms layout templates during contract type setup. Contract printing uses these predefined layout templates.

For example, you may have selected a terms layout template that only prints the summary of amendments made to contract terms or a terms layout template that prints both the amendment summary and the amended contract terms and conditions. Alternatively, you can also control the printing of the amendment summary without adjusting the terms layout template for each contract in the Contract Terms tab. You can configure the printing options available on the page when creating and editing clauses and when adding and editing sections as part of contract or template authoring.

For example, you can do the following:

- Suppress title and skip numbering or only skip numbering while doing the following:
  - Editing a section or clause for a terms template or contract
  - Adding a section or clause to a terms template
  - Adding a section or creating a nonstandard clause to add to a contract
- Align the section title or start a section on a new page while doing the following:
  - Creating a new section while authoring a terms template or while authoring terms and conditions for a contract
  - Adding a new section from the terms library to the terms template or contract
  - Editing a section in the terms template or contract

Using the skip numbering and suppress name for a section or suppress title for a clause options, you can independently exclude the number and title associated with sections or clauses from a contract. Based on the selected options, the contract is printed as follows:

- When the suppress name or title option is selected on a section or clause, the application prints the contract only with the number associated with the section or clause, but suppresses the title.
- When the skip numbering option is selected on a section or clause, the application prints the contract by skipping numbering and moving the numbering up one level for subsection or clause. In this case, the contract displays only the title associated with that section or clause.
- When both options are selected on a section or clause, the application prints that section or clause without the number and title.

Keep in mind that these printing options are only available for contracts in Draft and Under Amendment statuses. Although, you can use these printing options on all templates including those for which approved contracts exist, the options you select will only apply to future, yet to be approved contracts. These printing configurations only show in the PDF, RTF, and HTML formatted output of the contract.

### *Related Topics*

- [Contract Printing and Layout Templates](#)

## Why can't I edit the contract terms?

There are multiple reasons why you may not be able to edit the contract terms on the Clauses tab.

These include:

- The contract is in a status that does not permit editing. For instance, it is canceled, approved, or pending approval.
- The contract may be locked or you may lack the security privileges to add clauses.
- The contract terms must include a section before you can add clauses.
- The source of contract terms is attached.

## How can I withdraw a clause or a terms template from approval?

If you initiated a clause or a terms template approval, you can withdraw them from the Initiated Tasks view of the Terms Library Worklist. To withdraw a single clause from approval, use the Stop Approval action in the Edit Clause page.

To stop a terms template from approval, use the Stop Approval action on the Edit Terms Template page. This stops approval of all draft clauses submitted for approval with the terms template and reverts their status to Draft. But, stop approval doesn't affect the clauses that are already approved or pending for approval in that terms template. They remain as approved and pending approval clauses in the Terms Library.

If you withdraw clauses that are in localization, the adoption type is also reverted to its previous state, Available for Adoption.

**Note:** Stopping approval of a clause doesn't remove it from use. The clause is available as a draft clause in the Terms Library.

To remove an approved clause from use, put it on hold, or end date it.

### *Related Topics*

- [What are the clause statuses and what do they mean?](#)
- [Considerations for Removing a Clause from Use](#)

## How can I make a clause mandatory in a contract?

While editing a contract terms template, you can specify a clause to be mandatory in a contract where that template is applied as described in this topic.

When you do, only authors who are granted the Override Contract Terms and Conditions Controls privilege by the system administrator will be able to delete it.

You can make a clause mandatory in a contract terms template you are editing by highlighting the clause in the outline region of the Clauses tab and then selecting the **Make Mandatory** action.

You can also make all clauses inserted by Contract Expert rules mandatory by selecting the **Expert Clauses Mandatory** option on the General tab, Contract Expert region. This will make any clauses recommended by Contract Expert mandatory for the contract.

#### *Related Topics*

- [What does it mean to make clauses suggested by Contract Expert mandatory in a contract terms template?](#)
- [Levels of Editing Privileges for Contract Authoring](#)

## What's the clause default section?

The clause default section is the contract terms section where the Contract Expert rules generally insert the clause.

To specify the location of an expert suggested clause in relation to the other clauses, you may mark that clause as a conditional clause and then add it in the required location in the terms template associated with the business document. The location of the clause in the terms template takes precedence over the clause's default section when expert suggested clauses are inserted into the business document.

#### *Related Topics*

- [How Contract Expert Works](#)
- [How does Contract Expert identify where to insert clauses into contracts?](#)

## How can I predefine locations of Contract Expert clauses in the contract?

Oracle Contracts has the ability to dynamically add clauses by evaluating the rules that users set up using Contract Expert.

These dynamically added clauses are generally placed in the default section defined for the clause, or in the Contract Expert section defined for the terms template.

You can choose to place these clauses in predefined locations in the contract in relation to other clauses. To do this, while creating a Contract Expert enabled terms template, use the Insert Conditional Clauses action to specify the predetermined locations in the terms template for Contract Expert suggested clauses applicable to the Contract Expert rules associated with the template. In this case, the Insert Conditional Clauses action automatically marks these Contract Expert suggested clauses as conditional.

However, if you create a new clause for the terms template and create the Contract Expert rule for it in the Terms Library, and then associate this rule to the terms template, you must manually mark this clause as a conditional clause before you can use the Insert Conditional Clauses action to predefine its location.

Validation for conditional clauses occurs during terms template approval. Warnings are displayed for the following cases.

- If all Contract Expert suggested clauses for active clause selection rules associated with the terms template are added in the terms template as conditional clauses.

**Note:** When you apply the terms template to a contract, conditional clauses are displayed on the contract only after you run Contract Expert on the contract and the conditions of the associated rules are satisfied.

- If regular clauses have been marked as conditional.

When you apply a terms template with regular clauses marked as conditional clauses, to a contract, these regular clauses marked as conditional clauses are not displayed in the contract.

- If Contract Expert clauses added to the terms template were not marked as conditional clauses.

When you apply this terms template to a contract, these clauses are displayed in the section as defined in the terms template and when you run Contract Expert on the contract, these clauses are inserted directly in the default section of the contract resulting in duplicate clauses in the contract.

**Tip:** You must revise an approved terms template to add or remove conditional clauses, if Contract Expert clause selection rules associated with the terms template are added or existing ones deactivated.

#### Related Topics

- [How Contract Expert Rules Work](#)
- [How Contract Expert Works](#)
- [How Contract Expert Works During Authoring](#)

## Contract Deliverables FAQs

### What's the difference between contract deliverables and contract fulfillment?

Contract deliverables establish and track both contractual and noncontractual commitments that must be honored as part of negotiations and contractual agreements between businesses and suppliers or customers based on contract intent. These deliverables can be used in enterprise contracts, purchasing documents, and in negotiations.

Contract fulfillment in procurement contracts denotes commitments in terms of goods or services that must be delivered. Use contract fulfillment to create and track a purchasing activity in integrated procurement applications. For example, use contract fulfillment to create a purchase order in Oracle Fusion Purchasing. And next, track the activity on that purchase order as it's being executed.

#### *Related Topics*

- [Contract Deliverables](#)
- [How do I create contract deliverables for an enterprise contract?](#)
- [How Contract Fulfillment Works](#)

## What's the difference between internal and contractual deliverables?

Internal deliverables are visible only to employees of your organization. You can activate them irrespective of the contract status. Use them to track schedules and commitments, internal to your organization. They aren't printed with the contract terms.

Contractual deliverables are contract terms deliverables that track commitments that must be fulfilled as part of the contract. All the parties to contract (External and Internal) can see these deliverables. External party to the contract can edit only those deliverables they're responsible for. Contractual deliverables are listed in the printed contract terms. These deliverables are automatically activated when the contract becomes active. You can't manually activate contractual deliverables. Activation creates deliverable instances that you can manage using the Manage Deliverables task.

#### *Related Topics*

- [Contract Deliverables](#)

## How can I change the due dates, notifications, and other contract deliverable details?

You can change the details based on the status a contract is in. If a contract is in Draft or Under Amendment status, you can change the due dates, notifications, and other contract deliverable definition details in the Deliverables tab of the Contract



# 5 Approve and Accept Customer Contracts

## How Contract Approval Works

A contract needs approval before it's executed. You can use a single application to approve all types of contracts.

Before you submit a contract for approval, you must complete these tasks:

- Review contract deviations, if any.
- Validate the contract.
- Review approvers, and add viewers and approvers as required with a note to additional approvers.
- Use the user statuses and transitions to pass the contract between teams for review, such as legal, finance, and accounts.
- Preview a printable version of the contract.

**Note:** Based on the contract deviation, an application administrator can configure additional approval rules.

Here's the sequence that explains the complete flow of contract approval, from approval policy setup to contract approval to contract acceptance:

- The contract administrator sets up approval policies and approver groups.
- You submit a contract for approval.
- The next approvers can view the approval task in their My Worklist area.
- The contract is reviewed for approval. A contract review may include the following:
  - The approver requests more information for their approval.
  - The application sends the approval request to the next approver in the hierarchy.
  - The approver delegates contract approval.
  - The approver transfers the contract to another approver.
- The approver approves or rejects the contract.
- The customer or supplier accepts the contract or requests changes.
- The contract is available to view approval status and history.

## Set Up Approval Policies and Approver Groups

The business analyst or contract administrator sets up approval policies, and defines the following categories of approvers:

- A single or chain of approvers based on a set of rules
- Parallel approvers
- Additional approvers based on any contract deviations

## Send Automatic Notifications to Approvers

The application automatically sends a notification to the approver when a contract is submitted for approval. If you included a note while adding an approver, then the application displays the note along with the approval notification. Contracts pending approval appear on My Worklist.

## Submit a Contract for Approval

Attach the following documents to the contract and submit for approval:

- The primary contract document with the terms and conditions.
- Any contract documents such as state of work, drawings, and so on.
- The contract deviation, if any, and deviation justification.

Use one of the following work areas to submit a contract for approval:

- Contract authoring page
- Contracts search results
- Pending Approvals bin in the Contracts work area
- Dashboard

Validate the contract before submission or the application automatically validates the contract when you submit it, listing any errors and warnings. You must fix the errors but you can ignore the warnings and continue with the submission. If you submit the contract for approval without errors, then the application takes it to the next step and enables you to review approvers before you submit the contract for approval. You can add viewers and approvers to the approval hierarchy and add notes to approvers that they receive along with the approval notification. When you click Submit, the status of the contract changes to Pending Approval.

**Note:** Withdraw a contract from approval to make any changes before it's approved. If you withdraw a contract from approval, the contract status changes to Draft or Under Amendment so that you can make changes and resubmit.

## Review a Contract for Approval

You must review a contract in detail to approve or reject it. Alternatively, use the History tab to view approval or rejection details in the approval region and comments in the snapshot view for the version and approval submission date and time. You can also ask the contract author for more information if required, or ask an approver to re-examine and reapprove the contract. Optionally, delegate or transfer the approval task to another approver. If you delegate the approval task to another approver, the assignee approves or rejects the contract on your behalf. If you transfer the approval task, you are no longer associated with the approval or rejection.

**Note:** Get a complete view of the contract from the approval task details page.



## Approve or Reject a Contract

Approve or reject a contract after a complete review of the contract. Optionally, add comments to explain why you approved or rejected a contract. If this contract version is submitted again for approval, the approver can see your comments in the snapshot view. When you approve a contract, its status changes as follows:

- If the contract requires signature, its status changes to Pending Signature.
- If the contract does not require signature for acceptance, its status changes to Active.

When you reject a contract, its status changes as follows:

- If the contract was Pending Approval, its status changes to Draft.
- If a version of the contract was already Active, and its next version was Pending Approval, its status changes to Under Amendment.

**Note:** If after submitting a contract for approval, you want to make changes, then use the Create New Version action to create a new version of the contract in Draft status. Once a new version of the contract is available, you can access older versions of the contract only from the History page.

## Accept a Contract or Request Changes

Accept a contract if you agree with the terms and conditions and all of its contents. If you want any changes, reject the contract and request changes. If you accept a contract and the contract doesn't require any signature, its status changes to Active. If you reject a contract, its status changes to Draft or Under Amendment.

If the contract requires a manual signature, the signers can click the Sign Contract action and enter their signature details in the Sign Contract window. You can optionally capture any signature details in the Sign Contract page on behalf of the contract signers, then click OK to activate the contract. If the signers are external party contacts, then the internal user signs on their behalf. The History tab of an active contract enables you to edit signature details after you accept the contract.

If the contract is enabled for electronic signature and is Pending Signature, then it must be sent to the designated signers on the contract to move the contract to the Sent for Signature status. The sender uses the integrated electronic signature pages to manage the signature process. For contracts requiring signature, the contract becomes active only when all signers have signed the contract. To make changes to an active contract, use the Amend action. Using the Amend action creates a new version of the contract in Under Amendment status to which you can make changes and then submit for approval.

## View Approval Status and Approval History

In the **History** tab, view the approval status while a contract is in approval, and the approval history after it's approved or rejected. You can view the approval history of the last approval cycle for a version, by leaving the default Approval Submitted On date and time in the Approval region.

In the **History** tab, you can also view the contract amount for non-agreement contracts, the committed amount for the sell intent types of agreements, the agreed amount for the buy intent types of agreements.

**Note:** The application shows approval history in either a history tree or a list view, depending upon whether the data has been purged in the database and archived, or is still available in service-oriented architecture (SOA). List view means it's been purged, and the history tree view means it hasn't been purged.

### Related Topics

- [How Accepting a Contract Works](#)
- [Contract Actions and Status Changes](#)
- [User Statuses and Transitions](#)

## How Reviewing Contract Deviations Works

Contract deviation reports highlight any differences between the contract terms in a contract and those in an associated contract terms template. You're warned of any deviations from company policies.

**Note:** For deviation category setup information, see [How You Set Up Approval Groups and Approval Task Configuration Rules](#).

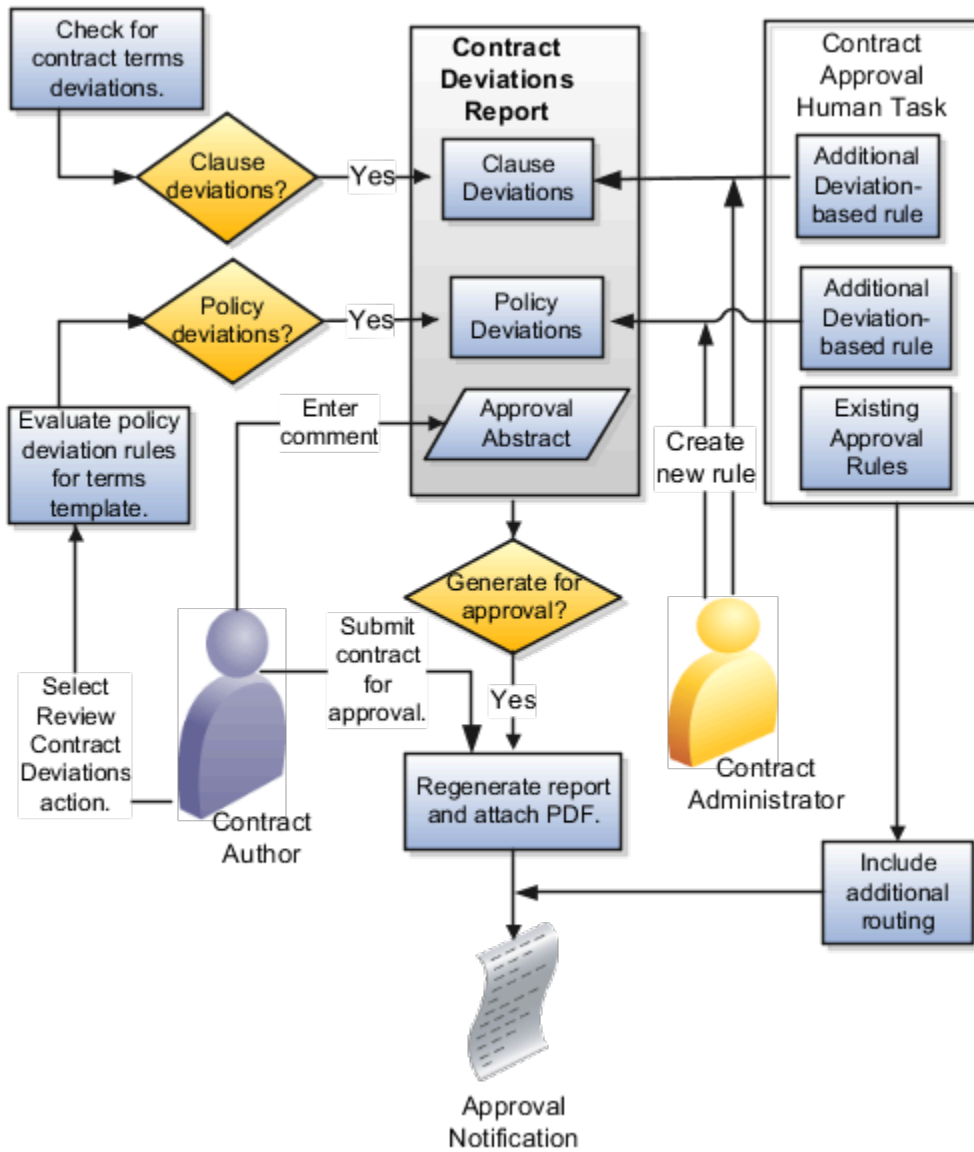
You can enter a justification for any deviations in the report and make the report available for review by the contract's approvers. This action is available while the contract is in a status that's open to editing, such as the draft status. A copy of the report is automatically attached to the contract approval notification sent to contract approvers along with comments for them that you entered on the report.

You can also correct the deviation before submitting it for approval. If you choose not to correct the deviation, based on the deviation, then the appropriate deviation-based approval rule reroutes approval for the contract provided that the deviation-based approval rules have been set up in the Contract Approval Human Task.

While the contract is closed for editing, for example, when the contract was submitted for approval or was rejected, you can only view the report by selecting the **View Contract Deviations** action.

The following sequence explains how the contract deviations report is generated and used:

1. When you select the **Review Contract Deviations** action, the application checks for and lists any changes to the clauses applied from the contract terms template.
2. The application also checks and records any deviations from company policies by evaluating Contract Expert rules that apply to the contract terms template you're using.
3. If you want to submit the report for review by contract approvers, then you must select the **Generate for Approval** option. You can enter an explanation for the approvers and other comments in the Approval Abstract field.
4. If you selected the **Generate for Approval** option and submit the contract for approval, then the application automatically regenerates the report to ensure that it contains the latest information. The application attaches the report as a PDF with the notification sent to the approvers.



## Clause Deviations

The application checks for invalid, nonstandard, and missing clauses by comparing the contract terms in the contract with those in the latest version of the contract terms template applied to the contract.

## Policy Deviations

Policy deviation checks are based on the values of variables in the contract and the answers that you give to any questions presented during authoring. For example, if you specified payment terms of 30 days for a big contract, but company policy permits only 20 days on such contracts, this deviation is recorded in the report. Policy deviations depend on Contract Expert rules set up by the Contract Terms Library administrator for a particular contract terms template.

### Related Topics

- [What's the difference between reviewing contract deviations and validating contract terms?](#)
- [How Authoring Contract Terms Works](#)
- [Approval Rules Configurations](#)

## How Accepting a Contract Works

Based on your setup, a contract can become active when approved. Alternatively, the contract may require to be signed before it can become active. In this case, internally approving a contract that is Pending Approval changes the contract status to Pending Signature.

For manual signature, you can optionally capture any signature details in the Sign Contract page and then click OK to activate the contract.

For electronic signature, the sender must use the Sign Contract page and click **Send**. This sends the contract to designated signers using the integrated electronic signature solution. All signers must sign the contract to make the contract active and available for use.

If you want that the contract be electronically signed for acceptance, perform the following tasks.

- Set up the required Electronic Signature Solution provider with the required user accounts.
- Enable the contract type of the contract for electronic signature.
- For the contract type, select the terms layout template with standard signature tags as the default template.
- Select the electronic signature solution provider.
- You can also create the standard email message for the electronic signature process.
- You can also designate party contacts as signers on the contract.

## Creating User Accounts for Electronic Signature

Use the Manage Contract Electronic Signature set up task to create user accounts with the selected electronic signature solution provider. Once set up, click **Validate** to initiate the authentication web service of the electronic signature application. If user accounts have been successfully set up, the validation status returned is Complete.

## Enabling a Contract Type for Electronic Signature

You can enable a contract type for electronic signature, by performing the following steps on the Contract Type page:

- Select the terms layout template that is appended with standard signature tags as the default terms layout template. This ensures that the primary contract document that is sent for signature is auto-tagged for signature, signer name, signer title and date of signing.

**Note:** If you do not select the terms layout template with the appended signature tags as the default template for electronic signature, then you must manually configure the signatures tags in the Sign Contract page before sending the contract for signing.

- Select the **Requires signature** check box.

- In the E-Signature tab of the contract type options section, select the **Enable electronic signature** check box.
- Select DocuSign or OneSpan as the solution provider.
- You can also create the subject and the body of the email message to be sent to signers and recipients during the integrated electronic signature process.

## Sending a Contract for Electronic Signature

When you create a contract from a contract type enabled for electronic signature, you can designate one or more party contacts as signers on the Parties page and provide valid email for them. When the contract is in Pending Signature status, a user with edit privileges on the contract can send the contract for signature to the designated signers by email. Such a user can be an administrative user or a user with full access on the contract.

To send the contract for signature and move the contract into the Sent for Signature status, the sender must use the Sign Contract action and click Send in the Sign Contract page. Clicking **Send** initiates the creation of the DocuSign signature envelope. This envelope that moves back and forth between signers consists of the list of signers, the email subject and message, the primary contract document and other attached contract documents.

When the contract is sent for signature, the signer receives an email notification from DocuSign. Once email confirmation of the envelope being sent to signers is received, the contract status changes to Sent for Signature.

## Managing the Electronic Signature Process

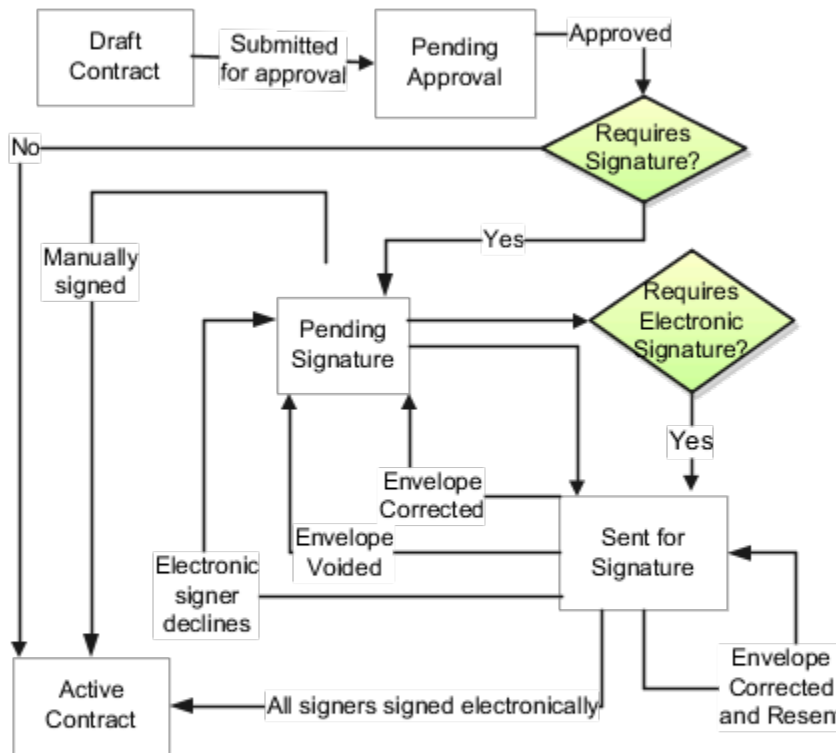
The signer who receives an email from DocuSign can either sign or decline to sign. If the signer declines, the contract status changes back from its Sent for Signature to its previous Pending Signature status. The sender of the contract can then make the required corrections to the envelope before resending it for signature.

If the signer signs, the contract stays in the Sent for Signature status while the envelope moves between signers. While the contract is in Sent for Signature status, the sender can correct, void, withdraw the envelope or view signature history using the Manage Signatures action that launches the Manage Signatures page. If the sender of the contract must make minor changes to the envelope after sending it for signature such as correcting the email of the signer or adding an attachment, he can make corrections and resend it for signature. To make major edits, such as changes in the legal content of the contract after the contract has been signed by one or more signers, the sender can cancel or void the envelope and create a new one to send for signature. The envelope can also get voided if it expires according to the timeline set up in DocuSign. Withdrawing the envelope from signature or voiding the envelope moves the contract from the Sent for Signature status back to the Pending Signature status.

Only after every signer has signed, the contract becomes ready for the Active status.

You must run the Track Electronic Signature Status process to track the electronic signature process and make the consequent contract status updates. When all signers have signed, this process retrieves the signed contract document from the electronic signature solution provider. The signed contract is stored in the Documents page as a supporting document and the necessary updates made to signature history.

The following figure shows the flow for a contract enabled for electronic signature.



## Viewing Electronic Signature History

The sender can view the electronic signature history of the current version of the contract in the Signatures region of the History page. The history of the signature envelope is sorted by the date on which it was submitted for signature. The details are listed as follows.

- The name of the user who sent the contract for signature
- The current status of the signature process
- The date on which the signature process was completed (the envelope was either voided or signed by all signers)

- The path to navigate to the DocuSign integrated signature history page

For the signature history of a previous contract version, you must navigate back to the History page and select the specific contract version from the Versions region.

#### Related Topics

- [Contract Actions and Status Changes](#)

## How Capturing Contract Acceptance with Electronic Signatures Works

Once approved, a contract that requires an electronic signature is submitted for a signature from the other party and the process is monitored.

### Prerequisite Settings for Electronic Signature

There are several initial steps, usually completed by your application administrator, that are required before creating a contract that requires an electronic signature. If you're not sure if these setups have been done, contact your administrator and refer to [Set Up Electronic Signature](#).

### Create a Contract for Electronic Signing

Once the initial setups have been completed, the contract creation process goes as follows:

1. A contract is created based on the contract type created for electronic signing.
2. Contract terms are applied to the contract, as needed.
3. One or more party contacts are selected as signers of the contract.
4. The contract is approved and is in "Pending signature" status.

### Initiate the Contract Signature

Submit the contract to the signing party:

1. In the Contracts work area, find your contract in the "Pending signature" status.
2. Verify that electronic signature functionality is enabled for the contract.
3. Click **Sign Contract** in the Edit Contract actions menu.
4. Verify that the auto-tags are rendered in the appropriate locations in the envelope.
5. Click **Send** on the Sign Contract page.

**Note:** You may need to enable cookies in your browser.

### Manage Signatures

1. In the Contracts work area, find your contract in the "Sent for signature" status.
2. Click **Manage Signatures** in the Edit Contract actions menu and select from the following actions:
  - **View history**

- **Correct and resend**
  - **Void envelope**
3. You can easily monitor your signatures by checking the contract status:
- The contract status changes to "Pending signature" if any of the signers either haven't signed or have declined to sign.
  - The contract status remains as "Sent for signature" if the signature process is still in progress.
  - The contract status changes to "Active" if all the signers sign the contract.

#### Related Topics

- [How Contract Approval Works](#)

## Contract Approval FAQs

### How can I tell if a contract was rejected?

To check if a contract was rejected, search for the contract and view the contract history. You cannot search for a rejected contract by its status because a rejected contract does not have status of Rejected.

If a contract is rejected, its status is changed back to Draft. To view rejection reasons see the comments section of the snapshot view.

### What's the difference between reviewing contract deviations and validating contract terms?

Depending on the business needs, you may change the terms of a contract. In such cases, generate a Contract Deviations report to see all the changes made to a contract and deviations taken from the company policies.

To generate the report use the Review Contract Deviations or the View Contract Deviations actions. You can take a copy of this report with your comments added along with the approval notification and submit them to the next level approvers.

When you submit a contract for approval, the application gives a list of errors and warnings. This one is called as Contract Terms Validation. While fixing warnings is optional, you must fix the errors reported after contract validation. To see any errors or warnings in contract, you don't have to wait till it's ready to be submitted for approval. You can use the **Validate Contract Terms** action to review the errors before hand.

Contract deviations and validations do overlap. For example, the Contract Deviations report shows invalid clauses that can cause errors when you validate the contract. Examples of invalid clauses include clauses that were placed on hold or have expired. But the validation checks are more detailed and include checks such as errors in variable definitions. Take a look at the table here, that compares contract deviation and contract terms validation:



Feature	Contract Deviation Report	Contract Terms Validation
Lists changes made to the contract terms applied from a template	Yes, lists all changes including the addition of clauses or substitution of alternate clauses.	Restricted to warnings for some changes such as the deletion of mandatory clauses.
Lists changes to clauses recommended by the Contract Expert feature	Yes	Yes
Includes a list of deviations from company policies	Yes	No
Lists invalid clauses that will prevent the contract from being submitted for approval	Yes	Yes
Lists variable and other errors that will prevent the contract from being submitted for approval	No	Yes
Can be attached as a PDF report to the approval notification	Yes	No
Makes it possible to add comments for approvers	Yes	No
Makes it possible to add approval rules for additional approval routing	Yes	No

*Related Topics*

- [How Reviewing Contract Deviations Works](#)

## How can I add more approvers and viewers to the approval hierarchy?

If you are a contract approver and received an approval notification, then you can use the link in the notification to navigate to the page for Approval of Contract. On this page, you can view contract details, attachments, and comments, and the approval hierarchy.

If you create or edit a contract with or without the Wizard, you can also add approvers and viewers when submitting a contract for approval. The first step of the approval process is to validate contracts and then review approvers and the approval hierarchy. While reviewing approvers, you can add approvers and viewers as required. In addition, you can add notes to approvers that are displayed in their approval notification.

**Note:** You cannot add approvers or viewers when submitting a contract for approval using the Submit for Approval action from the Pending Approvals bin or from the Contracts Search region of the contracts work area.

Approvers or approver groups are also automatically added to the approval hierarchy for the approval of specific clause or policy contract deviations if your contract administrator has configured these deviation-based approval rules for the Contract Approval Human Task. Thus, based on the deviation in the Review Contract Deviations page the appropriate approval rule reroutes approval.

# 6 Maintain Contracts and the Terms Library

## Overview of Contracts Setup Tasks

This overview provides a brief summary of the key components of contracts and how an administrator can configure them.

You use the predefined party roles and party role sources and contact roles and contact role sources to set up contract parties and party contacts. You can also create additional roles and specify how to use them.

You also set up the contract type. The contract type determines the type of contract, and what kind of information you can enter for a contract. For example, the contract lines, parties, and party contacts you can enter, if you can add terms to a contract, and if deliverables are included.

The key tasks for initially configuring contracts include the following:

- Configure and manage party roles.
- Configure and manage party contact roles.
- Configure contract type for contract lines, contract relationships, and contract printing and layout,
- Select from predefined layout templates or configure your own templates for printing contracts and contract terms.

For more information about configuring the contracts application, see the [Implementing Enterprise Contracts](#) guide.

## Maintain Contracts

### Contract Types

A contract type is a category your contract belongs to. The contract type selected decides the nature of the contract. For example, contract type determines whether a contract is a project contract, purchasing contract, or simple nondisclosure or employment agreement.

The contract type specifies what kind of information you can enter and what contract lines, parties, and party contacts are allowed.

The contract type also specifies whether an electronic signature is required for contract acceptance and activation. If required, then you need to use the standard email format to notify the signers. In turn, the requirement for electronic signature means that you must designate contacts as signers on the contract. It also means that additional statuses and contract header actions are available.

This topic provides an overview of the superset of contract type setups for a broad range of contracts. When setting up individual contract types, only a subset of the fields listed here are visible. For example, the project billing option entries are visible only in contract types with a sell-intent, and the notifications fields appear only for contract types with a buy-intent.

Create contract types by selecting the **Manage Contract Types** task from the Setup and Maintenance work area as part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area. You can also create contract types in the Contracts work area by selecting **Contract Types** in the Setup task heading. In each contract type you can:

- Specify document numbering sequences for the category of global, ledger, legal entity or business unit level to enable automatic contract numbering on contracts.
- Specify if the contract includes lines and what can be entered into them.
- Specify if external item masters can be referenced.
- Make it mandatory to manually capture customer acceptance after internal contract approval.
- If electronic acceptance is required, enable the contract for electronic signature integration.
- Specify what primary and secondary parties can be entered during contract creation.
- Specify if one or more contacts on the contract must be designated as signers for electronic signature acceptance.
- Specify the layout templates that will be used for printing the contract and the contract terms.
- Specify if and when the contract owner is to be notified before the contract expires.
- Specify the billing options for project contracts.
- Enable the capture of contract risks.
- Enable the ability to relate a contract to other contracts.
- Permit the authoring of contract terms using the Contract Terms Library.

**Note:** Contract renewal functionality supports Service contracts and Repository contracts (buy or sell contract with no lines).

## Common Contract Type Entries

This table describes common contract type entries:

Field or Option	Description
Class	<p>Indicates the category of the contract you're authoring. The class assigned to a contract type controls whether contract lines are allowed, and what types, on a contract.</p> <ul style="list-style-type: none"> <li>• Enterprise Contract: Used for authoring both buy and sell contracts where you're buying or selling items and services now. Examples of contracts of this class include contract purchase agreements, project contracts, and repository contracts.</li> <li>• Agreement: Used for authoring a sell intent contract to create a sales agreement.</li> <li>• Purchase Agreement: Used for negotiating a future purchase of goods and services.</li> <li>• Partner Agreement: Used exclusively for Oracle Fusion Partner Management.</li> </ul> <p>You can't change the class after the contract type is created.</p>
Set	Determines the data security for contracts of this type.
Name	<p>The name of the contract type that you select when authoring contracts.</p> <p>We recommend you to avoid using special characters when entering the contract type name. For example, &amp; and @.</p>

Field or Option	Description
Description	Description that you can see when managing contract types.
Allow lines	Selecting this option makes it possible for you to specify what line types can be added to the contract. You can't change the setting after the contract type is created.
Line Class	This applies only to the Enterprise Contract class and can be set to: Project, Service, Warranty. It controls the line types you can assign to a contract type. Each type of contract determines the line type that's associated with it. For example, you can only associate subscription and coverage line types to a contract type with the Line Class set to "Service", and warranty line type to a contract type with the Line Class set to "Warranty"..
Use external item master	Selecting this option lets you reference items from an external item source master.  This option is available only for sell intent contracts if you selected the available Allow lines option.
Pricing Integration	Controls how sales agreements are priced and can be selected for contract types assigned to the class "Agreement".  You can set the integration to use pricing functionality available within Oracle Order Management or Oracle CX Sales. Only contracts using Oracle Order Management pricing integration will be available when creating a sales order in Order Management.
Allow pricing during billing	Allows pricing of subscription services during contract billing rather than contract authoring. This attribute can be set when the class is Enterprise Contracts and the Line Class is Service.
Enable Automatic Numbering	Enables automatic numbering of contract lines during contract authoring.  For more information, see the Define Document Sequences topic.
Requires Signature	Determines if customer signature is required for contract acceptance before this type of contract can become active. After approval, the contract is set to the Pending Signature status and requires you or the signer to enter the date of customer approval to make the contract active.  If you plan to use the <i>Enable Electronic Signature</i> option, you can disable this feature at the individual contract level. Even if you disable this option at the contract level, the contract will still require manual signature.
Enable Electronic Signature	Determines if designated signers must sign the contract before the contract becomes active. In this case, after approval, the contract moves to the Pending Signature status, and when the contract is sent for signature, the contract moves to the Sent for Signature status.
Contract Numbering Method, Contract Numbering Level, and Contract Sequence Category	Specifies if you must enter the contract number manually or if it's generated automatically based on the numbering level and the document sequence category that you specify.
Intent	Contracts can have either a sell intent (project contracts and partner agreements) or buy intent (purchase contracts).  You can't change the intent after the contract type is created.
Buyer Role	The party role of the recipient of the goods and services in the contract. For a sales or a project contract, this is the role you set up for the customer. For a purchasing contract, it's the role you set

Field or Option	Description
	up for the business units in your organization. You can't edit the entry in this field after contract type creation. For sell-side contracts, the source of party role can be Customer, Internal Party or All Eligible Customers.
Seller Role	The party role of the party delivering the goods and services covered by the contract. For a sales or a project contract, this is the role you set up for one of the internal business units. For a purchasing contract, it's the role you set up for the supplier. You can't edit this field after contract type creation.
Contract Owner Role	The contact role assigned to the owner of the contract. Contract ownership is automatically assigned to the employee who creates the contract. The owner is automatically assigned the role you specify here.
Buyer Contact Role	The role you specify in this field specifies the role of the buyer that will be copied from the contract header to the contract fulfillment lines created for contract lines. This option is available for purchase contracts only:
Requester Contact Role	In purchase contracts only: The role of employee who will be used as the creator of a requisition in Oracle Fusion Purchasing.
Contract Layout Template	The Oracle Analytics Publisher template that's used to print the entire contract. This option isn't available if you enabled Use external item master.
Terms Layout Template	The Oracle Analytics Publisher template used to print the contract terms. This option isn't available if you enabled Use external item master.
Notify Before Expiration, Days to Expiration, and Contact Role to be Notified	<p>Selecting this option sends a notification before contract expiration to the individual with the role specified in the Contact Role to Be Notified. The number of days is specified the Days to Expiration field.</p> <p>These options aren't available if you enabled Use external item master.</p> <p>For the notifications to appear, the process "Send Contract Expiration Notifications" must be running. When you run Send Contract Expiration Notifications, three people receive the expiration notification:</p> <ul style="list-style-type: none"> <li>• The person who submits the process</li> <li>• The contract owner of the contract that's expiring</li> <li>• The contract contact who has the role you have selected in the Contract Type Expiry notification setup</li> </ul>

## Line Types

You can enter the line types permitted by the class you selected for the contract type and only if you selected the **Allow Lines** option during the contract type creation.

This table describes the possible line types:

Line Type	Description	Line Type Source
Free-form	Enables entry of items not tracked in inventory for purchasing. You can create master	Free-form, buy agreement

Line Type	Description	Line Type Source
	agreements in the purchasing application from lines of this type.	
Free-form	Enables entry of items not tracked in inventory for purchasing. You can create purchase orders in the purchasing application from lines of this type.	Free-form, buy
Item	Enables entry of inventory items for purchasing. You can create master agreements in the purchasing application from lines of this type.	Item, buy agreement
Item	Enables entry of inventory items for purchasing. You can create purchase orders in the purchasing application from lines of this type.	Item, buy
Free-form, project	Enables entry of items not tracked in inventory and displays project-related tabs and fields in a contract. You can associate and bill the line to a project in Oracle Fusion Projects.	Free-form, project-based, sell
Item, project	Enables entry of inventory items and displays project-related tabs and fields in a contract. You can associate and bill the line to a project in Oracle Fusion Projects.	Item, project-based, sell
Subscription	Enables the sale of subscription items that are tracked in inventory. These are the sale of recurrent items or services over a period of time.	Subscription, sell
Coverage	Enables the coverage of covered assets within a line in a service contract.	Coverage, sell
Warranty	Enables entry of items tracked in the inventory. It includes the sale of included and extended services in the contract.	Warranty
Product	Enables entry of a line representing the negotiated terms for future sale of an item.	Product, sell agreement, standalone
Product	Enables entry of a line representing the negotiated terms for future sale of an item.	Product, sell agreement, integrated
Group	Enables entry of a line representing the negotiated terms for future sale of a product group.	Group, sell agreement

If you enable Use external item master when creating a contract type, you can create only the line types, as listed in this table:

Line Type	Description	Line Type Source
Bundle	This line type applies to sell contracts and describes the sale of bundled items tracked in inventory. Bundles can include other bundles or items.	Bundle, sell

## Additional Party Roles

You can add party roles that can be added to a contract in addition to the primary parties specified in the **Buyer Role** and **Seller Role** fields. You can add multiple additional parties with the same role to the contract.

## Project Billing Options

For contract types created for projects (sales-intent contract types of class Enterprise Contract and at least one project line type), you can set the project billing options, as described in this table:

Option	Description
<b>Intercompany</b>	Enables project billing between internal organizations.
<b>Interproject</b>	Enables billing to other projects.
<b>Enable Billing Controls and Billing Limit Type</b>	Enables billing controls for each contract line, making it possible for you to specify a hard limit or a soft limit as the <b>Billing Limit Type</b> . A soft limit warns you if the billing limit is reached. A hard limit prevents you from billing above the limit.

## Enabling Contract Fulfillment Notifications for Purchase Contracts

For purchase contracts, you can use the Notifications tab to specify what contract fulfillment notifications will be sent to what contact role. Available notifications are slightly different for each type of contract:

**Note:** For the notifications to appear, the process "Send Contract Fulfillment Notifications" must be running.

For contracts with purchase order fulfillment lines, you can notify contacts with a specific role:

- A specified number of days before or after the fulfillment due date
- When a purchase order is created from a fulfillment line
- When a purchase order can't be created from a fulfillment line
- When a fulfillment line is placed on hold
- When purchasing activity is complete on a fulfillment

For contracts with blanket purchase agreement fulfillment lines or contract purchase agreement fulfillment lines, you can notify:

- When an agreement is created from a fulfillment line
- When an agreement can't be created from a fulfillment line



- When purchasing activity is complete on a fulfillment
- When an agreement is placed on hold
- A specified number of days before or after the agreement end date

## Enabling Contract Terms Authoring and Other Advanced Options

If you don't enable Use external item master, you can enable contract terms authoring and other advanced contract terms authoring options on the Advanced Authoring Options tab.

**Note:** If you enable Use external item master, the Advanced Authoring Options tab isn't available but Related Contracts option is automatically enabled.

The advanced authoring options are described in this table:

Option	Description
<b>Enable Terms Authoring</b>	<p>Displays the Contract Terms tab in contracts and enables contract terms authoring using contract terms templates from the Contract Terms Library. You must set up the content of the library from the Terms Library work area before you can take advantage of this feature.</p> <p><b>Note:</b> When this option is disabled, you can attach contract terms along with other supporting documents.</p>
<b>Enable Risk Management</b>	<p>Enables the entry of contract risks.</p> <p>You must set up contract risks selecting the <b>Manage Contracts Risks</b> task in Oracle Fusion Functional Setup Manager.</p>
<b>Enable Related Contracts</b>	<p>Makes it possible for you to relate contracts to each other.</p>

## Enabling Customer E-Signature

For a contract created from a contract type enabled for electronic signature, the contract must be signed by all designated signers on the contract before the contract can become active. Before enabling a contract type for electronic signature, you must have used the Manage Electronic Signature setup task to set up contract user accounts with the electronic signature solution provider.

You can then select the predefined terms layout template appended with signature tags as the default template for the contract type and enable the contract for signature. In the e-Signature tab, you can further enable the contract type for electronic signature and optionally create the standard email to be used when sending the contract document to signers and recipients during the integrated electronic signature process.

On the contract that you create from a contract type enabled for electronic signature, you must designate one or more contacts on the contract as signers. Only the user with edit privileges on the contract can manage the signature process. This includes sending the contract for signature, editing the contract and sending it out again, withdrawing the contract from the signature process, and canceling the contract sent for signature.

**Note:** For an explanation of how to set up e-signature, see the implementation guide topic Set Up Electronic Signature.

*Related Topics*

- [Set Up Enterprise Contracts](#)
- [Define Document Sequences](#)
- [Guidelines for Setting Up Contract Types for Different Contracts](#)

## Contract Line Types

Use the Manage Contract Line Types task to rename the types of lines available for selection when you create contract types. This optional implementation task is available in the Setup and Maintenance work area as part of the Enterprise Contracts offering in the Procurement Contracts functional area.

### Line Types

Line types are names you give to the contract lines.

Associate each line type name with one of the fixed set of predefined line sources. A line source determines what item you can enter in a contract line and enables functionality of one of the integrated applications to that line. For example, project line sources expose Oracle Fusion Projects fields in contracts and make it possible for contract authors to relate lines to projects. Buy sources make it possible to create contract deliverables for the line and use those contract deliverables to create and manage purchase orders and purchase agreements in Oracle Fusion Purchasing or other integrated purchasing systems.

The application includes a set of predefined line type names for all available line sources. You may create additional names for use in different contract types. The predefined line types names are the same as the line source names they're associated with.

### Line Type Sources

The application includes these predefined line type sources, which you can't modify or extend. If you don't enable the Use external item master option, you can create only those line type sources as described in this table:

Line Type Source	Description
Free-form, buy agreement	Enables entry of items not tracked in inventory. You can create master agreements in the purchasing application from lines of this type.
Item, buy agreement	Enables entry of inventory items. You can create master agreements in the purchasing application from lines of this type.
Free-form, buy	Enables entry of items not tracked in inventory. You can create purchase orders in the purchasing application from lines of this type.
Item, buy	Enables entry of inventory items. You can create purchase orders in the purchasing application from lines of this type.

Line Type Source	Description
Free-form, project-based, sell	Enables entry of items not tracked in inventory. You can associate and bill the line to a project in Oracle Fusion Projects.
Item, project-based, sell	Enables entry of inventory items. You can associate and bill the line to a project in Oracle Fusion Projects.
Group, sell agreement	Enables grouping of items with shared negotiated terms for the future sale of that product group. The sales are tracked by group in the sales catalog.
Product, sell agreement, standalone	Enables entry of inventory products. You can create sales agreements from lines of this type.
Product, sell agreement, integrated	Enables entry of inventory products. You can create sales agreements from lines of this type with pricing information derived from Oracle Fusion Pricing.

If you enable Use external item master, you can create only those line type sources as described in this table:

Line Type Source	Description
Subscription, sell	This line type applies to sell contracts and describes the sale of subscription items that are tracked in inventory.
Bundle, sell	This line type applies to sell contracts and describes the sale of bundled items tracked in inventory. Bundles can include other bundles or items.

## Contract Owner Assignment

### Assign Contract Owners

Select the **Assign Contract Owner** task available in the Contracts work area to reassign the contract owner for a set of contracts that fit your search criteria.

You can search for all contracts owned by an employee who left your organization and reassign them to another employee, for instance.

This topic covers:

- The available search criteria for generating the list of contracts for reassignment
- Previewing a list of contract for reassignment
- Assigning the new owner

## The Available Search Criteria for Generating the List of Contacts for Reassignment

The following search criteria are available for generating the list of contracts for reassignment:

- **Intent**  
Select **Sell** for customer contracts or **Buy** for supplier contracts. Your selection of contract intent is restricted by your privileges.
- **Contract Type**  
You can search for enterprise contracts by contract type. The list is restricted by the Intent you selected.
- **Business Unit**  
Displays all the business units that are enabled for contracts. This list is restricted by the Intent you selected, but you do not have to have privileges to manage contracts in a business unit to be able to reassign contracts from that unit.
- **Status**  
Contract status.
- **External Party**  
You can select suppliers or customers depending on the intent.
- **Contract Owner**  
You can select both current and past employees of your organization who own contracts.

## Previewing a List of Contracts for Reassignment

You can preview a list of contracts that meet your search criteria by selecting **View** as your **Action** in the Assignment Details region.

## Assigning the New Owner

You can reassign the ownership for the contracts that meet the search criteria by:

1. Selecting **Update** as your **Action** in the Assignment Details region.
2. Entering the new owner.

## Reassign Contract Owners En Masse

Your administrator can assign contract owners en masse using a scheduled process.

Here's how:

1. Navigate to the **Scheduled Processes** UI.
2. Search for the Assign Contract Owner process.
3. Enter the contracts selection criteria, such as Intent, Document Type, Business Unit, Status, External Party, and Contract Owner. See [Assign Contract Owners](#) for more details on these criteria.
4. Fill in the Assignment Details by searching for and selecting the person you want to reassign the contracts to.
5. Select either **Update** (which will perform the process without a preview) or **View** (this option will allow you to preview the list of contracts that matched the criteria you selected).

6. Submit the process.
7. To see which contracts were affected, click on the process after it runs. In the Process Details tab, download the attachment there.

## Assign Contract Owners FAQs

### What's contract ownership?

Being designated as an owner on a contract makes it possible to search for the contract using the My Contracts option. In this way, contract ownership facilitates easier searching for a contract.

A contract must have at least one owner for it to be validated. You must select at least one internal contact as an owner before the contract can pass validation.

**Note:** By default, the Contracts pane shows the contracts for which you are the owner.

You can reassign contract ownership using the Assign Contract Owner option in the Contracts work area.

#### *Related Topics*

- [Assign Contract Owners](#)

## Resource Workload Management

### Contract Assignment and Workload Management

Before a contract is approved, during contract authoring and negotiation, multiple organizations and resources may work on the contract and update it. For example, resource organizations could be Sales, Legal, Financial and Accounts. Defining user statuses and their transitions, and contract assignment enable transfers between various resources and resource organizations. Assignment and user transition actions are Actions menu items at the contract level.

The key aspects of contract workload management are as follows:

- Contract assignment can be performed separately or at the time of performing a user transition from a seeded status or user status. You can view assignment history and status and user status change history on the contract history page.
- In addition, a contract manager has a consolidated view of all contracts assigned to resources and resource organizations within his organization through the Manage Workload task.
- On the Manage Workload page, the Summary bin and the Assignments bin enable the contract manager to review and take the following actions.

## Summary Bin

The Summary bin of the Manage Workload page displays in a tree like structure

- The total number and value of contracts assigned directly to the organization and to each individual resource of that organization.
- The total number and value of contracts assigned directly to nested resource organizations and to each individual resource within a nested resource organization.

**Note:** Though a contract may be assigned to an organization or nested resource organization, until the contract is assigned to a resource, the contract is considered to be unassigned.

To know the details of contracts assigned to an individual resource, click on the total contract count column for the resource in the Summary bin. To know the details of contracts as yet unassigned, click on the total contract count column for contracts assigned to the organization in the Summary bin.

## Assignments Bin

The Assignment bin of the Manage Workload page displays

- By default all contracts assigned to nested resource organizations within the organization of the manager.
- In addition, contracts assigned to individual resources, if you disable the Resource Organizations only option.
- Contracts by user status for example, or by assignee if you use the search criteria to create additional searches and save these.

Based on the information available, the contract manager can decide to take any of the following actions:

- Assign unassigned contracts to individual resources. When selecting a new assignee, add the assignee to the contract team to ensure that they have full access to the contract.
- Remove assigned contracts from a particular resource and reassign to other resources to balance resource workload. You can assign or remove from assignment multiple contracts together by selecting them in the Assignments area.

To track the progress of contracts in review, drill down to the individual contract history page to view the user statuses used, the assignee, days in review and comments.

### *Related Topics*

- [User Statuses and Transitions](#)

## How You Balance the Resource Workload When Assigning Contracts

As a contract manager, use the Manage Workload task and the Summary and Assignments bins on the Manage Workload page to assign and reassign contracts between resources within your organization.

In the Summary bin:

1. Review the Total Amount and Total columns for contracts assigned to individual resources to determine if the workload looks balanced.
2. Click the **Total** link for contracts assigned directly to the organization or directly to nested resource organizations to review and assign these contracts to individual resources.
3. Click the **Total** link to view the list of contracts assigned to an individual resource. Select one or multiple rows, and use either the **Assign** action to assign these contracts to a different resource. Alternatively, you can select the **Remove from Assignment** action to remove the contracts assigned to a particular resource.
4. Review individual contracts from the list to view assignment history and the number of days the current assignee has been working on the contract. You can then determine if these contracts must be assigned to a different resource for a more balanced workload.

In the Assignments bin:

1. Review default search results, with the Resource Organizations only check box checked. This displays all contracts assigned to your organization or nested organizations only and not to individual resources.
2. Select one or more contracts and use the **Assign** action to assign these contracts to a different nested resource organization or to a resource within the nested resource organization.
3. Search for contracts by other criteria such as Assignee, User Status, Status. Review and assign one or more contracts to a different resource to balance resource workload.

*Related Topics*

- [Contract Assignment and Workload Management](#)

## Workload Management FAQs

### How can I find out which contracts need to be assigned to individual resources?

As contract manager, you must ensure that contracts assigned at an organization level are further assigned to an individual resource for faster, direct action. To quickly review and identify such contracts use the Manage Workload task.

On the Manage Workload page:

- Review the Unassigned row for the organization of the manager in the Summary bin. The Total column indicates the number of contracts directly assigned to the organization. Drill down on the Total to review the list of contracts including contract details such as contract value and assign to individual resources.
- Review the Unassigned row for each nested resource organization in the Summary bin. Drill down on the Total to review the list of contracts including contract details such as contract value and assign to individual resources in the nested resource organization.
- In the Assignments bin, review the default search results. By default, all contracts that are assigned to a resource organization, but not to an individual resource are displayed.

*Related Topics*

- [Contract Assignment and Workload Management](#)

# Preview and Print Contracts

## Contract Printing and Layout Templates

Previewing and printing clauses, reports, contracts, and contract terms uses a number of Oracle Analytics Publisher layout templates that specify what information is displayed in the contract.

The templates supply the table of contents, headers, footers, text style, and pagination. The templates are RTF files stored in the BI Presentation Catalog. The application comes with samples of all the required layout templates. You can copy the sample layout templates described here and edit the copies to add your own boilerplate text, font styles, and logos.

You can copy and edit layout templates used for:

- Printing enterprise contracts, including partner agreements
- Printing purchasing and sourcing documents
- Printing the report of contract deviations that can be attached to contract approval notifications
- Previewing contract terms templates
- Previewing and importing clauses into the Contract Terms Library

**Note:** When creating or editing a terms template in the Terms Library, you can select a Layout Template. This layout template is only used to preview the terms template itself. If that terms template is then applied to a contract, when the contract prints, it doesn't use the layout template assigned to the terms template. The layout template used when printing a contract is assigned to the contract type using the Manage Contract Types task.

The sample layout templates are available in different subfolders within the **Enterprise Contracts** folder in the catalog. You can navigate to the folders in the catalog either from the Reports and Analytics pane or by selecting the **Reports and Analytics** link in the Navigator. Contact your administrator to grant you the appropriate BI duty roles if these aren't available.

You can download the sample templates, copy them, and edit the copies. When you upload your edited copy to the same directory, it becomes immediately available for use within the application. For specific details of configuring BI templates, see the Creating and Administering Analytics guide for your cloud service.

**Note:** The catalog includes additional layout templates that are used internally by the application. You can edit only the layout templates listed in the following section.

## Printing Enterprise Contracts

The application uses two layout templates for printing enterprise contracts, including partner agreements:

- The contract layout template

This layout template provides the layout for printing the contract, except for the contract terms.

You can assign a contract layout template to a contract in different ways. Here's the priority order in which the application uses the contract layout template for printing a contract:



- a. Negotiation and Renewal tab on the edit contract page
- b. Manage Contract Rules in the Setup task side panel
- c. Manage Contract Types task from the Setup and Maintenance work area

There are two sample layout templates available for you to copy and edit. Both sample layout templates are available in the same directory. This table lists the layout templates that are used for contract header information:

Sample Layout Template Name	Description	Location in Analytics Publisher Catalog Directory
SupplierContract	The layout of contract information for buy-intent contracts.	Enterprise Contracts/Contract Printing/Contract Preview
CustomerContract	The layout of contract information for sell-intent contracts, including partner agreements.	Enterprise Contracts/Contract Printing/Contract Preview
SalesAgreement	The layout of contract information for sell-intent agreements.	Enterprise Contracts/Contract Printing/Contract Preview

- The contract terms layout template

This template provides the layout of the structured terms for printing and for downloading the contract terms for editing offline in Microsoft Word.

When printing an amended contract, the selected terms layout template determines whether only a summary of amendments is printed, or both the amendment summary and the amended contract terms and conditions are printed. Additionally, you can also control the printing of the amendment summary without adjusting the terms layout template for each contract in the Contract Terms tab.

**Note:** You can't download the amendment summary to Word.

This table describes the layout templates used for structured terms.

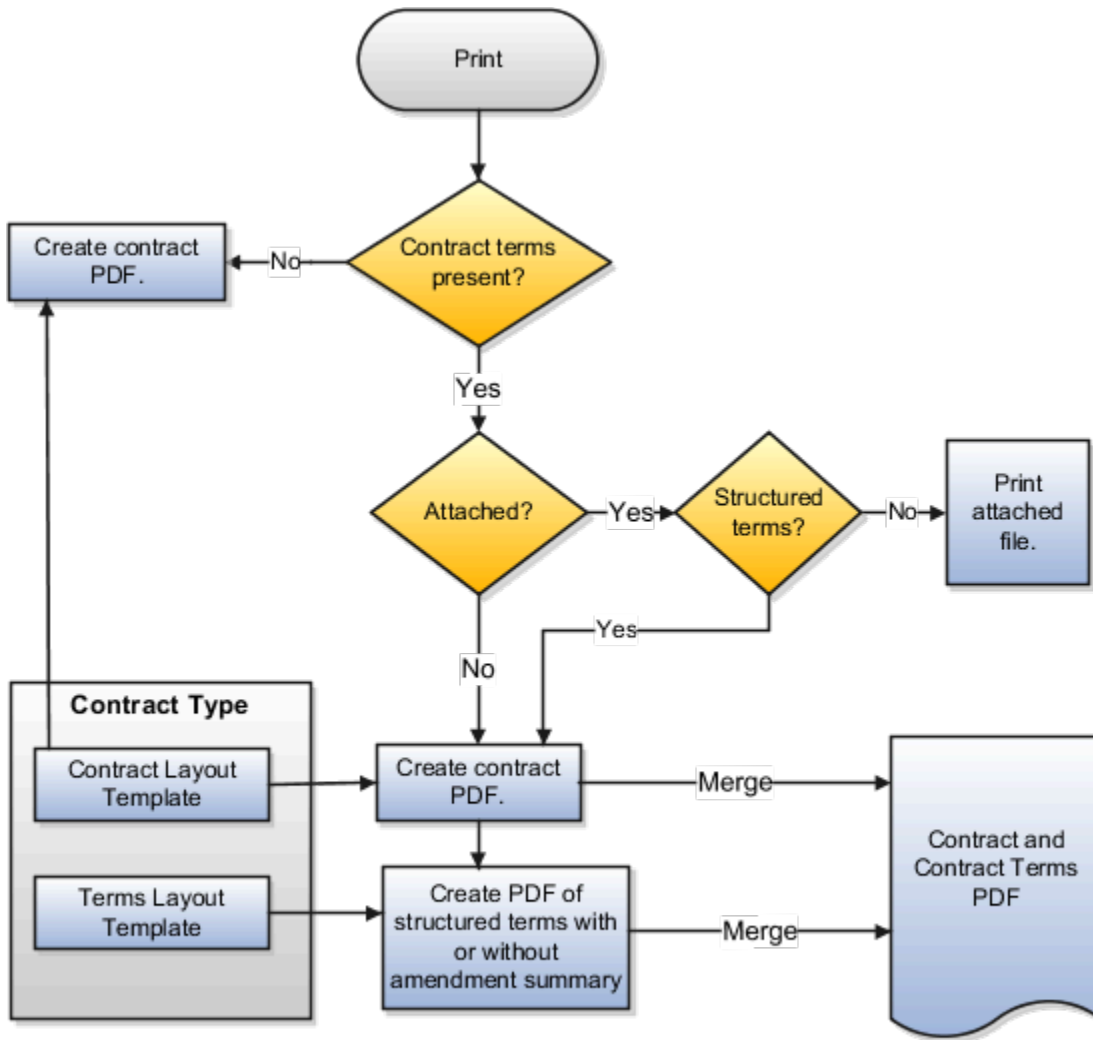
File Name	Description	Location in Analytics Publisher Catalog Directory
ContractTermsECM	The layout for printing the contract terms in enterprise contracts when the contract terms are authored in the application.	Enterprise Contracts/Contract Terms Printing/Contract Terms Download and Preview
ContractTermsAmendmentsOnlyECM	The layout for only printing a summary of the amendments made to contract terms in enterprise contracts.	Enterprise Contracts/Contract Terms Printing/Contract Terms Preview

File Name	Description	Location in Analytics Publisher Catalog Directory
ContractTermsPlusAmendmentsECM	The layout for printing the contract terms in enterprise contracts when the contract terms are authored in the application. In addition, for a contract that's under amendment, a summary of the amendments made to contract terms is included.	Enterprise Contracts/Contract Terms Printing/Contract Terms Preview

You specify which templates you want to use during contract type setup. This means that you can create different layout templates for each contract type. To set up contract types, select the **Manage Contract Types** task from the Setup and Maintenance work area as part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area or **Contract Types** under the Setup task heading in the Contracts work area.

- The application uses the contract layout template, specified in the **Contract Layout** field of the contract type, to create a PDF of the contract. If the contract doesn't include any contract terms, this is the only layout template used.
- If the contract includes structured terms, then the application uses the contract terms layout template specified in the **Terms Layout Template** field to create the contract terms PDF. To create the contract terms PDF, you must set the terms layout template in contract type.
- If you made amendments to the contract terms and the terms layout template specified includes an amendment summary, then the application creates a PDF document of the amendment summary. If amendments were made and the specified terms layout template includes both the amendment summary and the amended terms of the contract, then the application creates a PDF document of both.
- If the contract terms are attached as a file and the file retains the structured terms format, the application creates the contract terms PDF from the file. Contract terms attached as a file can retain the structured XML format if the file was downloaded from the application using the **Download Contract** action.
- The application then merges the two generated PDFs (one for the basic contract and the other for contract terms) into a single PDF.
- If the contract terms are attached in a file that isn't structured, then the application prints only the contents of the file. It doesn't print the contract information in the application or use either layout template. If you need help in editing the layout templates, download the sample XML file provided in **Enterprise Contracts/Contract Printing/ContractPrintDm**.

This figure outlines how the application uses the layout templates when you print an enterprise contract:



## Printing of Contract Terms on Purchase Orders and Sourcing Documents

For printing purchasing documents with structured terms, Oracle Procurement uses two layout templates.

- The document layout template supplied by Oracle Procurement which is located in the **Procurement** folder.
- The contract terms layout template.

This table lists the sample files provided:

File Name	Description	Location in Analytics Publisher Catalog Directory
ContractTermsProcurement	The layout for printing the contract terms in enterprise contracts when you authorize contract terms in the application.	<b>Enterprise Contracts/Contract Terms Printing/Contract Terms Download and Preview</b>

File Name	Description	Location in Analytics Publisher Catalog Directory
ContractTermsAmendmentsOnlyProcure	The layout for only printing a summary of the amendments made to contract terms in enterprise contracts.	Enterprise Contracts/Contract Terms Printing/Contract Terms Download and Preview
ContractTermsPlusAmendmentsProcure	The layout for printing the contract terms in enterprise contracts when you author the contract terms in the application. In addition, for a contract that's under amendment, a summary of the amendments made to contract terms is included.	Enterprise Contracts/Contract Terms Printing/Contract Terms Download and Preview

You select both of these templates while setting up business unit properties using the **Configure Procurement Business Function** task. This task in the Setup and Maintenance work area is part of the Procurement offering in the Procurement Foundation functional area.

If you attach the contract terms rather than authoring them in the application and the attached file isn't structured, then Procurement uses a third layout template which includes a brief sentence explaining that the contract terms are contained in a separate document, as described in this table:

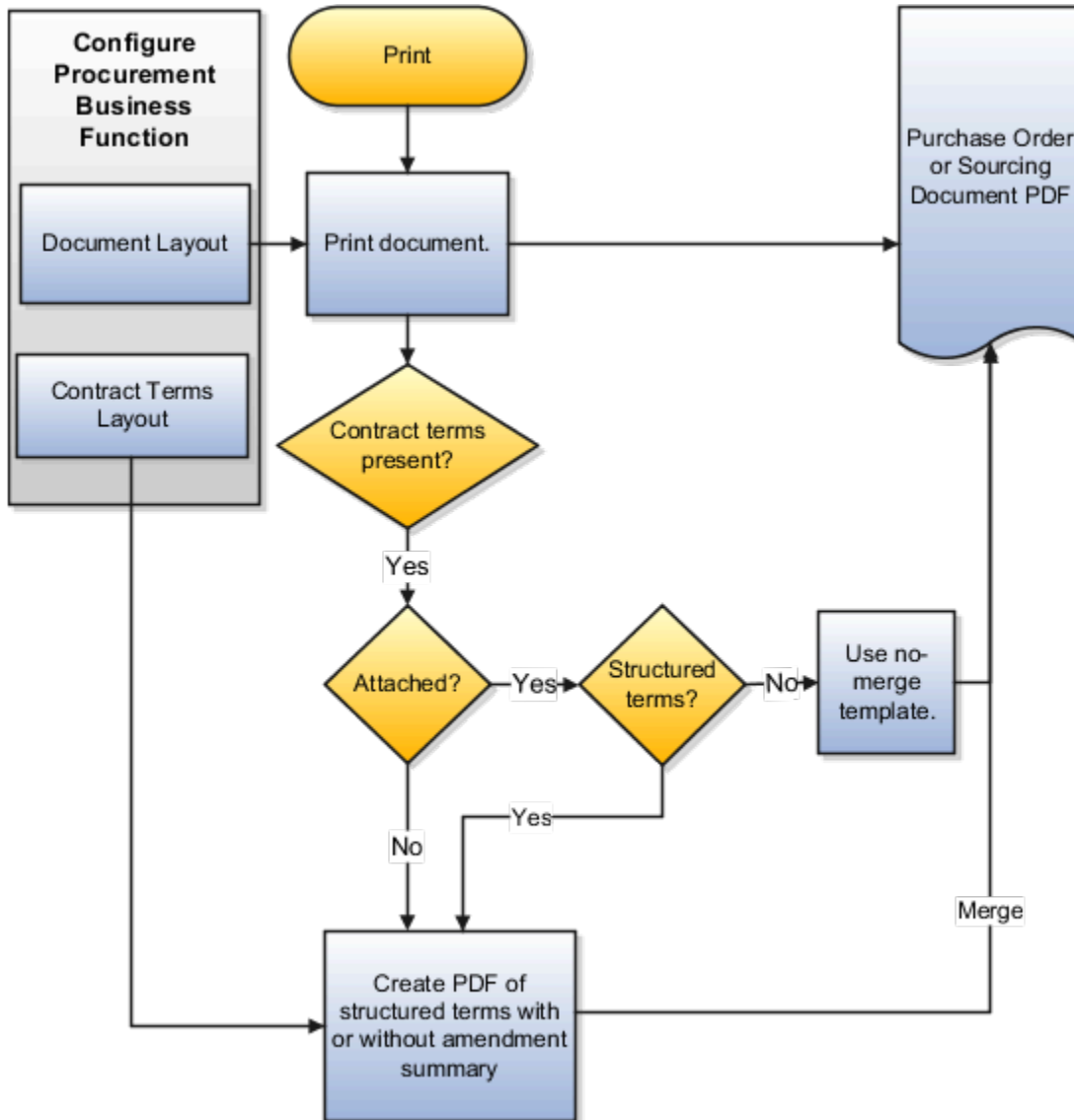
File Name	Description	Location in Analytics Publisher Catalog Directory
ContractTermsNoMerge	<p>This layout template includes the following text: <b>The contract terms for this {doc type} are listed in a separate document which is either attached to the e-mail you received or sent separately. These contract terms should be read in conjunction with this {doc type}.</b></p> <p>The document type name is substituted in the printed contract.</p>	Enterprise Contracts/Contract Terms Printing/Attached Contract Preview

**CAUTION:** If you edit the `contractTermsNoMerge` layout template, then you must save it under the same name in the same directory.

1. The application uses the document layout template specified in the Document Layout field in the PO or purchase agreement to create the PDF.
2. If the contract includes structured terms, then the application uses the contact terms layout template to generate the contract terms PDF.
3. If the contract terms are attached as a file and the file retains the structured terms format, then the application creates the contract terms PDF from the file. Contract terms attached as a file can retain the structured XML format if the file was downloaded from the application using the **Download Contract** action.

4. If the contract terms are attached as a file that isn't structured, then the application creates a small PDF of the message contained in the layout template `contractTermsNoMerge`.
5. The application merges the two PDFs into a single document PDF.

This figure outlines how the procurement application uses these layout templates for printing:



**Note:** In order to avoid blank content when downloading contracts, check the Contract Type associated with the contract: Go to Manage Contract Types and select your Contract Type.

- Contract Layout Template: If you're using a supplied template, use Supplier Contract or Customer Contract. If you're using a custom template, it should show in the drop-down list and you can select it.
- Terms Layout Template: Use ContractTermsECM or ContractTermsAmendmentsOnlyECM.

## Printing the Contract Deviations Report

The application uses the contract deviations layout template to generate a PDF report of deviations of a contract from company standards. This report can be automatically attached to the notification sent to the contract approvers during

contract authoring. You can create different layout templates for each business unit. You specify which layout template you want to use in a specific business unit using either the **Specify Customer Contract Management Business Function Properties** or the **Specify Supplier Contract Management Business Function Properties** tasks. These tasks are available in the Setup and Maintenance work area as part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area.

Separate sample layout files are available for buy-intent and sell-intent contracts. Both are located in the same directory. This table describes the layout templates used for the contract deviations report:

File Name	Description	Location in Analytics Publisher Catalog Directory
SupplierContractDeviations	The layout for printing the contract deviations for all buy-intent contracts.	Enterprise Contracts/Deviations Report/Deviations Report
CustomerContractDeviations	The layout for printing the contract deviations for all sell-intent contracts.	Enterprise Contracts/Deviations Report/Deviations Report

## How to Customize the Contract Deviation Report

Here are the steps to customize the deviation report:

- Install Oracle Analytics Publisher Desktop

You use the Oracle Analytics Publisher plugin for Microsoft Word to configure the design layout of custom reports. This plugin lets you import sample XML data and create and modify report templates directly inside

Word. Only a user with administrator rights can perform the Analytics Publisher desktop installation on the workstation. Right-click on the executable and select **Run as Administrator**.

Use this procedure to download Oracle Analytics Publisher Desktop:

- a. Sign in to Oracle Analytics Publisher.
- b. Click the **Help** icon on the top right corner and select **Download Oracle Analytics Publisher Tools**.
- c. Click and download **Oracle Analytics Publisher Desktop (64bit Office)**. The page will list all the Oracle Analytics Publisher desktop versions available for download.
- d. Select the folder where you want to install Oracle Analytics Publisher Desktop. Click **Next** to run the Setup.
- e. Click **Finish**.
- f. Open Microsoft Word and you can see the BI Publisher tab on the Microsoft Word menu bar.

**Note:** The versions of Microsoft Office, BI Publisher Desktop, and the Java JRE must all match as either 32-bit or 64-bit.

- Download Data XML

You can download data model attributes in an XML format to access the standard application attributes and extensible attributes. Once you know the attributes, include the required attributes in the contract layout template.

To download data xml, expand **Contract > Contract Terms > Terms Action > Review Contract Deviations > Download**.

- Customize the Deviation Report Layout Template

Follow the steps to customize layout templates:

- a. Sign in to Analytics Publisher with administrator privileges and navigate to the **Catalog**.
- b. In the Shared Folders directory, open the **Enterprise Contracts** folder.
- c. Locate the **Deviation Reports** and click **More**.
- d. Click **Customize**.
- e. Select the Deviation report `SupplierContractDeviations` and click the **Edit** link of the layout to download the RTF file.
- f. The Customize option automatically creates a copy of a predefined report and stores it in the **Shared Folders > Custom folder** within the Catalog.
- g. Open the downloaded RTF template file in Microsoft Word. Or, if you're creating a new template, just open Microsoft Word.
- h. Load the sample data that you generated.
- i. Insert the fields in the file according to your business requirements.
- j. Save the file as Rich Text Format (RTF).

## Preview Contract Terms Templates

Contract Terms Library administrators, as well as contract authors, can preview the content of a template by selecting the preview icon. For example, a contract author may want to preview a template to verify they're selecting the correct one. The preview lists all the clauses and sections the template contains and any boilerplate included in the layout template. It doesn't list any additional clauses inserted by Contract Expert rules.

Using the Opt In page, you can also add a table of contents to the PDF document created when previewing a contract. A table of contents helps you in quickly scan and locate a specific section in a PDF document. To enable this feature, see the Enable Table of Contents in Contract Preview topic.

In addition to setting opt in for this feature, you also need to check the layout templates that you use for previewing your contract. If you have custom the layout template for printing contract terms, you can:

- Take the latest version of the layout template and reapply your customizations.
- Apply the updates required to print the table of contents to your custom layout template.

Here are the layout templates that supports table of contents:

- ContractTermsECM
- ContractTermsPlusAmendmentsECM
- ContractTermsProcurement
- ContractTermsPlusAmendmentsProcurement
- ContractTermsOrAmendmentsECM
- ContractTermsOrAmendmentsProcurement
- ContractTermsTemplate

You can create different layout templates for each contract terms template. You specify the layout template to be used for the preview on the General tab while editing the contract terms template. This table describes the sample layout template:

File Name	Description	Location in Analytics Publisher Catalog Directory
ContractTermsTemplate	This layout template specifies the layout of the contract terms template preview.	Enterprise Contracts/Contract Terms Printing/Contract Terms Download and Preview

## Previewing and Importing Clauses

The application uses the clause layout template for:

- Formatting individual clauses for preview:  
Library administrators can use the preview icon to view preview of individual clauses on the clause search page.
- Formatting clauses imported from outside the application. This applies only to non-Cloud installations.

You can specify which template you want to use in a specific business unit using either the **Specify Customer Contract Management Business Function Properties** or the **Specify Supplier Contract Management Business Function Properties** tasks. These tasks are available in the **Setup and Maintenance** work area as part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area.

This table describes the sample layout template provided.



File Name	Description	Location in Analytics Publisher Catalog Directory
ContractTermsLibraryClause	Specifies the layout of clause text in the Contract Terms Library.	Enterprise Contracts/Contract Terms Printing/Clause Export and Preview

*Related Topics*

- [Contract Terms Library Business Unit Setup](#)
- [How Contract Terms Templates Work](#)
- [How You Import Clauses into the Contract Terms Library](#)
- [Create and Edit Report Layouts](#)

## Layout Templates FAQs

### What's a layout template?

A layout template is an RTF document that contains a contract's layout, giving you the ability to print it and preview it. Layout templates can include formatting, graphics, text, and other layout elements. The templates are stored in the Oracle Analytics Publisher library.

You must specify a layout template when you create a contract type, to enable printing and previewing of contracts, the contract terms and conditions, and summary of amendments made to contract terms.

### Can I print a contract if there are no layout templates specified for a contract type?

No, you can't print or create a PDF of a contract if contract layout template isn't there in the contract type that was used to create the contract.

If you don't specify the terms layout template, you can't preview the contract terms as a PDF either.

*Related Topics*

- [What's a layout template?](#)

### How do I remove the standard page footer on the printed PDF?

You have an option to hide the standard page footer on the printed PDF.

Simply ask your administrator to change the value of the profile option, Page Number on Contract Print Hidden (ORA\_OKC\_HIDE\_DEFAULT\_PAGE\_NUM\_IN\_PREVIEW\_PDF), from no to yes. After the change, the page footer will be hidden.



# 7 Set Up Contract Terms and Clause Library Configurations

## Overview of Terms Library

This overview provides a brief summary of the key components of the Contract Terms Library and how an administrator can configure them. The Contract Terms Library contains terms templates that you can use to insert boilerplate terms and conditions into contracts during contract authoring.

This library contains individual sections, clauses and variables. Each clause, which is usually a single paragraph, contains text that specifies a set of legal terms. Clauses make up contract sections, which are then assembled to create a terms template or a contract's terms and conditions. Variables are used within a clause to insert information into the contract terms from a sourcing document. Finally, contract expert rules are made up of questions and responses that drive clause selection, terms template selection, and business policies and standards. A user must be assigned with the Business Practice Director (OKC\_BUSINESS\_PRACTICES\_DIRECTOR\_JOB) job role to access the Contract Terms Library to set up terms and clauses.

### *Related Topics*

- [Contract Terms Library Clauses](#)

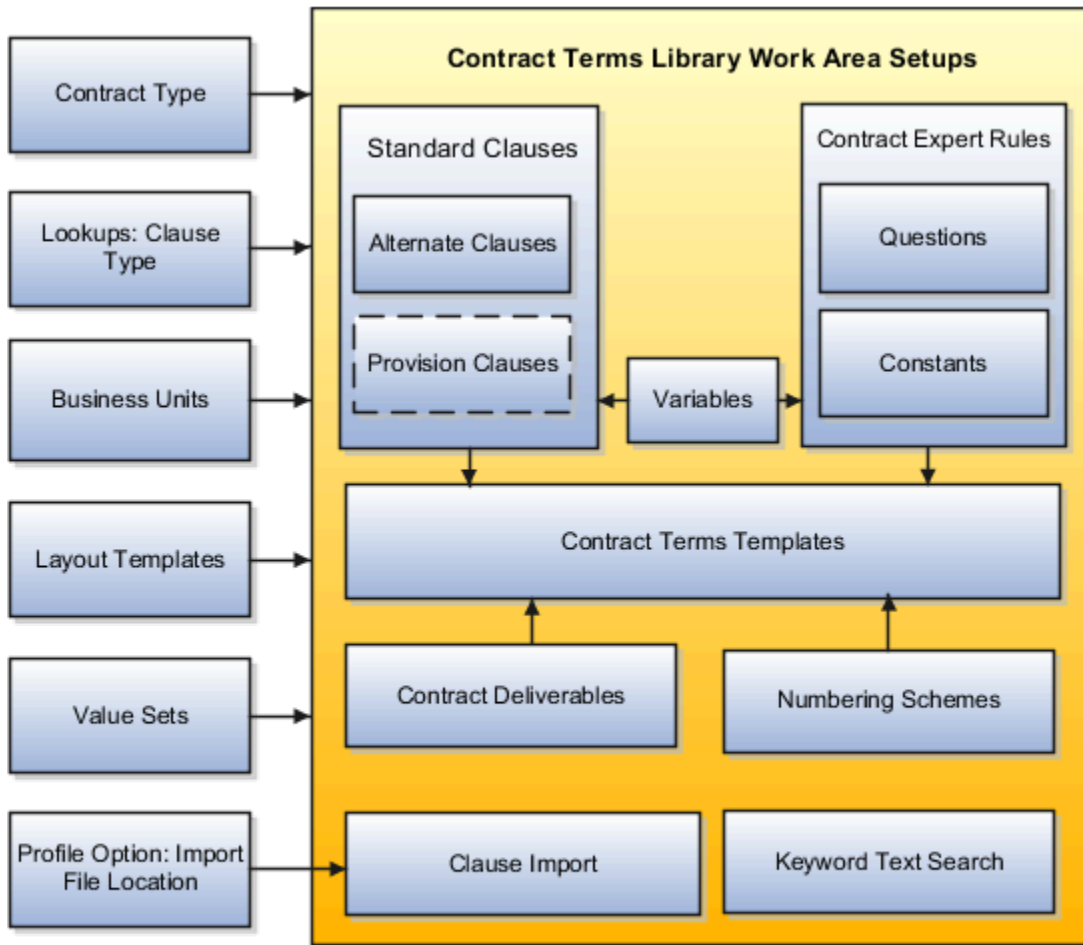
## Overview of Contract Terms Library Setup

### How Contract Terms Library Setups Work Together

This topic provides a brief overview of setups for the Contract Terms Library.

The following figure outlines the main setups for the Contract Terms Library which are described in the sections of this topic. The setups on the left are accomplished using tasks from the Setup and Maintenance work area. To set up most of the Contract Terms Library features, including clauses and contract terms templates, you must navigate to

the Terms Library work area. Dashed boxes highlight features that are available only in Oracle Procurement Contracts.



## Setups in Oracle Fusion Functional Setup Manager

Different Oracle Fusion Functional Setup Manager tasks enable or affect Contract Terms Library features. These setups include:

- Setting Up Contract Types to Work with the Contract Terms Library

Contract types specify properties of different contracts including the type of permitted contract lines, party roles, contract validation checks, and the contract acceptance and signature requirements. For the Contract Terms Library, you can use the **Manage Contract Types** task to:

- Enable contract terms authoring

You must enable contract terms authoring for a contract type to use any of the library features for contracts of that type.

- Specify the Oracle Analytics Publisher layout template that will be used to format the printed contract terms for contracts of this type.

- Defining Clause Types

If you want to categorize the clauses in the library, select the **Manage Contract Clause Types** task to set up clause types.

- Configuring Business Units for Contracts

The use of most of the Contract Terms Library content is restricted to the business unit where you create it. This includes clauses, contract terms templates, and Contract Expert business rules. Using either the **Specify Customer Contract Management Business Function Properties** or the **Specify Supplier Contract Management Business Function Properties** tasks, you can:

- Enable content adoption between business units and automatic approvals for content
- Specify the Contract Terms Library administrator, the employee who will receive approvals and other notifications regarding library content.
- Enable the Contract Expert feature for the business unit.

- Creating Contract Layout Templates

Using Oracle Analytics Publisher, you can set up layout templates that determine the formatting of clauses, contract terms template previews, the contract deviations report, and the contract itself.

Download the sample layout templates provided with your application from the Oracle Analytics Publisher library. You can copy and edit the sample layout templates and upload them.

**Note:** For an example on how to use XML to build your own layouts, see the topic [Setting Up Enterprise Contracts - Part 2](#).

- Creating Contract Terms Value Sets

Select the **Manage Contract Terms Value Sets** task to set up value sets for use in contract terms variables and Contract Expert questions.

- Specifying the Location of the File Used for Clause Import

You can import legacy clauses into the Contract Terms Library, either from a file or from an interface table using Oracle Fusion Enterprise Scheduler processes.

If you are importing clauses from a file, then you must specify the location of the file by setting the profile option **Specify Contract Clause Import XML File Location** by selecting the **Manage Clause and Template Management Profiles** task.

## Contract Terms Library Work Area Setups

The Contract Terms Library is built using the tasks within the Terms Library work area:

- Creating Clauses

Create standard clauses for use during contract terms authoring, including alternate clauses, clauses included by reference, and provision clauses. By specifying different clause properties, you can modify clause behavior. For example, you can make clauses mandatory in contracts or protect them from editing by contract authors.

- **Creating Variables**  
You can use variables in the Contract Terms Library to represent information within individual clauses and for use within Contract Expert rule conditions. Your application comes with predefined variables, called system variables. You can create additional variables, called user variables, with or without programming.
- **Creating Numbering Schemes**  
You can set up additional clause and section numbering for contract terms. You can select which numbering scheme you want to use with each contract terms template.
- **Creating Contract Terms Templates**  
Create contract terms templates to insert boilerplate terms and conditions into contracts during contract authoring. Contract authors can apply the templates manually, or the application can apply the templates automatically using default rules you set up.
- **Creating Contract Expert Business Rules**  
Set up business rules that ensure compliance of contracts with corporate standards.  
Contract Expert helps you to set up business rules that can:
  - Apply the appropriate contract terms template to a contract  
For example, apply the contract terms template Software License and Service Agreement if the contract is authored in the North America Operations business unit and the contract amount exceeds one million dollars.
  - Insert additional clauses into specific predetermined locations in the contract  
For example, add an audit clause if an audit is required.
  - Report contract deviations from corporate policies  
For example, report a contract worth one million dollars or more that includes payment terms greater than 90 days.You can base Contract Expert rule conditions on the values of variables in the contract, the presence of other clauses, or you can set up questions that contract authors must answer during authoring.  
For example, you can ask authors a series of questions about the nature of the materials being shipped to customers and insert additional liability clauses based on their answers.  
If you are setting up business rules with numeric conditions (for instance, insert a special payment terms clause if the contract amount exceeds \$1 million) then you must set up constants to hold the numeric values. You cannot enter the numeric values directly.
- **Contract Deliverables**  
Contract deliverables track both contractual and non-contractual commitments that must be completed as part of negotiations, purchasing, and enterprise contracts between businesses and suppliers or customers based on contract intent. These deliverables can be used in purchasing and sourcing documents that include contract terms and in enterprise contracts.
- **Importing Clauses**  
You can import clauses from legacy applications by running Oracle Fusion Enterprise Scheduler (ESS) processes from the Terms Library work area by selecting the **Import Clauses** task or from the Setup Manager by selecting the **Manage Processes** task.

- Setting Up and Maintaining the Index for Clause Text Searches Using the Keyword Field

By selecting the **Manage Processes** task in the Terms Library work area, you can also run the ESS processes required to set up and maintain the text index required for searches of clauses and contract terms templates using the Keyword field.

#### Related Topics

- [How Business Unit Affects Clauses and Other Objects in the Library](#)
- [Contract Terms Library Clauses](#)
- [How Contract Terms Templates Work](#)
- [Variables](#)

## How Contract Terms Library Supports Translation

You can set up your contract terms library to handle the translation of clauses, templates, and other content in multiple languages.

This topic discusses the features included in Enterprise Contracts that support translation, making it possible for you to

- Indicate a localized clause is a translation of another
- Manage contract terms template translations

These two features are only a small part of a translation solution, however. The rest of the setup is very much open-ended. For instance, when you have different business units that operate in different languages, you can use the adoption and localization feature of contracts to keep separate libraries in different languages. Alternately, if you are using only one business unit, you can create separate numbering or naming schemes to keep the content in multiple languages separate.

### Indicating a Localized Clause is a Translation of Another

If you have set up the multiple business unit structure that supports clause adoption and localization, you can use the localization feature to translate clauses. The global clause you create in the global business unit becomes the clause you are translating from.

To translate the global clause:

1. Localize it using the localize action.
2. Enter the translation on the Localize Clause page. The Localize Clause page displays both the original and translated text.

You can indicate the localized clause is a translation-only clause by selecting a check box. This check box is for informational purposes only and can be used to generate reports.

**Note:** Unlike contract terms templates, clauses have no language field that tracks the language of the clause.

### Tracking Contract Terms Template Translations

For each contract terms template you can specify the template language and the template it was translated from, if it is a translation.

**Note:** The language setting on templates is only informational; there is no automatic translation abilities.

The Translations tab in the contract terms template edit page shows all of the templates related by translation. All of the templates listed display the source template in the Translated From column, except for the source template which leaves this column blank. In this example, you can tell the English template is the source template for the French, Chinese, and Japanese translations because there is no entry in the Translated From column. For instance, if you translate an English template into French, Japanese, and Chinese, then each of the templates lists the translations as shown in the following

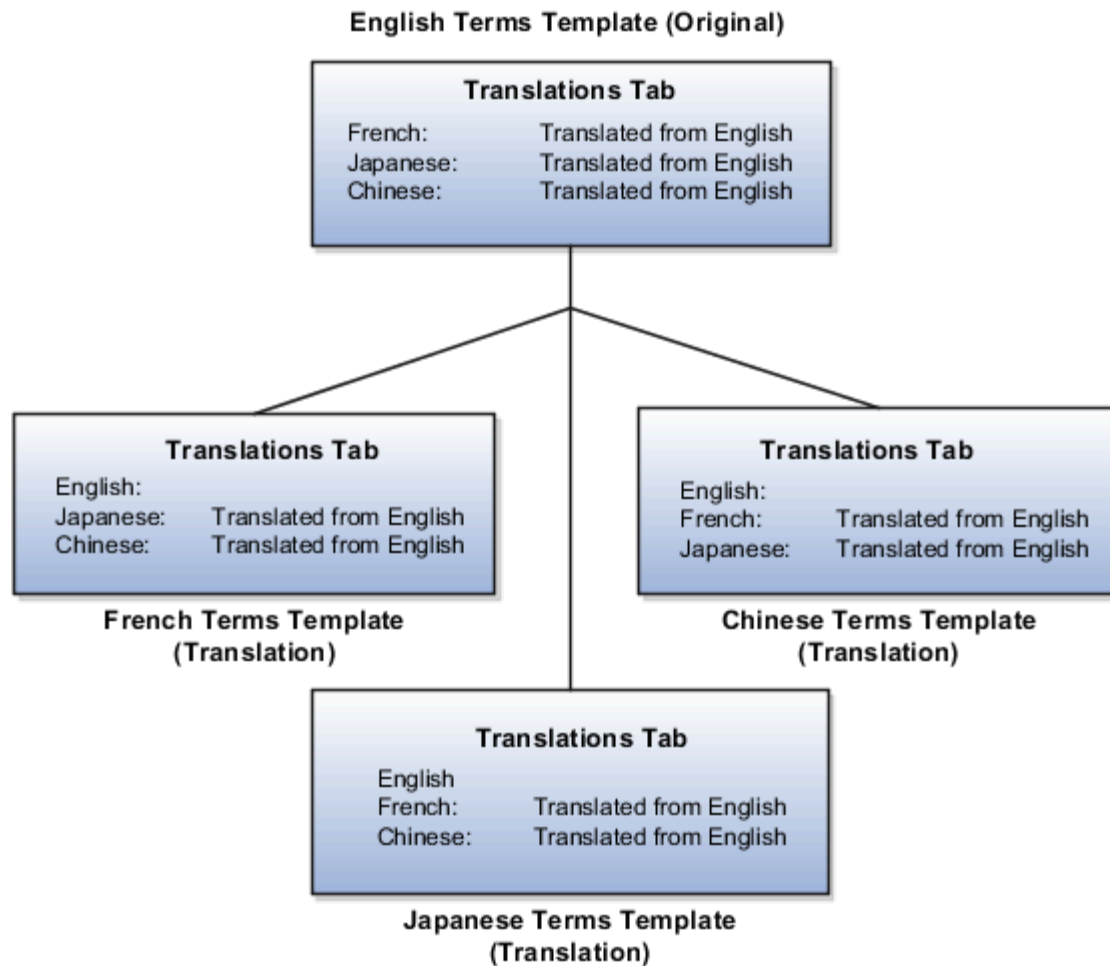


figure.

To manage the translated templates, you can search for all of the templates in a particular language and for all templates translated from a specific template.

#### Related Topics

- [How Content is Adopted from Global to Local Terms Libraries](#)

## Setup Overview FAQs

### How can I set up the content of the Contact Terms Library?

Go to the Terms Library work area to set up the content of the Contract Terms Library.



### Related Topics

- [How Contract Terms Library Setups Work Together](#)

## What drafts display in the Terms Library Overview page?

The Drafts region of the Contract Terms Overview page displays drafts or revisions that you either created or last updated.

# Set Up Business Units for the Contract Terms Library

## Contract Terms Library Business Unit Setup

You can specify a wide variety of Contract Terms Library settings for customer or supplier contracts within each business unit by using the Specify Customer Contract Management Business Function Properties or the Specify Supplier Contract Management Business Function Properties tasks.

These tasks are available in the Setup and Maintenance work area as part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area.

For the Contract Terms Library in each business unit, you can:

- Enable clause and template adoption.
- Set the clause numbering method.
- Set the clause numbering level for automatic clause numbering of contracts.
- For a contract with no assigned ledger or legal entity, set the document sequence to Global or Business Unit level.
- Enable the Contract Expert enabling feature.
- Specify the layout for printed clauses and contract deviation reports.

## Enable Clause Adoption

Do this to use clause adoption in your implementation:

1. Specify a global business unit  
Designate one of the business units in your organization as the global business unit by selecting the **Global Business Unit** option. This makes it possible for the other local business units to adopt and use approved content from that global business unit. If the **Global Business Unit** option isn't available for the business unit you're setting up, it means you have already designated a business unit as global.
2. Enable automatic adoption  
If you're implementing the adoption feature, you can have all the global clauses in the global business unit automatically approved and available for use in the local business by selecting the **Autoadopt Global Clauses** option. If you don't select this option, the employee designated as the Contract Terms Library Administrator has to approve all the global clauses, before they can be adopted and used in the local business unit. This option is available only for local business units.
3. Specify the administrator who approves clauses available for adoption

You must designate an employee as the Contract Terms Library administrator if you're using adoption. If you don't enable automatic adoption, then the administrator must adopt individual clauses or localize them for use in the local business unit. The administrator can also copy over any contract terms templates created in the global business unit. The clauses and contract terms templates available for adoption are listed in the administrator's Terms Library work area.

#### 4. Adopt global clauses for new business unit

If you're creating a new local business unit and have to adopt existing global clauses, run the Adopt Global Clauses for a New Business Unit process. Refer to the Enterprise Scheduler processes topic for more information.

## Set Up Clause Numbering Options

You can set up automatic clause numbering for the clauses in the business unit by selecting **Automatic** in the **Clause Numbering** field and setting the clause numbering level. Then select the appropriate clause sequence category for the specified numbering level. You must have previously set up document sequences for the document sequence categories of global, ledger, and business unit. If clause numbering is manual, contract terms library administrators must enter unique clause numbers each time they create a clause.

You can choose to display the clause number in front of the clause title in contracts by selecting the **Display Clause Number in Clause Title** option.

## Set Up Consistent Clause Numbering

When you skip numbering and suppress the title for a clause or section, the numbering format may look different when you download the contract. You get the difference in numbering format because your downloaded contract has the numbering format of Microsoft Word. To enable Microsoft Word numbering format for your contract in the Enterprise Contracts UI, you must set the **Consistent Microsoft Word Numbering for Contract Terms Enabled** profile option as **Yes**.

If this profile option is set as **No**, you may see inconsistent numbering when you download the contract as the Microsoft Word document.

Here are the steps to enable the profile option:

1. In the Setup and Maintenance work area, go to the **Manage Administrator Profile Values** task.
2. On the Manage Administrator Profile Values page, search for and select the **Consistent Microsoft Numbering for Contract Terms Enabled** profile option.
3. Set the profile option to **Yes**.
4. **Save and Close**.

## Enable Contract Expert

Select the **Enable Contract Expert** option to use the Contract Expert feature in a business unit. This setting takes precedence over enabling Contract Expert for individual contract terms templates.

## Specify Printed Clause and Deviations Report Layouts

For each business unit, you can specify the Oracle Analytics Publisher RTF file that serves as the layout for:

- The printed contract terms  
Enter the RTF file you want used for formatting the printed clauses in the **Clause Layout Template** field.
- The contract deviations report

The RTF file you select as the **Deviations Layout Template** determines the appearance of the contract deviations report PDF. This PDF is attached to the approval notification sent to contract approvers.

*Related Topics*

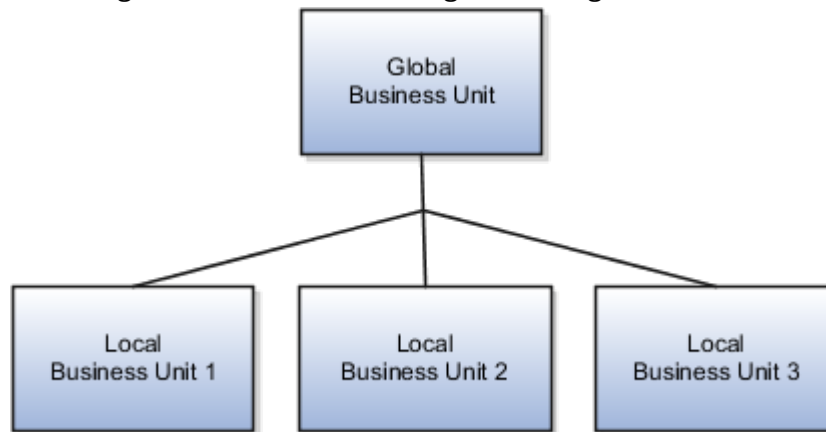
- [How Business Unit Affects Clauses and Other Objects in the Library](#)
- [How Contract Expert Works](#)
- [Contract Printing and Layout Templates](#)

## How Business Unit Affects Clauses and Other Objects in the Library

The choice of a business unit while creating many Contract Terms Library objects restricts where you can use these objects. Objects affected include clauses, contract terms templates, and Contact Expert rules.

Objects created in a local business unit can only be used in that local business unit. Objects created in a global business unit can be adopted or copied over to other business units provided they are specified as global. This topic details the impacts of the business unit choice on the different library objects.

The following figure shows a hypothetical implementation with four business units: one global business unit and three local business units. You can designate one business unit as global during Business Unit setup. The other business units



are local business units.

### How Business Units Affect Terms Library Objects

This table details how the selection of a business unit affects different objects in the Contract Terms Library.

Terms Library Object	Impact of Business Unit
Clauses	Different restrictions apply depending on business unit type: <ul style="list-style-type: none"> <li>• Local Business Unit</li> </ul> Use restricted to the local business unit where it is created.

Terms Library Object	Impact of Business Unit
	<ul style="list-style-type: none"> <li>Global Business Unit</li> </ul> <p>Clauses created in the global business unit, can be made available to other business units by selecting the Global check box.</p> <p>Local business units can either adopt the clause as is or localize it.</p>
Contract terms templates	<p>Different restrictions apply depending on business unit type:</p> <ul style="list-style-type: none"> <li>Local Business Unit</li> </ul> <p>Use restricted to the local business unit where it is created.</p> <ul style="list-style-type: none"> <li>Global Business Unit</li> </ul> <p>Contract terms templates created in the global business unit, can be made available to other business units by selecting the Global check box.</p> <p>Local business units can copy the templates to their business units.</p>
Contract Expert rules	Use of rules is restricted to the business unit where you create them.
Contract Expert questions	Use of questions is restricted to the business unit where you create them.
Contract Expert constants	Use of constants is restricted to the business unit where you create them.
User variables	<p>No effect.</p> <p>User variables created in any business unit and are available across all business units.</p>
Contract terms sections	<p>No effect.</p> <p>Contract terms sections can be created in any business unit and are available across all business units.</p>
Clause numbering schemes	<p>No effect.</p> <p>Numbering schemes can be created in any business unit and are available across all business units.</p>

## Set Up Common CRM Business Unit Profile Option

In the Manage Common CRM Business Unit Profile Options task, you can select:

- The HZ\_ENABLE\_MULTIPLE\_BU\_CRM profile option when you want to use more than one business unit.
- The HZ\_DEFAULT\_BU\_CRM profile option when you only want to use only one business unit.

Here is how you can define your default business unit (BU) profile options:

1. Navigate to **Define Contracts Common Configuration** and open the **Manage Common CRM Business Unit Profile Options** task.

2. Click the default BU profile. Set the profile value to the business unit that should be the default, and click **Save and Close**.
3. Set the default multiple BU profile value to Yes. This means the contracts users are allowed to access multiple business units.
4. **Save your changes**.
5. Click **Done**.

## Set Up Multiple Business Units for Terms Templates and Clauses

When you have set up multiple business units, use these steps to restrict the contract visibility based on a selected user and business unit for security reasons.

In addition, you can associate contracts with a business unit, allowing them to be restricted by a business unit.

Here are the overall steps:

1. Create a Contract organization.
2. Associate the Contract organization with a business unit.
3. Associate the Contract organization with a user.

### Create a Contract Organization

1. Sign in as a setup user and go to Setup and Maintenance.
2. Search for and select the **Manage Internal Resource Organizations** task.
3. On the Manage Internal Resource Organizations page, click the create icon.
4. Select **Option 2: Create New Organization**, and then click **Next**.
5. Enter the name of the contract organization in the **Name** field. This name is shown in the resource directory. Here are a few things to keep in mind when naming contracts organizations:
  - o Each contract organization name must be unique.
  - o The names don't have to correspond to any formal organization in your enterprise. The names are only used to create a resource directory.
  - o Don't use the name of a manager as the organization name, since you might need to reassign the organization to someone else later.
6. In the Organization Usages region, click the add icon and select **Contracts Organization**.
7. Click **Finish**.

### Associate a Contract Organizations with a Business Unit

1. Sign in to the application as an administrator or as a setup user.
2. In the Navigator, select **Resource Directory**.
3. On the Resource Directory page, click the **Tasks** panel tab.
4. In the Resource Organizations region, click **View Organizations**.
5. On the View Organizations page, search for the organization that you created.
6. In the Search Results region, click the link for the organization.
7. Select the **Business Units** tab.
8. Click **Add Row**.
9. Select the business unit from the drop-down list.

**Note:** The first business unit with which you associate the contract organization becomes the primary business unit. If you associate the organization with more business units, you can change the primary business unit as required.

10. To add more business units, click **Save**, and then click **Add Row**.
11. After you add the business units, click **Save and Close**.
12. Click **Done**.

**Note:** If you enable multiple business units, be sure that each user is associated with a contract organization, and the contract organization is associated with one or more business units.

## Associate the Organization with a User

Use the Manage Users task in Setup and Maintenance to associate the organization to the user. While creating a new user or editing an existing user, navigate to the Resource Information section, search and select the contract organization in the **Organization** drop-down list.

For information about creating users, see the related topics.

### Related Topics

- [Methods of Creating Sales Users](#)
- [What You Must Do Before Creating Sales Users](#)
- [How do I create application users?](#)
- [Overview of Sales Resources and Multiple Business Units](#)

# Manage Clauses in the Contract Terms Library

## Contract Terms Library Clauses

You can create different types of clauses for different uses and use clause properties to specify if a clause is protected from edits by contract authors, mandatory, and related to or incompatible with other clauses.

A clause you create in the Contract Terms Library is available for use within the business unit where you create it after it is approved.

The types of clauses you can create include:

- Standard clauses
- Clauses included by reference
- Provision clauses for contracts with a buy intent

Using different clause properties you can:

- Make a clause mandatory in a contract.
- Protect it from edits by contract authors.
- Specify that a clause can be selected by contract authors as an alternate of another clause.
- Specify that the clause cannot be in the same document as another clause.
- Make a clause created in a global business unit available for use in other business units.

## Creating Standard Clauses

Any clause you create in the library becomes a standard clause that can be used in the business unit where you create it after it is approved. Unless you specify that the clause is protected, contract authors can edit the clause in a specific contract. Any edits they make are highlighted in a clause deviations report when the contract is approved. Similarly, contract authors can delete the clause from a contract, unless you specify the clause is mandatory.

## Including Clauses by Reference

For clauses, such as Federal Acquisition Regulation (FAR), you can print the clause reference in the contract instead of the clause text itself. During contract creation, you enter the reference on the Instructions tab of the clause edit page and select the **Include by Reference** option.

## Creating Provision Clauses for Contracts with a Buy Intent

For contracts with a buy intent, you can create provision clauses, clauses that are included in contract negotiations but are removed after the contract is signed. Provision clauses are used primarily in Federal Government contracting.

## Altering Clause Behavior with Clause Properties

Using different clause properties, you can alter the behavior of a clause. You can:

- Make a clause mandatory.

A mandatory clause is highlighted by a special icon during contract terms authoring and cannot be deleted by contract authors without a special privilege. You can make a clause mandatory for a particular contract terms template by selecting the *Make Mandatory* action after you have added the clause to the template. A clause is also become mandatory if it is added by a Contract Expert rule and you have selected the *Expert Clauses Mandatory* option in the template.

- Protect it from edits by contract authors.

A protected clause is highlighted by a special icon during contract terms authoring and cannot be edited by contract authors without a special privilege. You can protect any clause by selecting the protected option during clause creation or editing.

- Specify that a clause can be selected by contract authors as an alternate of another clause.

You can specify clauses to be alternates of each other on the Relationships tab of the create and edit clause pages. When editing contract terms, contract authors are alerted by an icon that a particular clause includes alternates and can select an alternate to replace the original clause.

- Specify that the clause cannot be in the same document as another clause

You can use the Relationship tab to specify a clause you are creating is incompatible with another clause in the library. The application highlights incompatible clauses added by contract authors in the contract deviations report and during contract validation.

- Make a clause available for use in other business units.

Clauses you create in the library are normally available only within the same business unit where you create them. If you create the clause in the business unit that is specified as global during business unit setup, then you can make the clause available for adoption in other business units by selecting the **Global** option during clause creation or edit. This option appears only in the one business unit specified as global.

## How Alternate and Incompatible Clause Relationships Work

While creating or editing a clause you can specify its relationship to other clauses in the Contract Terms Library.

There are two clause relationships to choose from:

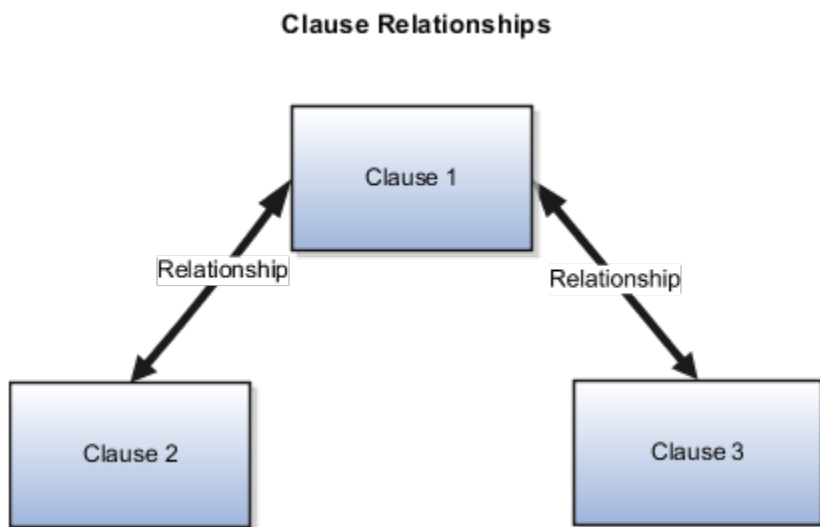
- Alternate

Use the alternate relationship to indicate clauses that authors can substitute for a standard clause in a contract.

- Incompatible

Use the incompatible relationship to highlight clauses that cannot be present in the contract at the same time.

Both of the relationships you establish are bidirectional but not transitive as shown in the following figure.:



Other relationship properties include:

- Relationships you create are valid for all future clause versions.
- You can only establish relationships between clauses of the same intent and within the same business unit.
- Provision clauses used in procurement applications can only have relationships with other provision clauses.
- For clause adoption, the relationships are copied from the global business unit to the local business unit automatically only if you are adopting clauses as is.

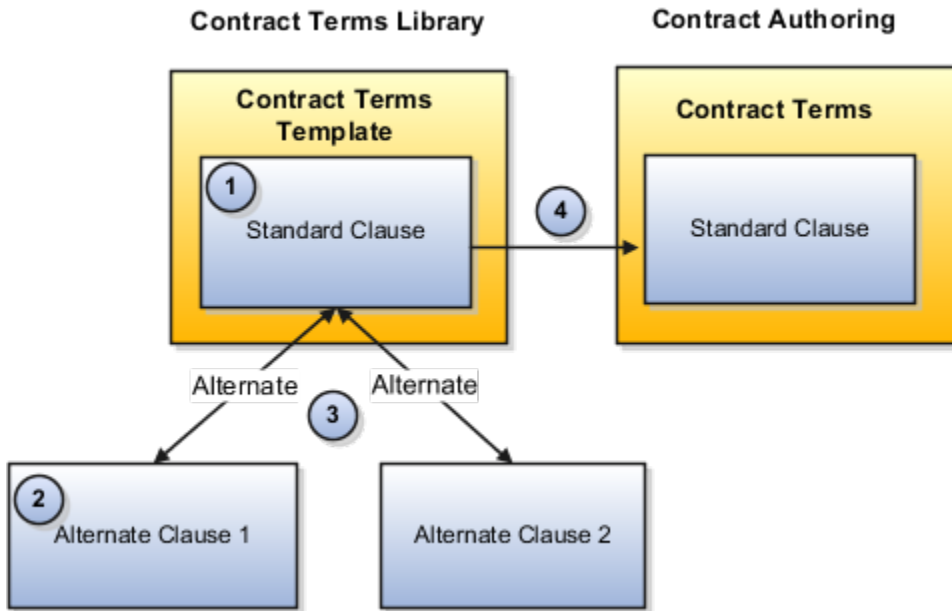
### Setting Up the Alternate Relationship

Set up alternate clauses if you want to let contract authors decide when to substitute an alternate clause for a standard clause in a contract.

The following figure illustrates alternate clause setup: Create the standard clause and include it in a contract terms template. Create the alternate clause or clauses. By using variables to represent differences between clauses, you can reduce the number of alternate clauses you must create. Specify the alternate relationships between the standard clause and the alternate clauses. During contract authoring, the contract terms template applies the standard clause in the contract terms, but the contract author can replace it with either one of the alternate clauses. The



following figure illustrates the setup of an alternate relationship between clauses in the Contract Terms Library.



During contract terms authoring, contract authors are alerted to the presence of alternate clauses by a special clause icon. If they choose to substitute one of the alternate clauses for a standard clause, the substitution is recorded as a clause deviation in the contract deviations report.

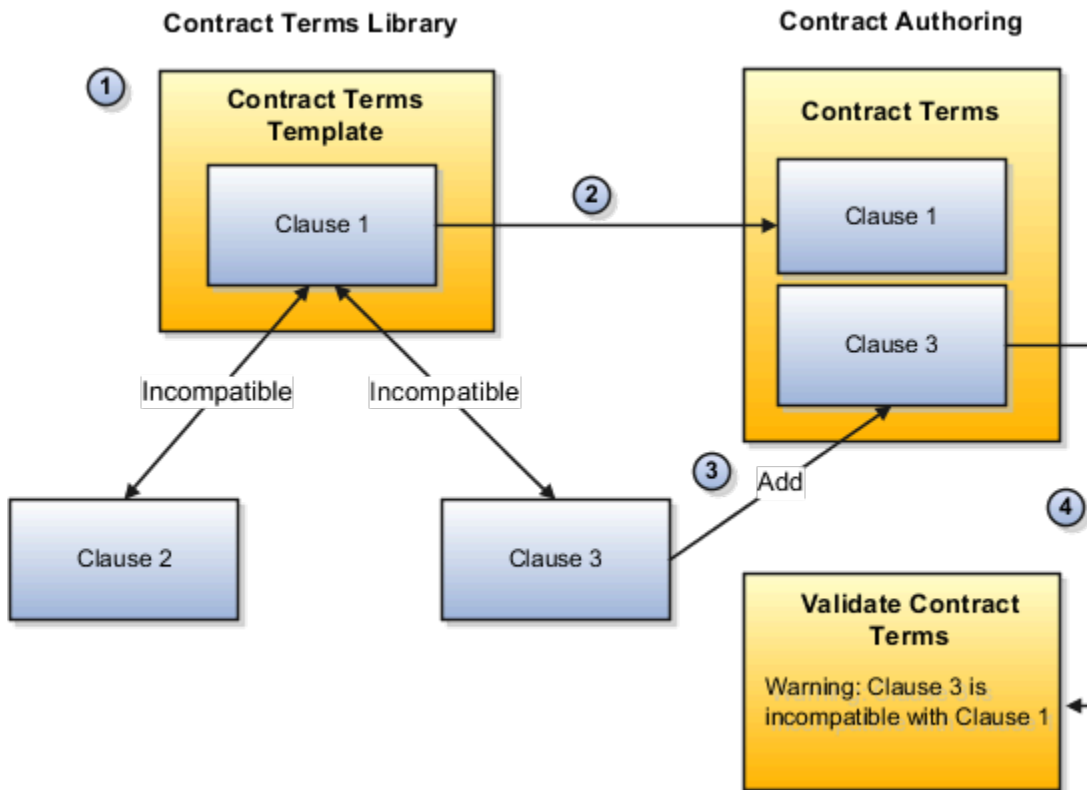
In addition, by selecting the **Analyze Clause Usage** action, you can determine which contracts are using alternate clauses.

## Setting Up the Incompatible Relationship

When you specify a group of clauses to be incompatible, the presence of more than one incompatible clause in a contract results in a warning during contract terms validation.

The following figure uses an example to illustrate the setup of incompatible clauses. During setup, you specify Clause 2 and Clause 3 as incompatible to Clause 1 and associate Clause 1 to a contract terms template. The contract author or a Contract Expert rule applies the contract terms template (including Clause 1) to a contract. The contract author or a Contract Expert rule adds Clause 3 to the contract terms. The application

displays a warning during validation. The following figure illustrates an incompatible clause relationship.



*Related Topics*

- [Examples of Setting up Alternate Clauses](#)
- [What's the difference between setting up multiple alternate clauses and one with a variable?](#)

## Examples of Setting up Alternate Clauses

This topic uses the example of jurisdiction clauses to illustrate two different ways of setting up alternate clauses.

Suppose for example, that the standard jurisdiction for your contracts is the State of Delaware but you want to permit contract authors to select the following jurisdictions:

- San Jose, California
- San Mateo, California,
- Miami-Dade County, Florida

There are two ways of setting up the alternate clauses:

- Create a separate alternate clause for each jurisdiction

During authoring agents must find and select the clause they want to use.

- Create one alternate clause and use a variable to supply the different alternate jurisdictions  
During authoring, agents select the alternate clause and then supply the jurisdiction by entering the variable value while running Contract Expert.

## Creating Separate Alternate Clauses

Use this method to create one clause for each jurisdiction. Here is the setup for this example:

1. Create the standard jurisdiction clause for State of Delaware.
2. Associate the standard clause with a Contract Terms Template that will be used to default it into contracts.
3. Create the three alternate clauses:
  - Alternate Clause 1: San Jose, California
  - Alternate Clause 2: San Mateo, California
  - Alternate Clause 3: Miami-Dade County, Florida

Because you want each alternate clause to have the same title, Jurisdiction, you must use both the Clause Title and the Display Title fields when you create each alternate. Your entry in the Clause Title must be unique, for example, Jurisdiction\_1, Jurisdiction\_2, and Jurisdiction\_3. But you can enter Jurisdiction in the Display Title field to make the same title appear in the printed contract for all the clauses.

4. Specify the alternate relationship between the different clauses:
  - The standard clause is an alternate of Alternate Clause 1
  - The standard clause is an alternate of Alternate Clause 2
  - The standard clause is an alternate of Alternate Clause 3
  - Alternate Clause 1 is an alternate of Alternate Clause 2
  - Alternate Clause 2 is an alternate of Alternate Clause 3
  - Alternate Clause 1 is an alternate of Alternate Clause 3

During authoring, agents are alerted to the presence of the alternate clauses by an icon and can select any one of the alternate clauses to replace the standard clause.

## Creating One Alternate Clause with Variables

If you want to minimize the number of alternate clauses you must create to just one, use this alternate setup:

1. Create the standard jurisdiction clause for Delaware.
2. Associate the standard clause with a Contract Terms Template that will be used to default it into contracts.
3. Create one alternate clause with two variables: one for the county and one for the state:

`This agreement is governed by the substantive and procedural laws of [ @State of Jurisdiction@ ] and you and the supplier agree to submit to the exclusive jurisdiction of, and venue in, the courts in [ @County of Jurisdiction@ ] County, [ @State of Jurisdiction@ ], in any dispute arising out of or relating to this agreement.`

4. Specify the alternate relationship between the standard clause and the alternate clause.

During authoring, agents are alerted to the presence of the alternate clause by an icon. Agents who select the alternate clause must run Contract Expert and enter the state and county variable values.

### Related Topics

- [What's the difference between setting up multiple alternate clauses and one with a variable?](#)
- [How Alternate and Incompatible Clause Relationships Work](#)

## Clause Versioning

To make changes in an approved clause, you must create a new version. Versioning permits you to make changes to outdated clause text in contracts.

You create a new version of a clause by selecting from the Actions menu in the clause search page. Keep the following points in mind:

- Clause versioning is restricted by status.
- A new clause version is not effective until it is approved.
- Not all attributes are versioned.
- Creating a new version doesn't affect the setup of contract terms templates or rules.
- You can view all clause versions and compare version text, but you can't restore an old version.

### Clause Versioning Is Restricted by Status

You can create versions for clauses in the approved or expired statuses only. You don't create new versions to edit clauses that were rejected in the approvals process. You must edit and resubmit them for approval.

### A New Version Is Not Effective Until It's Approved

When you create a new version of an approved clause, your edits don't take effect until the new version is approved. In the meantime, contract authors can continue to use the last approved version if there is one.

### Not All Attributes Are Versioned

Not all clause attributes are versioned, so editing them immediately affects all versions, even those currently in use in contracts. These attributes are:

- Clause relationships
- Folders
- Templates
- Translations

### Viewing Versions and Comparing Text

You can view and compare clause versions, but you can't restore a previous version:

- If you want to view the different clause versions that are available in the library, select the **Include All Versions** check box in the clause search page.
- If you want to compare the text of the old versions of a clause with the current version, open the clause in the edit page and click the History tab.

### Related Topics

- [What are the clause statuses and what do they mean?](#)

## Example of Changing the Title of an Approved Clause

While you cannot change the entry you make in the Clause Title field after a clause is approved, you can change the title that is printed in contracts in subsequent versions by making an entry in the Display Title field.

The display title overrides the original title in contracts.

### Scenario

Suppose you want to change the title of the clause Liability to Limited Liability, but the clause is already approved and in use.

In this case, you can do the following:

1. Create a new clause version.
2. Enter Limited Liability in the Display Title field.
3. Submit the new version for approval.

Contract authors can start using the new version of the clause after it is approved.

### Related Topics

- [Clause Versioning](#)

## Considerations for Removing a Clause from Use

You can remove a clause from use by deleting it, putting it on hold, or entering an end date. Each of these actions is available and appropriate in different circumstances.

### Deleting a Clause

You can delete a clause only when it is in the **Draft** or **Rejected** status. If the clause already exists in an approved version, then that original version can continue to be used in contract terms templates, Contract Expert rules, and in contracts.

### Putting a Clause On Hold

You can place an approved clause temporarily on hold by selecting the **Apply Hold** action and remove the hold by selecting **Remove Hold**.

You can still add a clause that is on hold to contract terms templates and Contract Expert rules, but you receive a warning when you try to activate them. Similarly, contract authors receive a warning when they validate a contract with a clause that was on hold and record the hold in the contract deviations report.

## Entering an End Date

Enter a past date as the end date while editing a clause in the Contract Terms Library. This removes an approved clause permanently from use and sets the clause to the **Expired** status. You can search and view the most recently expired version of a clause in the Contract Terms Library and copy it to create a new clause.

### Related Topics

- [Clause Versioning](#)

## Example of Including a Clause by Reference

This example illustrates how to create a clause that is printed in contracts as a reference.

### Scenario

Suppose you want to include a Federal Acquisition Regulations clause 52.202-1 by reference. In this case, you would fill in the following information, as seen in the following table:

**Tip:** Selecting the Include by Reference option prints the clause reference instead of the clause text.

Field	Entry
Number	52.202-1
Title	52.202-1
Display Title	Definitions
Description	Clauses About Definitions
Instructions	As prescribed in 2.201, insert the following clause:
Text	Definitions (July 2004) (a) When a solicitation provision or contract clause uses a word or term that is defined in the Federal Acquisition Regulation (FAR).
Reference	<a href="http://www.acqnet.gov/far/">http://www.acqnet.gov/far/</a>
Reference Description	This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: <a href="http://www.acqnet.gov/far/">http://www.acqnet.gov/far/</a>
Include by reference	Select this option.

## How You Set Up Numbering for Clauses

For each business unit, you can specify either automatic or manual numbering for clauses stored in the Contract Terms Library.

You specify the clause numbering method individually for each business unit during business unit setup by selecting either the **Specify Customer Contract Management Business Function Properties** or the **Specify Supplier Contract Management Business Function Properties** tasks. These tasks in the Setup and Maintenance work area are part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area.

If you specify manual numbering, requiring users to enter a unique number manually each time they create a clause in the library, then no further setup is required.

If you want the clauses to be numbered automatically, then you must:

- Select a clause numbering level. The default clause numbering level for a contract that is not project-based is business unit.
- Select the appropriate clause sequence category for the specified numbering level. This requires the setting up of a document sequence category and a document sequence as described in related topics before setting up the numbering method in the business unit. Use the following values for your setup.

### Values to Use for Document Sequence Categories

When creating document sequence categories for numbering clauses in the Contract Terms Library, use the following values:

- Application: Enterprise Contracts
- Module: Enterprise Contracts
- Table: OKC\_ARTICLES\_ALL

### Values to Use for Document Sequences

When creating document sequences, use the following values:

- Application: Enterprise Contracts
- Type: Automatic
- Module: Enterprise Contracts
- Determinant Type: Global, Business unit, Ledger (if a primary ledger has been assigned to the business unit)

#### *Related Topics*

- [Document Sequence Categories](#)
- [Document Sequences](#)

## Considerations for Importing Clause Text from Microsoft Word

You can enter the text of a clause in the Contract Terms Library.

Use any one of the following options to enter the text of a clause:

- Enter the text using the built-in text editor
- Import the text from a file created with Microsoft Word 2007 or later

## Entering Clause Text Using the Built-In Rich Text Editor

Use the built-in rich text editor to enter and edit clause text whenever possible. This supports all of the application features.

## Importing Clause Text from Microsoft Word 2007 or Later Version

Import clause text from a document created in Word instead of entering the text directly into the application. This helps preserve complex formatting not supported by the application's editor or if using Word is more convenient.

Points to consider:

- The file you are importing must be saved in the XML file format.
- The built-in text editor is disabled after you import the text for the first time. To modify the clause, you must download it to a file, edit the clause in Word 2007 or later, and upload again.
- Contract authors must also use Word 2007 or later if they want to edit the clause during contract authoring.
- Importing clause text prevents contract authors from using some features of this application. For example, contract authors cannot compare the text between two clause versions or control clause formatting with a layout template.
- To import large numbers of clause records rather than the text of individual clauses, use the Import Clauses from XML File concurrent program.

**Note:** Sometimes Microsoft Word inadvertently adds formatting tags around the variables in the XML file format document. Additional formatting tags can cause the clause import process to fail. To evade additional Microsoft Word tags, copy the variables information in any basic text-editing program, for example, Notepad or TextEdit. Then replace the variable information from basic text-editing program into your XML file.

## Set up Cross-References in Terms and Conditions

You can use variables to set up cross-references to refer to related material between clauses in a contract document.

You can use cross-reference between clauses when the legal language in a clause refers to terms described in another clause within the same document. You can use this feature with both nonstandard clauses and standard clauses defined in the Terms Library.

### Setup Cross-Reference for Clauses

Cross-references in contract terms and conditions can help readers to find supporting information between clauses in the contract. To add cross-references to clause text:

1. Navigate to the Terms Library and select the **Create Variable** task.
2. On the Create Variable page, perform these tasks:
  - a. Enter a variable name.
  - b. In the **Intent** field, select **Buy** or **Sell**.



- c. In the **Source** field, select **Java string**.
- d. In the **Method Type** field, select **System**.
- e. In the **Method Name** field, select **Get clause cross-reference**.
- f. Click **Save and Close**.

**Tip:** You can add a prefix when naming your cross-reference variables so that you can identify variables that are used to support cross-references from other types of variables

3. Navigate to one of these tabs to select a variable for the clause as a cross-reference in the **Cross-reference Variable** field:
  - o **Edit Terms Template > Create Clause tab**
  - o **Edit Terms Template > Edit Clause tab**
  - o **Edit Contract > Edit Clause tab**
  - o **Edit Contract > Create Nonstandard Clause tab**

Use this step to set up the source clause of a cross-reference variable.

4. Navigate to either the create or edit clause tab of the clause where you want to refer to the destination clause, click **Insert Variables** to insert the cross-reference variable into the clause text.

Use this step to set up the source clause of a cross-reference variable.

## Points to Consider for Cross-References

When setting up cross-references, consider these points relevant to various terms library components.

- **Variable**

You can use the Create Variable page to create a new variable that can later be used as an anchor to refer one clause to another clause.

- **Clause**

You can select an anchor variable in the **Cross-reference Variable** field on either the create or edit clause page. The selected variable acts as the bookmark for this clause. The **Cross-reference Variable** field only displays the active variables that are not added to any clause. You can only add one cross-reference variable to a clause.

When you create a new version of a clause, a cross-reference variable is copied to the latest version. If this clause is used in terms and conditions, the cross-reference also resolves for the new version. You can only add a cross-reference variable for a new version of a clause. You can't select a value in the **Cross-reference Variable** field for the history version of a clause.

Once you have added a cross-reference variable to a clause, you can insert variables into the required clause to set up the source clause. You can edit a clause text and click Insert Variables to add the cross-reference variable. You can also manually insert the reference variable in the clause text using the `[@Cross-Reference_Variable_Name@]` code. Just replace the "Cross-Reference\_Variable\_Name" in the code with the variable name you want to add. You can also use the import clause option to import clause text that contains a cross-reference variable.

Updating the contract document, for example, moving a clause or inserting a new clause, automatically updates the cross-reference used in the clause text.

- **Terms Template**

A cross-reference variable only resolves when you add it to a clause associated with a structured terms template. You can embed a cross-reference variable within a simplified terms template, but the variable remains unresolved. You can set up and manage cross-references while editing the simplified terms template in Microsoft Word.

For a structured terms template, you add library clauses that already have references between them. You can then edit these clauses and click **Insert Variables** to add the required cross-reference variables. These new draft clauses are submitted for approval along with the terms template. When you move clauses from one location to another and then preview, any clause references are automatically updated based on the new location of the referenced clause.

You must apply a numbering scheme to terms template for this feature to work when previewing or printing the contract document.

## How You Import Clauses into the Contract Terms Library

You can import clauses, values sets, and manual user variables from external sources into the Contract Terms Library by importing the data from an XML file.

### What You Can Import

You can import:

- Clauses
- Clause relationships
- Manual user variables
- Value sets that are used for the variables
- Value set values

### Before You Begin

Here's what you must do before importing:

- Download this file that contains a Contracts clause import sample XML file and an XML template: [OKCXMLIMPDFN.zip](#).
- Prepare the XML file as specified in the schema file, OKCXMLIMPDFN.xsd, and the sample file OKCXMLIMPDFN.xml (these are in the zip file). Oracle recommends that you keep any Contracts clause XML files under 2 MB in size.
- Be sure that you assign the Business Practices Director (OKC\_BUSINESS\_PRACTICES\_DIRECTOR\_JOB) job role to users who want to use the Terms Library to import clauses and see the import account.

### Import Clauses

Here are the steps to import clauses:

1. Use the Specify Contract Clause Import XML File Location profile option to specify the Enterprise Scheduler Service server directory where the Import Clauses from XML File process uploads and imports files into the Contract Terms Library. You can set this profile in using the Specify Contract Clause Import XML File Location

task. This task in the Setup and Maintenance work area is part of the Enterprise Contracts offering in the Terms and Clauses Library functional area. For example, enter: `/usr/tmp/`.

2. Select the **Import Clauses** task link in the Terms Library work area, and enter the following parameters for running the Import Clauses from XML File process:

Parameter	Description
XML File Name	The name of the file you are importing. The file must be uploaded to the crm/clause/import UCM account.
Default Business Unit	The business unit where clauses are assigned when no specific business unit is included in a clause record you are importing. If the import file includes business units for all clause records, then you can leave this field blank.
Create as Global Clause	You can specify clauses imported into the global business unit as global clauses. This means they will be available for adoption by other business units.
Default Clause Status	The status you enter here is used to specify the status of clause records where no status is specified.
Mode	Use the Validate option to test the quality of your data. Use the Import option to import the clauses.

3. Use the **Manage Process** task available in the Terms Library work area to monitor the progress of your import. Review the log for any error messages. Records with errors remain in the interface tables until you purge them or correct them.
4. To improve performance, periodically purge the interface tables used in the import by running the Purge Contract Clause Import Tables process.

## Clause Statuses

Clause statuses determine when a clause becomes available for use in contract terms authoring. The statuses are:

- Draft: The clause can be edited and submitted for approval.
- Pending Approval: The clause is automatically routed to approvers.
- Approved: The clause is available for use immediately after import.

## Interface Tables

Here are the database tables used for clause import:

Table	Description
OKC_ART_INTERFACE_ALL	The main interface table for loading clause data from external systems
OKC_ART_RELS_INTERFACE	Table that stores information about clause relationships

Table	Description
OKC_VARIABLES_INTERFACE	Table used to import variables used in clauses
OKC_VALUESETS_INTERFACE	Table used to import value sets that are used by variables
OKC_VS_VALUES_INTERFACE	Table that stores value set values
OKC_ART_INT_ERRORS	Table that stores errors that are reported during import validation or import
OKC_ART_INT_BATPROCS_ALL	The internal system table that stores the batch run details. This includes the processing status as well as all the parameters that are used for each import

## Purge Interface Tables

To optimize import performance, periodically run the Purge Contract Clause Import Tables process from the Scheduled Processes UI. This process purges records in all of the interface tables. If you don't enter any parameters, the process purges all records.

Here are the parameters you can use to restrict the extent of the purge:

Parameter	Mandatory	Description
Start Date and End Date	No	Use the start and end dates to identify the date range for the interface records you want to purge.
Process Status	No	Enter a status if you want to purge interface records with that status. The possible values are Error, Success, and Warning.
Batch Name	No	You can restrict the purge to a specific batch by entering its name.

### Related Topics

- [How Alternate and Incompatible Clause Relationships Work](#)
- [Variables](#)

## Examples of Using the Oracle Contracts Terms Library

Standard clauses, terms templates, and business rules are set up in the contract terms library. With policies and terms templates in place, the legal language on a contract can be quickly created from approved templates, expediting contract creation and approval.

Use these examples to better understand using the common features of the terms library.

## Creating a Clause in the Contract Terms Library

The clause is the basic building block of both the terms library and contracts in general. Using the **Create Clause** task in the Terms Library work area the following steps summarize the creation of a clause. See the related links section for a detailed demonstration.

1. In the Create Clause window, select the business unit for the clause.
2. Enter a clause number, title, and display title per your organization's standards.
3. Select the intent for the use of this clause.
4. Select a clause type.
5. Use the editor to enter your clause text.
6. Add variables to your clause by positioning the cursor in the text and clicking **Insert Variables**.
7. You can enter optional instructions for contract authors in the Instructions tab.
8. You can provide contract authors with alternate clauses that they can select instead of this one in the Related Clauses tab.
9. When your clause is complete, submit the clause for approval by the library administrator by clicking **Submit**.

## Creating a Contract Terms Template

The terms template is the customary starting point for all contract authors. Using the **Create Terms Template** task in the Terms Library work area the following steps summarize the creation of the template. See the related links section for a detailed demonstration.

1. Select the business unit for the template.
2. Enter a unique name into the Name field per your organization's standards.
3. Select the intent for the use of this template.
4. Select the layout template which best enables contract authors to preview the contract terms when they are selecting templates.
5. It's recommended that you use Contract Expert rules to add additional clauses if the contract requires it, so you must enable Contract Expert for this template.
6. Enter name of the default section where Contract Expert will insert any additional clauses into the Default Section field.
7. Click **Save**.
8. Click **Add** in the Document Types toolbar of the Document Types region to specify what contract types will use this template.
9. Select the Document Type and optionally click the **Default** option to automatically apply this template to every new contract of this type.
10. You need a section to add clauses to so start by clicking **Add Section** from the Actions menu in the Clauses tab.
11. Add an existing section from the library or create a new section.
12. To add clauses to this section, click **Add Clause**.
13. Search for the desired clause, select the clause, and then click the **OK** button.
14. Click **Expand** for the section and then click **Refresh** to see your edits.
15. After you have added all the desired terms and conditions to the template, click **Submit** to begin the approval process.
16. If your template passes validation without errors, click **Submit** again.

## Creating a Clause in a Contract Terms Template

Once you have created a contract terms template you can modify it by creating a clause while editing the template in the Contract Terms Library. With your template open in the Clauses tab the following steps summarize the creation of a clause. See the related links section for a detailed demonstration.

1. Click **Add Clause** and search the library for similar clauses before creating a new one. In this example the library does not contain the clause you need and you will create one.
2. Click the **Create Clause** button.
3. Enter an alphanumeric ID in the **Number** field that is unique within the business unit.
4. Enter a unique clause title in the **Title** field.
5. Classify the clause for the Contract Terms Library by selecting a **Type**.
6. Enter the clause text and optionally insert variables into the Text field to complete your new clause.
7. Once you are satisfied with your new text, click the **OK** button.
8. Expand the template folders and click **Refresh** to see the latest edits.
9. After you have added all the new terms and conditions to the template, you are ready to submit it for approval by clicking **Submit**.
10. Review all the draft clauses you created or added to the template and click **Next**.
11. If the template passes validation without errors, you then click **Submit** again.
12. The template and draft clauses are now pending approval and are available for use in contracts after they are approved.

## Manage Clauses FAQs

### What are the clause statuses and what do they mean?

Clause statuses in the Contract Terms Library reflect the state of the current version you are editing and restrict what actions you can take.

The table that follows describes the clause statuses and explains their implications:

Status	Description	Effect
Draft	A clause is automatically set to the Draft status after you create a clause initially or when you create a new version.	<ul style="list-style-type: none"> <li>• Available for authoring and adoption? Not available.</li> <li>• Effect contract approval? No effect. Contracts do not include draft clauses.</li> <li>• Editing? No restriction.</li> <li>• Inclusion in contract terms templates and Contract Expert rules? You can include a draft clause version, but the templates or rules cannot be activated until the clause version is approved.</li> <li>• Deletion?</li> </ul>

Status	Description	Effect
		<p>Yes. You can delete versions in the Draft and Rejected statuses</p>
Pending Approval	<p>The status of a clause after it's submitted for approval.</p>	<ul style="list-style-type: none"> <li>• Available for authoring and adoption? Not available.</li> <li>• Effect on contract approval? None. Contracts do not include clause versions in this status.</li> <li>• Editing? Limited to description and the end date.</li> <li>• Inclusion in contract terms templates and Contract Expert rules? You can include clauses with their latest versions pending approval, but the templates and rules cannot be activated until the clause version is approved.</li> <li>• Deletion? Not directly but indirectly by first withdrawing it from approval and thus reverting the clause to its original Draft status.</li> <li>• Stop Approval? Yes. You can withdraw the clause from approval using the Stop Approval action. Withdrawing the clause from approval reverts the clause to Draft status.</li> </ul>
Rejected	<p>The approvers rejected the clause version. You can edit clauses in this status and resubmit them for approval.</p>	<ul style="list-style-type: none"> <li>• Available of version for authoring and adoption? Not available.</li> <li>• Effect contract approval? Contracts do not include clause versions in this status.</li> <li>• Editing? Unrestricted.</li> <li>• Inclusion in contract terms templates and Contract Expert rules? You cannot add a clause with its latest version rejected.</li> <li>• Deletion? Yes.</li> </ul>

Status	Description	Effect
Approved	The clause was approved.	<ul style="list-style-type: none"> <li>Available for authoring and adoption? Yes.</li> <li>Effect contract approval? None.</li> <li>Editing? Edits restricted to end date and description.</li> <li>Inclusion in contract terms templates and Contract Expert rules? Yes.</li> <li>Deletion? No.</li> </ul>
Expired	<p>The clause is past its end-date.</p> <p>The application automatically enters a clause end date in the old version when a new version is approved. You can also manually enter an end date in an approved clause.</p>	<ul style="list-style-type: none"> <li>Available for authoring and adoption? No.</li> <li>Effect contract approval? Creates an error during contract approval validation. The clause must be removed before submitting the contract for approval.</li> <li>Editing? No edits permitted.</li> <li>Inclusion in contract terms templates and Contract Expert rules? You cannot add an expired clause. If the latest version of a clause becomes expired when it's already in a template or rule, then the application displays an error during template or rule activation.</li> <li>Deletion? No.</li> </ul>
On Hold	Another Contract Terms Library administrator placed a hold on the clause version.	<ul style="list-style-type: none"> <li>Available for authoring and adoption? No.</li> <li>Effect contract approval? Creates an error during contract approval. The clause must be removed before submitting the contract for approval.</li> <li>Editing? No.</li> </ul>



Status	Description	Effect
		<ul style="list-style-type: none"> <li>Inclusion in contract terms templates and Contract Expert rules?</li> </ul> <p>Cannot add clauses with the latest version on hold.</p> <p>Existing templates and rules use the previously approved version, if one exists.</p> <ul style="list-style-type: none"> <li>Deletion?</li> </ul> <p>No deletion possible.</p>

*Related Topics*

- [Clause Versioning](#)
- [When do I create a clause as part of a contract terms template?](#)
- [How can I withdraw a clause or a terms template from approval?](#)

## How can I find clauses that I drafted or that require my action?

You can see the clauses that you drafted and clauses that require your action on the Terms Library Overview page.

## How do I use the Clause Title and Display Title fields?

In the Clause Title field, give a unique and meaningful name for each clause. Title must be unique within a business unit. Because, once approved, you can't change the clause title. On the contrary, Display Title field, requires no uniqueness of name.

You can use this field to change the title that appears in contracts or to use same title name for multiple alternate clauses.

*Related Topics*

- [Examples of Setting up Alternate Clauses](#)
- [Example of Changing the Title of an Approved Clause](#)
- [How can I set up the clause title to include the clause number?](#)

## How can I create clauses with the same title?

Use the Display Title field to use same title for more than one clause. Display Title doesn't require uniqueness but, Clause Title must be unique within a business unit. The Display Title overrides the Clause Title in printed contracts.

This way, you can create multiple clauses with the same printed title.

## How can I search for a clause in the library by its text?

You can search for clause text using the Keyword field. This field also looks up clause number, clause title, display title, text, instructions and description.

### Related Topics

- [Why can't I find a clause when I search by clause text?](#)

## How can I view the HTML source of a clause text?

You can view the HTML source for clauses in the Terms Library that aren't in an editable state, using the View Source action from the Edit Clause page.

The application displays the **View Source** action in the statuses: Approved, Pending approval, Expired, On hold, and Draft where the clause text is imported from a Microsoft Word XML document.

You can download the source as an HTML file for offline analysis. You can use the **View Source** action in the application editor on draft clauses, but you can't open the editor for clauses in non-editable states, such as approved clauses. When clauses don't print as expected, this feature lets you view the HTML source to see if there's a problem without first creating a new version of the clause to make it editable in the application. For example, where clauses are adopted or localized, this feature can help you isolate the source of the problem, without amending a clause.

## How can I set up the clause title to include the clause number?

You can have the clause number automatically added to the front of the clause title as a prefix in printed contracts by selecting the Include Clause Number in Display option during business unit setup.

You should only do this if the clause number is meaningful in some way, for example when it refers to a number of a government regulation. The clause number is a number of the clause in the Contract Terms Library and it is usually generated by the application automatically. It is not the number of the clause in the contract generated by the numbering scheme.

## How does Contract Expert identify where to insert clauses into contracts?

If you are using a Contract Expert rule to insert clauses into a contract, then Contract Expert inserts the clause in the location that is predefined for the clause in the terms template.

If the clause location is not defined in the terms template, then Contract Expert inserts the clause into the section that is specified in the Default Section field in the General Information region on the create and edit clause pages. If you do not specify a default section for the clause, then Contract Expert uses the default section specified in the Contract Expert region on the General tab in the create and edit contract terms template pages. If the section doesn't already exist in the contract where the clause is being inserted, Contract Expert adds the section along with the clause.

### Related Topics

- [How can I predefine locations of Contract Expert clauses in the contract?](#)

## How does creating a new version of a Contract Expert rule affect contracts?

Activating a new version of a rule makes that new version effective whenever the contract author runs Contract Expert.

Authors who validate or submit for approval contracts that used a previous version of the rule receive an error asking them to run Contract Expert again. Approved contracts are not affected.

## What can I use clause analysis for?

Use clause analysis to find out how the Contract Terms Library clauses, contract terms templates, and Contract Expert rules are used in contracts.

Use clause analysis to:

- Identify which contracts make use of a legal concept.
- Identify contracts that use a given set of clauses.
- Research the effectiveness of standard policies and standards defined in the Contract Terms Library.

For example, you can find out if you need to revise a standard clause by searching for the nonstandard versions of the standard clause.

## What do I enter as the clause text if I plan to include the clause reference instead?

The content you enter in the Clause Text field is used for searching the clauses by text. So, even if you print the Clause Reference instead of Clause Text, it's good you enter content in it.

## How can I embed a question response in a clause?

You can embed a question response in a clause by inserting the associated variable of the question in the clause text.

To associate a question response to a variable, the value sets of the question response and the variable must be identical.

## What information is copied over when I duplicate a clause?

Duplicating a clause copies all information about the clause except for its historical information (the templates where it is used and adoption history). You can edit all of the information about the new clause except for its business unit.

**Note:** To copy a clause to another business unit, you must recreate the clause in that business unit.

## Why can't I find a clause when I search by clause text?

You may not be able to find a clause by searching for its text if the clause text has not been indexed.

The application administrator must periodically index clause text by running two processes: Build Keyword Search Index for Contract Clauses and Optimize Keyword Search Index for Contract Clauses.

## How can I find clauses that are adopted by other business units?

If you're in the global business unit, use the Business Unit and Adoption Type options in Search Clauses page. This way, you can look up localized or adopted clauses. In a local business unit, you can use the analyze clause usage action instead.

## What's the difference between the clause Instructions and the clause Description fields?

You use the clause Instructions field for contract authors on how to use a clause, but use the Description field to enter information describing the clause.

Further details:

- Both text fields are visible to contract authors during contract terms authoring.

- The text of both fields can be searched using the **Keyword** field.
- Neither field is printed in contracts.

## What's a clause intent?

The clause intent specifies if the clause is going to be used for sales or procurement contracts. You can only create a clause for one intent.

## What's the difference between saving a clause and submitting a clause?

Saving a clause saves it as a draft.

Submitting a clause triggers validation checks and submits the clause for approval. While a clause is in the approval process, you cannot make any edits. The clause must be either approved or rejected for you to edit it again.

## What's the difference between setting up multiple alternate clauses and one with a variable?

This topic also includes the advantage and disadvantages of setup methods.

There are two ways of setting up alternate clauses:

- You create multiple separate alternate clauses
- You create just one alternate clause and include variables to supply the different variants

This table highlights the differences between the two setup methods:

Setup Method	Advantages	Disadvantages
Multiple Alternate Clauses	<ul style="list-style-type: none"> <li>• You can use clause analysis to track usage of the clause and its alternates</li> <li>• One-step selection: Contract authors select the clause from a list.</li> <li>• Language of the alternate clauses you create can vary.</li> </ul>	<ul style="list-style-type: none"> <li>• Must create and maintain a large number of clauses.</li> <li>• Authors are restricted to the alternates you create.</li> <li>• Authors may have to search for the clause they want if there are many.</li> </ul>
Single Alternate Clause with Variables	<ul style="list-style-type: none"> <li>• Permits you to create and maintain just one alternate clause.</li> <li>• Supports unlimited number of alternates.</li> </ul>	<ul style="list-style-type: none"> <li>• Two-step selection: Authors select the alternate and then run Contract Expert to fill in the variable values.</li> <li>• Language of the alternate clause cannot change. The only difference is the information supplied by the variables.</li> </ul>

### Related Topics

- [How Alternate and Incompatible Clause Relationships Work](#)
- [Examples of Setting up Alternate Clauses](#)
- [What can I use clause analysis for?](#)

## Who can edit protected and mandatory clauses?

Only users with the Override Contract Terms and Conditions Controls privilege can edit mandatory and protected clauses. Contact your application administrator with questions about the privileges granted to you.

## Why can't I edit the clause information?

You can't edit clause information if you don't have permissions or if the clause isn't in the draft status. Clauses once sent for approval have to be approved or rejected by the approvers.

If you want to modify approved or rejected clauses, you must create a new version of the clause before editing.

### Related Topics

- [Why can't I edit the clause title?](#)

## Why can't I edit the clause text?

You can't change a clause text if you don't have edit permissions on it or if the clause text was imported as a Word document. With necessary permissions, you can change the imported clause text.

To do so, download the imported Word document into your computer. Open and edit the document using MS Word version 2007 or above. Upload the latest document.

**Note:** Request your administrator for 'Override Terms and Conditions' permissions to edit the clause text of protected and mandatory clauses.

### Related Topics

## Why can't I edit the clause title?

You cannot edit the clause title after you first save the clause. However, you can change the clause title in printed contracts by entering a new title in the Display Title field. The display title replaces the clause title in printed contracts.

# Manage Contract Terms Templates

## How Contract Terms Templates Work

You can create contract terms templates in the Contract Terms Library to insert appropriate terms and conditions into contracts during contract authoring. You can apply the templates manually while authoring contracts or the application can apply the templates automatically using defaulting rules you set up.

Contract terms templates:

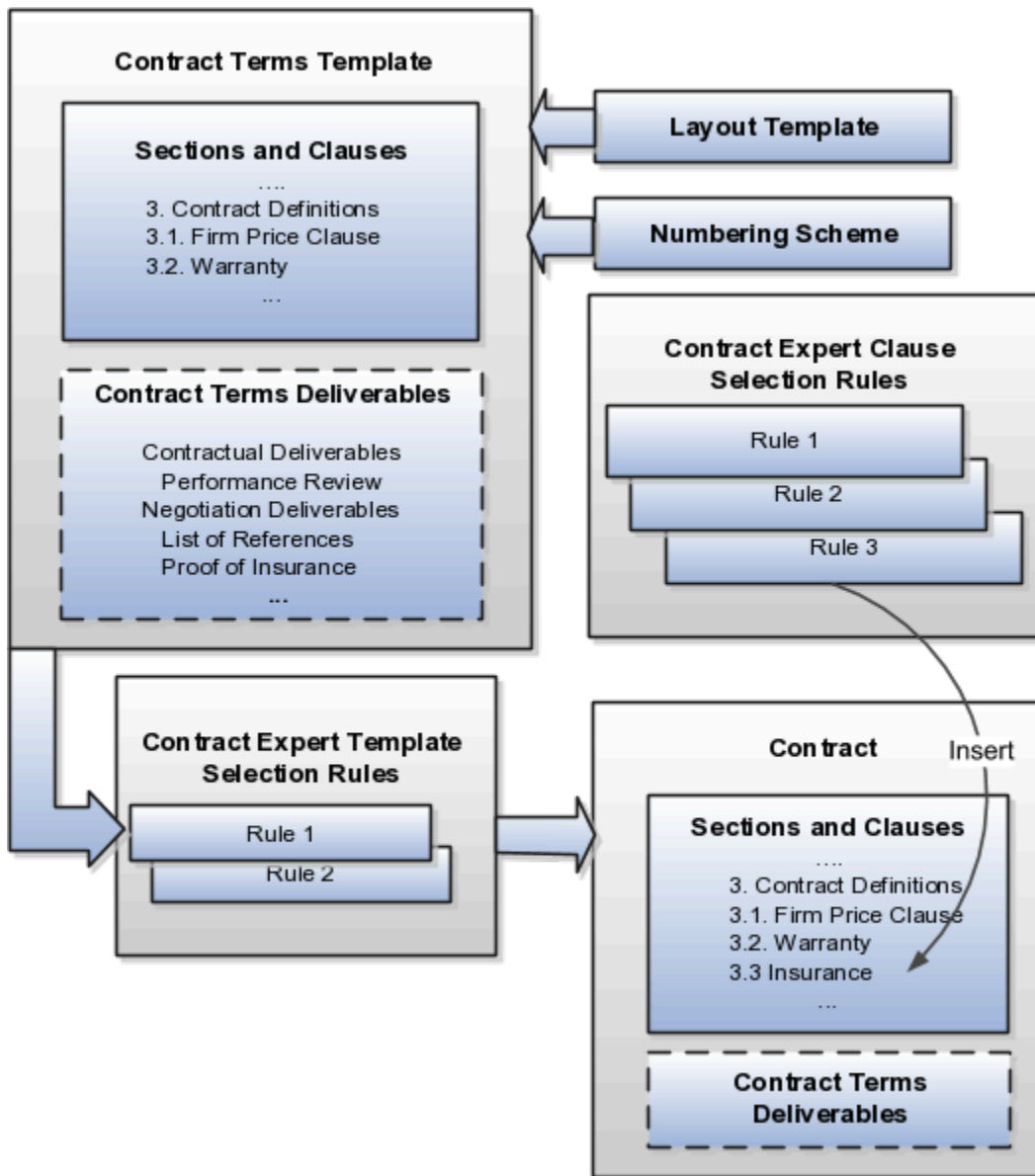
- Contain sections and clauses from the Contract Terms Library.
- Are created in the Contract Terms Library separately. You cannot create them directly from an existing contract.
- Are specific to one business unit.

- Apply to enterprise contracts of the contract types you specify in the template.
- Are specific to either sell-intent or buy-intent contracts.
- Can default contract terms directly on purchase orders and sourcing documents, and on enterprise contracts. For these documents, contract terms templates can also include contract deliverables which can be used to track the completion of contractual tasks in the contract.

In addition, for a contract terms template you can:

- Set up Contract Expert rules to recommend additional clauses for contracts that use the template and insert these clauses in specified locations in the contract if marked as conditional.
- Associate a layout template for previewing the template.
- Specify a contract terms numbering scheme for the template.
- Set up template selection rules to default the template into a contract automatically.

The following figure illustrates the different aspects of contract terms templates, such as section and clauses, contract terms deliverables, layout template, numbering scheme and so on.



## Adding Sections

You can add sections that you have created in the library or create sections that are specific to the template itself.

## Adding Clauses

You can add clauses in one of two ways:

- Add a clause from the Contract Terms Library directly into a section in the template.  
You can create the clause in the library from the template if the library does not have what you need.
- Create Contract Expert rules to add clauses to the contract terms in a contract depending on the specifics of the contract.

For example, you may want to add a boilerplate jurisdiction clause directly into the template, but use a Contract Expert rule to insert the appropriate liability clause. This way a contract that calls for the shipment of hazardous materials will get a liability clause that's different from a contract that does not include any, for example.

The properties that you set up in the clause apply automatically. If you set up a clause as mandatory, you will not be able to delete the clause after it is inserted by the template unless you have the special Override Contract Terms and Conditions Controls privilege. If you set up a clause with alternates, then you can substitute any of the alternate clauses in the contract.

**Note:** You are not required to add any sections or clauses to a template directly. You can use Contract Expert rules exclusively, if appropriate.

## Enabling Contract Expert on the Template

To use Contract Expert in a contract where the template is applied, select the **Enable** option in the Contract Expert region of the Create Terms Template or Edit Terms Template pages. When Contract Expert rules enabled for the template suggest additional clauses, these additional clauses are presented for your review before they are inserted in the default section specified in each clause. Depending on privileges, you can choose which clauses to insert and which to omit. If you make Contract Expert suggestions mandatory for the template, then you can reject the recommendations only if you have the special Override Contract Terms and Conditions Controls privilege.

You can also place recommended clauses for insertion in their predetermined locations, if the clauses are marked as conditional clauses and their locations are defined in the terms template associated with the contract.

## Adding Contract Deliverables to Purchase Orders, Sourcing Documents, and Enterprise Contracts

For Oracle Purchasing purchase orders, Oracle Sourcing documents, and enterprise contracts, you can track compliance of tasks that the contract parties have agreed to execute as part of the agreement by adding contract deliverables.

You can use deliverables to record the status of the tasks, keep everyone notified of past and future deadlines, and as a repository of the deliverable documents themselves. For example, vendors agreeing to supply a monthly report can log in to their sourcing portal and attach the report or ask for an extension. If they fail to respond by the specified deadline, the deliverable can trigger an automatic notification that the deliverable is overdue.

## Assigning a Layout Template for Previewing the Contract Terms Template

You must assign a layout template for the contract terms template so you can preview the template content, when you need to make a template selection, for example. The layout template, which you select on the General tab while editing the contract terms template, specifies what is displayed in the preview, including the fields displayed, graphics such as a company logo, page numbering, headers and footers, and boilerplate text. This layout template is not used for printing the contract.

If you marked Contract Expert recommended clauses as conditional on the terms template, then these are displayed in gray font in the print preview to distinguish them from regular clauses.

The layout template is an RTF file stored in the Enterprise Contracts folder in the Business Intelligence Presentation Catalog. A sample layout template is provided with your application. You can copy the sample template and edit it to create your own as described in a related topic.



## Specifying a Numbering Scheme

You can associate a numbering scheme to the template that will automatically number sections and clauses in the contract. Several predefined numbering schemes are available with your application, and you can create additional numbering schemes of your own.

## Making the Template the Contract Default

You can have a contract terms template apply automatically in all contracts based on:

- Contract type
- Contract Expert rules that select the template based on the specific information in the contract itself

If you enabled the feature Enable Contract Terms in Oracle Fusion Procurement for Procurement Contracts during implementation, then you can also apply templates to procurement documents based on document type.

The following document types become available:

- Auction
- Bid
- Blanket Purchase Agreement
- Contract Purchase Agreement
- Standard Purchase Order
- RFI
- RFI Response
- RFQ
- Sourcing Quote

While editing the contract terms template, you specify a template to be the default for a contract type or document type in the Document Types region. You can set up only one template as the default for each contract type or document type. You set up the Contract Expert template selection rules separately as described in a related topic. You can have multiple rules recommend the same template.

Here is how the default values you enter in the Document Types region and the Contract Expert template selection rules interact to select and apply a template during contract authoring:

- Contract Expert template selection rules always take priority. If the rules specify a single template for a contract, then it is applied regardless of the default you entered in the Document Type region.
- If the Contract Expert rules recommend different templates, then the application uses the default from the Document Type region as a tiebreaker.
- If no Contract Expert selection rule applies and you specified a default, then the application uses the default.
- If you did not set up any rule or default for a contract type or document type, then you must select the template from a list while authoring.

### Related Topics

- [How You Activate and Revise Contract Terms Templates](#)
- [How Contract Expert Works](#)
- [Contract Printing and Layout Templates](#)

## How You Activate and Revise Contract Terms Templates

For a contract terms template to be available for use by contract authors, it must pass an automatic validation check and be approved by the contract terms administrator.

If you need to make changes after the template is approved and in use, you can create a new version by editing the approved template and submitting it for approval. After the revision is approved, it replaces the original automatically.

This topic discusses:

- The validation checks for common errors that you must correct
- The approvals process
- Contract terms statuses, what they mean, and how they affect what actions you can take
- The creation of new template versions or revisions

### Validation Checks

The application performs the following validation checks for all contract terms templates. You must fix all errors before templates can be sent for approval. Fixing warnings is optional.

The following table lists the validations for terms templates including validations for terms template that contain deliverables.

Validation Check	Type	Action
The template contains incompatible clauses.	Warning	Remove one of the incompatible clauses.
A clause you added to the template is in the draft status.	Error	While you can add draft clauses when creating a contract terms template, these clauses must be approved before the template can be sent for approval.  If you create the draft clauses as part of the contract terms template, then these clauses are submitted for approval along with the template.
A clause in the template is in inactive, on hold, or rejected status.  If a previous approved version of the clause is available, then this message does not appear. The template continues to use the previously approved version.	Error	You must obtain approval for the clause and resubmit the template for approval.
The template contains more than one alternate clause.	Error	You must remove one of the alternates.
Contract Expert suggested clauses specific to the activated rules associated with the terms template are not marked as conditional clauses on the terms template.	Warning	You must mark these clauses as conditional clauses on the terms template.

Validation Check	Type	Action
Contract Expert suggested clauses specific to the activated rules associated with the terms template are flagged as unconditional clauses on the terms template.	Warning	You must mark these clauses as conditional clauses on the terms template.
The template contains conditional clauses that are not Contract Expert suggested clauses specific to the activated rules associated with the terms template.	Warning	You must either remove these clauses or mark them as unconditional clauses on the terms template.
If the template is a translation of another template, then the template it was translated from must be valid on the date you validate the translation.	Error	Obtain approval of the template you are translating before resubmitting.
Template contains no clauses.	Warning	Clauses are not required in a template.
The requester or the internal and escalation contacts in the deliverable are invalid.	Error	You must enter different requester or contacts. The internal contact and requester must be employees with e-mail addresses to receive notifications.
Supplier / customer contact is invalid.	Error	The supplier or customer must be entered as a contact with an e-mail address.
Deliverable dates are missing.	Error	Enter the missing dates.

## Template Approval

After you submit a template for approval and it passes validation, the application sends a notification to the approvers specified in the Oracle BPEL Process Manager notification service process. If you have created clauses as part of the contract terms template, then the clauses are automatically submitted for approval and approved along with the template.

For clauses that you added to the terms template from the Terms Library, terms template approval has no effect on them. You can, however, stop the approval of each of these clauses from the Edit Clause page or from the worklist approval notification.

## Stopping Template Approval

If for some reason, after you submit a terms template for approval, you want to withdraw it from approval, you can use the Stop Approval action on the Edit Terms Template page to do so. Stopping terms template approval, automatically stops the approval of clauses that you created or added and submitted for approval with the terms template. The Stop Approval action is not available for such clauses individually on the Edit Clause page.

Stopping the approval of a terms template reverts it to its previous Draft or Revision status and reverts the status of the clauses that you submitted for approval with the terms template to their previous Draft status. For clauses in Pending Approval status that you added to the terms template from the Terms Library, stopping the approval of the terms template has no effect on these clauses. These clauses remain in their Terms Library statuses.

## Template Statuses

Contract terms template statuses are set automatically during the template lifecycle.

The following diagram shows the available statuses and the permitted transitions and actions in each stage of the template lifecycle:

- When you create a contract terms template it is automatically set to the Draft status. You can edit and delete templates in this status.
- When you submit a draft template for approval and it is successfully validated, it is set to the Pending Approval status. You cannot edit, delete, or enter an end date for templates in this status. The approvers must either approve or reject the template or you can withdraw the terms template from approval.
- An approved template is automatically available for use in the business unit where it is created.
- You can edit an approved template to create a new version. The edited version is set to the Revision status until it is validated and approved.
- If the approvers reject the template revision, you can edit it and resubmit it for approval.
- You can place an active template on hold, temporarily removing it from use until the hold is removed. You cannot edit templates in this status.
- You can remove an approved template from use permanently by entering an end date. You cannot edit a template that is past its end date. The only available action is to copy it to create a new one. Entering an end date does not change the status of the template even past the end date.

## Creating Contract Terms Template Revisions

You can create a revision of a terms template by editing an active template. After the revision is approved, it automatically replaces the current version in the Contract Terms Library. The application does not save previous versions of templates.

If the template is a global template that was adopted by other business units, those business units must copy over the revision. The new template revision appears in the Available for Adoption region of the Terms Library Overview page.

### *Related Topics*

- [How Contract Terms Templates Work](#)

## Contract Terms Templates FAQs

### How can I add a clause to a contract terms template?

You can add sections and clauses to a contract terms template on the Clauses tab while editing the template. Alternately, you can set up Contract Expert rules to suggest clauses based on the circumstances of each contract.

Use the outline region to add sections and clauses that will be present in all contracts created with the template. You must add at least one section using the Actions menu before you can add clauses. If you don't find the clause you need while adding clauses, you can create one from the Add Clauses window. In this case, refresh the preview of your template by clicking the **Refresh** icon.

Also, you can create rules to add clauses that vary from contract to contract. Contract Expert can add clauses based on variable values and answers to questions contract authors supply when they author the contract.

*Related Topics*

- [How Contract Terms Templates Work](#)

## What's a default contract terms template?

A contract terms template that's specified as the default template for a document type. A document type can be a buy or sell document that's considered a contract, such as a purchase order or a blanket sales agreement.

## What's the difference between document types and contract types?

While both document types and contract types are contracts, document types encompass all purchasing and sales documents that are deemed contracts. Contract types include only enterprise contracts.

For sales, the list of document types is restricted to contract types, those contracts created within the Oracle Fusion Enterprise Contract Management (ECM) application itself. If you enabled the Enable Contract Terms in Oracle Fusion Procurement feature for the option Procurement Contracts during implementation, then the following procurement document types are available:

- Auction
- Bid
- Blanket Purchase Agreement
- Contract Purchase Agreement
- Standard Purchase Order
- RFI
- RFI Response
- RFQ
- Sourcing Quote

Contract type is an administrator-created classification for enterprise contracts which determines contract functionality, including the presence of lines and contract terms. You create contract types during contract setup by selecting the **Create Contract Types** task.

*Related Topics*

- [Contract Types](#)

## What validation checks are performed for contract terms templates?

The application performs validation checks for all contract terms templates. You must fix all errors before templates can be sent for approval. Fixing warnings is optional.

Here are the validations for terms templates, including validations for terms template that contain deliverables.

Validation Check	Type	Action
The template contains incompatible clauses.	Warning	Remove one of the incompatible clauses.
A clause you added to the template is in the draft status.	Error	While you can add draft clauses when creating a contract terms template, these clauses must

Validation Check	Type	Action
		<p>be approved before the template can be sent for approval.</p> <p>If you create the draft clauses as part of the contract terms template, then these clauses are submitted for approval along with the template.</p>
<p>A clause in the template is in inactive, on hold, or rejected status.</p> <p>If a previous approved version of the clause is available, then this message does not appear. The template continues to use the previously approved version.</p>	Error	You must obtain approval for the clause and resubmit the template for approval.
The template contains more than one alternate clause.	Error	You must remove one of the alternates.
Contract Expert suggested clauses specific to the activated rules associated with the terms template are not marked as conditional clauses on the terms template.	Warning	You must mark these clauses as conditional clauses on the terms template.
Contract Expert suggested clauses specific to the activated rules associated with the terms template are flagged as unconditional clauses on the terms template.	Warning	You must mark these clauses as conditional clauses on the terms template.
The template contains conditional clauses that are not Contract Expert suggested clauses specific to the activated rules associated with the terms template.	Warning	You must either remove these clauses or mark them as unconditional clauses on the terms template.
If the template is a translation of another template, then the template it was translated from must be valid on the date you validate the translation.	Error	Obtain approval of the template you are translating before resubmitting.
Template contains no clauses.	Warning	Clauses are not required in a template.
The requester or the internal and escalation contacts in the deliverable are invalid.	Error	You must enter different requester or contacts. The internal contact and requester must be employees with e-mail addresses to receive notifications.
Supplier / customer contact is invalid.	Error	The supplier or customer must be entered as a contact with an e-mail address.
Deliverable dates are missing.	Error	Enter the missing dates.

## What's a global contract terms template?

A contract terms template that's created in a business unit designated during setup as the global business unit. A global template is automatically listed in the Term Library Overview page in the local business units, and can be adopted by duplicating it.

### Related Topics

- [How Content is Adopted from Global to Local Terms Libraries](#)

## What's a layout template?

A layout template is an RTF document that contains a contract's layout, giving you the ability to print it and preview it. Layout templates can include formatting, graphics, text, and other layout elements. The templates are stored in the Oracle Analytics Publisher library.

You must specify a layout template when you create a contract type, to enable printing and previewing of contracts, the contract terms and conditions, and summary of amendments made to contract terms.

## When do I create a clause as part of a contract terms template?

While creating a contract terms template, if don't find a clause you want to add in the Contract Terms Library, use the Create Clause button to create one.

The clause you create this way automatically associates to the terms template and you can send this for approval along with the terms template. While this shortcut to create a clause doesn't allow you to add some details such as clause instructions, references, and relationships to other clauses, you can always add any missing information later by editing the clause.

Similarly, when you withdraw the terms template from approval, all the draft clauses submitted along with the terms template are withdrawn too. This includes draft clauses that you added from the Terms Library. On stopping approval these draft clauses revert from their Pending Approval status to Draft status. Clauses in Pending Approval status you added to the terms template from the Terms Library stay in their Terms Library statuses when you withdraw the terms template from approval.

## When do I make a contract terms template as the default for a document type?

Set a contract terms template as the default for a document type when you want that template to be automatically applied to a contract of that type.

You can also apply contract terms templates to contracts using Contract Expert rules. If a Contract Expert rule has a default contract terms template, the application ignores the document type default you set here. However, if the Contract Expert rules you had set picks multiple templates, then the application uses the document type default you set here as a tiebreaker.

### Related Topics

- [How Contract Expert Rules Work](#)
- [What's a default contract terms template?](#)
- [What validation checks are performed for contract terms templates?](#)

## Why am I reviewing draft clauses when submitting a contract terms template for approval?

A contract terms template can be approved for authoring only when all of its clauses are approved as well.

If any of the clause versions you added to the template are drafts, then the application lets you review a list of those drafts and submit them for approval along with the contract terms template. The draft clauses can include any draft clause versions, as well as clauses drafted specifically as part of the contract terms template using the Create Clause button.

If any of the clauses are already available in an approved version, then you can use the approved version in the template instead of submitting the drafts for approval. You can make the substitution on the review page by deselecting the draft.

## Why can't I edit the contract terms template?

You can't edit a contract terms template if you have insufficient privileges or if the contract terms template is in a status that does not let you make modifications.

### Related Topics

- [How You Activate and Revise Contract Terms Templates](#)

## Why can't I add clauses to the contract terms template?

You must add at least one section to a contract terms template before you add clauses. Also, the template must be in a status that permits editing.

### Related Topics

- [How Contract Terms Templates Work](#)
- [How can I add a clause to a contract terms template?](#)
- [Why am I reviewing draft clauses when submitting a contract terms template for approval?](#)

## Why do I want to enable Contract Expert in a contract terms template?

Enable Contract Expert in a contract terms template if you want to use its rules. Contract Expert rules can default the template onto a new contract, recommend additional clauses, and show any policy deviations in contracts that use the template.

**Note:** If you don't enable Contract Expert on a template, contract authors can't run Contract Expert in contracts that use the template. Contract Expert rules don't apply; not even those you specify as valid for all templates.

### Related Topics

- [How Contract Expert Rules Work](#)
- [When do I make a contract terms template as the default for a document type?](#)



# Set Up Contract Expert

## How Contract Expert Works

Use Contract Expert to enforce corporate policies and standards for all types of contracts, including enterprise contracts, purchase orders, and sourcing contracts.

Contract Expert helps you set up business rules that can:

- Apply the appropriate contract terms template to a contract.

For example, apply the contract terms template Software License and Service Agreement if the contract is authored in the North America Operations business unit and the contract amount exceeds one million dollars.

- Insert additional clauses into specific predetermined locations in the contract.

For example, add an audit clause if an audit is required.

- Report contract deviations from corporate policies.

For example, report a contract worth one million dollars or more that includes payment terms greater than 90 days.

Contract Expert consists of two components: Rule setup and rule execution.

### Rule Setup

Administrators create the rules that are stored in the Contract Terms Library. A rule can be based on these conditions:

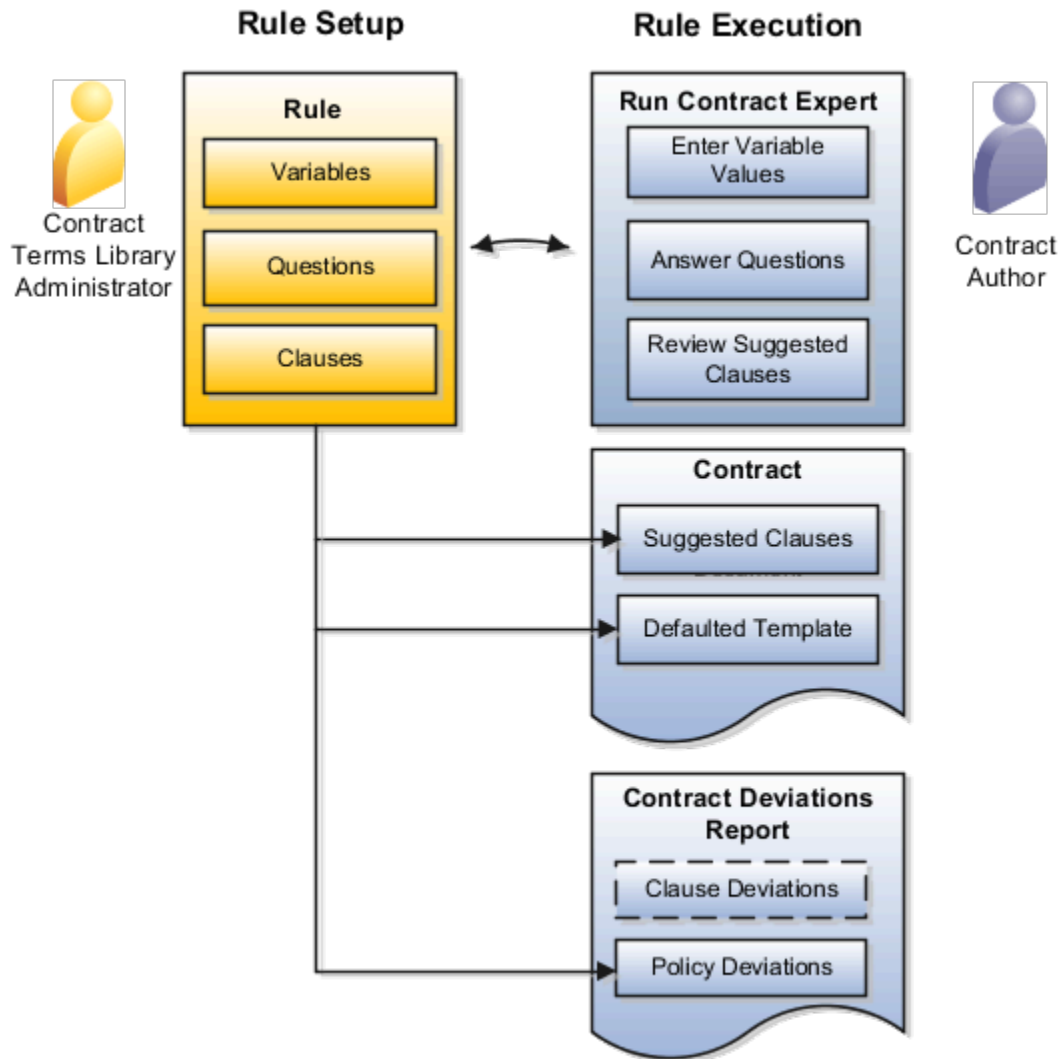
- The values of variables in the contract: For example, recommend an additional clause if the shipment date on an order is greater than 90 days.
- Answers that you as contract authors provide to questions: For example, recommend an additional liability clause depending on a response to a question about hazardous materials.
- The presence of clauses in the contract: For example, if the contract includes a hazardous materials clause, then insert additional insurance clauses.

The first two condition types require your input during authoring.

### Rule Execution

During contract authoring, Contract Expert evaluates the rules. For rules with conditions that require your input, Contract Expert asks you to provide missing variable values and to answer questions when you select the Run Contract Expert action. You can then evaluate any recommended clauses for insertion in the contract. Such clauses can also be inserted in predetermined locations, if you defined these locations in the terms template associated with the contract. You can review any policy and clause deviations by selecting the Review Contract Deviations action. Clause deviations are shown in a dashed box because they don't require Contract Expert rules.

This figure illustrates the setup and contract authoring components of contract expert:



## Contract Expert Rule Setup

Depending on the type of rule that you are creating, you can base rule conditions on:

- Variables  
This condition is based on the value of a variable in the contract. The application either derives the value automatically from the contract, or you enter the value when you run Contract Expert.
- Questions  
This condition is based on answers to questions that you supply when you run Contract Expert.
- Clauses  
This condition is based on the presence of a specific clause in the contract.

Contract Expert rules apply only to contract terms templates where Contract Expert is enabled. You can specify if you want a rule to apply to all or selected terms templates.

## Contract Expert Rule Execution During Contract Authoring

Depending on their type, all active rules for the contract terms template used in a contract are evaluated automatically. The evaluation happens during contract terms authoring or when you run Contract Expert in the Contract Terms tab.

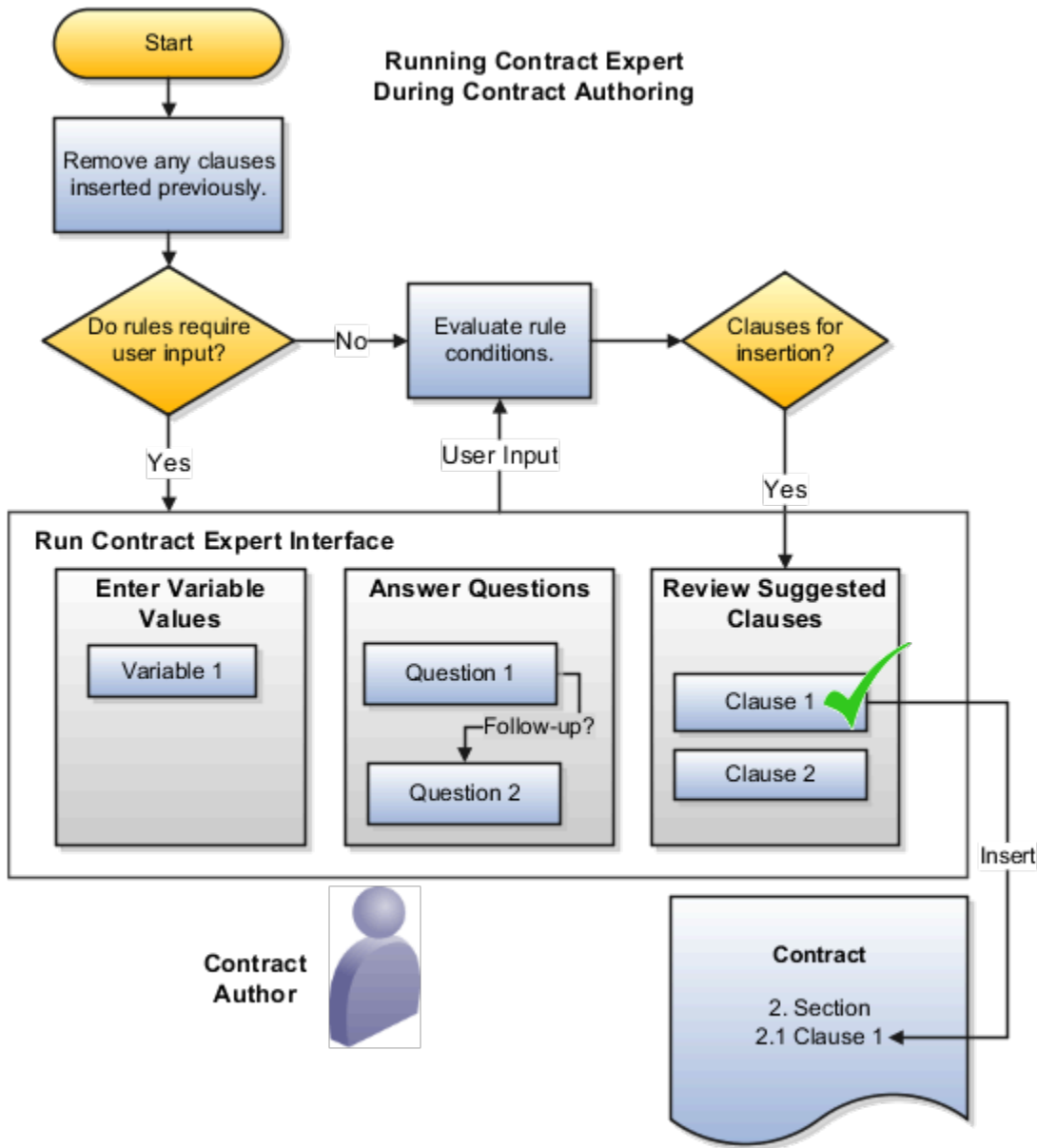
If rule conditions require user input, Contract Expert prompts you to enter variable values and answer questions. Answers to questions can trigger follow-up questions. In this figure, the answer to Question 1 triggered the follow-up Question 2.

Contract Expert displays any recommended clauses for your review. You can choose which of the recommended clauses to insert into the contract as long as you have sufficient privileges.

Contract Expert inserts the clauses in the contract terms section specified during clause setup in the Contract Terms Library. If no section is specified in the clause, the application uses the default section specified in the contract terms template. Contract Expert automatically inserts the default section if it doesn't already exist in the contract. The clauses recommended for insertion might also be placed in their predetermined locations, if you defined these locations in the terms template associated with the contract.

On subsequent runs, Contract Expert first removes any clauses that it inserted into the contract in earlier runs, including clauses that have been moved or have been made nonstandard.

This figure illustrates the behavior of Contract Expert during contract authoring:



If you don't make all the required entries or forget to run Contract Expert altogether, expect to receive warnings when you validate the contract terms or when you review the contract deviations report.

*Related Topics*

- [Examples of Contract Expert Clause Selection Rules and Follow-up Questions](#)
- [How Contract Expert Rules Work](#)

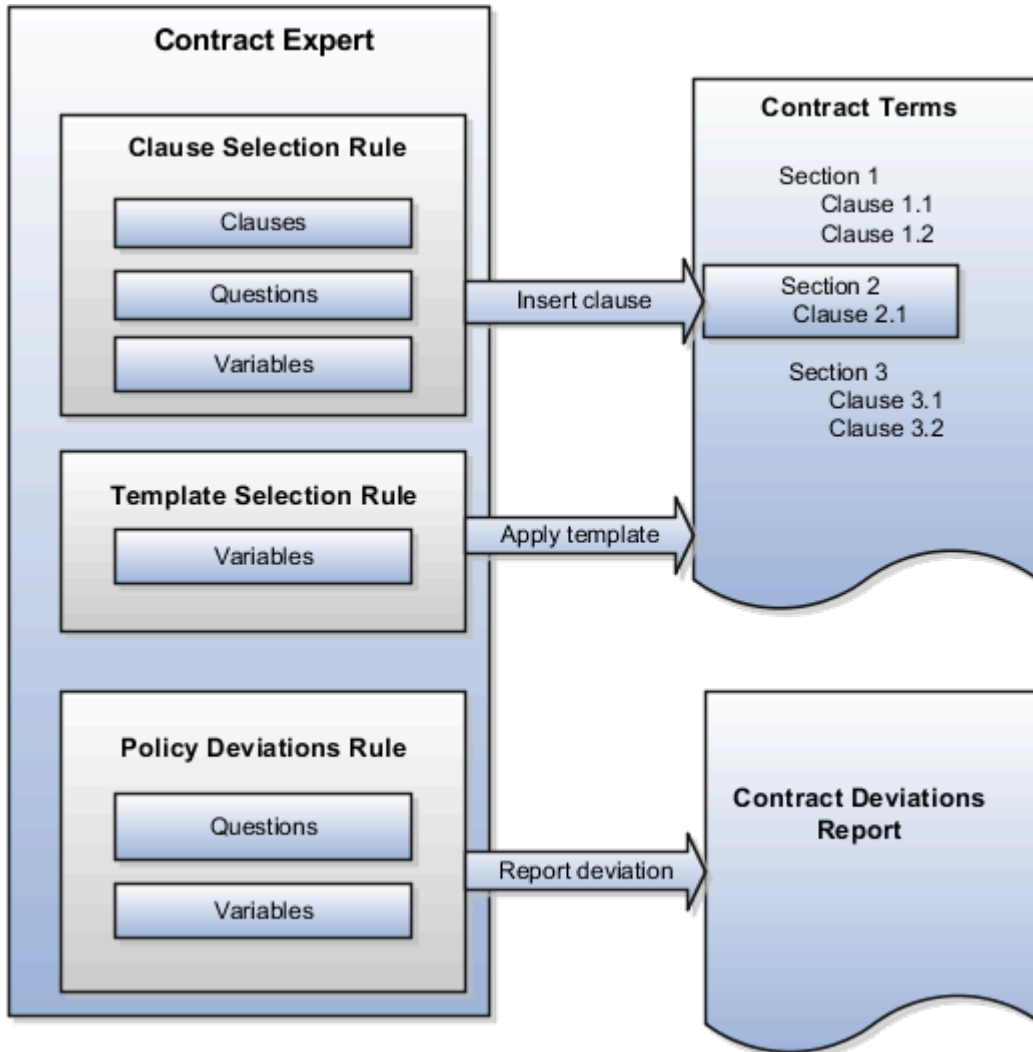
## How Contract Expert Rules Work

You can set up Contract Expert rules to apply contract terms templates automatically to contracts, to suggest additional clauses for insertion during contract terms authoring, and to identify any contract deviations from company policy.

Each rule comprises conditions that must be met and the rule results. You can base rule conditions on:

- The presence of another clause already in the contract
- The value of a system variable or a user variable
- Questions that the contract author must answer

Different Contract Expert rule types support different condition types, as illustrated in the following figure. Clause selection rules, which can default individual clauses and sections into a contract, can be based on clauses, questions, and variables. Template selection rules, which identify the default contract terms template for the contract, can be based on variables only. Policy deviation rules, which identify contract deviations from company policies, use questions and variables only. The following figure illustrates the Clause Selection, Template Selection, and Policy Deviation Contract



Expert rules.

Key rule properties include:

- All rules can use multiple conditions linked together with either the AND or OR logical operators.
- All rules: clause selection, policy deviation, or template selection cannot start with a numeric prefix.
- The values of non-numeric conditions are supplied by value sets.
- The values for numeric conditions are supplied by constants.

- Rule types that permit the inclusion of questions can trigger follow-up questions, permitting you to chain rules together.
- Rules are restricted to the specific business unit and the contract intent where you create them.
- Rules do not get copied when you copy a global contract terms template to another business unit.
- Conditions support both logical and numeric operators:
  - IS
  - IS NOT
  - IN (allows the selection of multiple values)
  - NOT IN (allows the selection of multiple values)
  - >=: (greater than or equal to)
  - <=: (less than or equal to)
  - =: (equal to)
  - > (greater than)
  - < (less than)

## Clause Selection Rules

Clause selection rules permit you to insert one or more clauses and sections into a contract.

The following table describes the rule properties.

Rule Property	Details
Rule outcomes	<p>The rule can:</p> <ul style="list-style-type: none"> <li>• Recommend one or more clauses for insertion into the contract</li> </ul> <p>Contract authors can review the Contract Expert recommendations before the clauses get inserted into the contract. By setting the <b>Expert Clauses Mandatory</b> option when creating a contract terms template, you can specify if you want the clause insertion to be mandatory or if the authors can ignore the recommendations.</p> <p>If you make the insertion mandatory, then only contract authors with the Override Contract Terms and Conditions Controls privilege, a special privilege that allows deleting mandatory clauses from the contract, can reject the recommendations. Similarly, if the recommended clauses are standard clauses, then the authors must have the Author Additional Standard Contract Terms and Conditions privilege to reject the recommendations. This privilege allows the deletion of standard clauses from the contract.</p> <p>If you marked recommended clauses as conditional and specified the location of these clauses in the terms template, then Contract Expert inserts the clause in the contract in the location that you specified. If the location of an Expert suggested clause isn't specified in the terms template, Contract Expert inserts each clause in the section specified as the default for the clause in the Contract Terms Library. If no default section is specified in the clause, then Contract Expert inserts the clause into the default section specified in the contract terms template. Contract Expert automatically inserts the default section if it doesn't already exist in the contract.</p> <ul style="list-style-type: none"> <li>• Ask follow-up questions</li> </ul> <p>You can ask follow-up questions by adding them in the Additional Questions region of the Results tab. Any additional question that you add must be part of another rule. Adding the follow-up question chains the rules together.</p>

Rule Property	Details
When the rule is evaluated	The rule is evaluated every time that a user runs Contract Expert. Users receive a warning message during contract validation if they fail to run Contract Expert.
Conditions	Conditions can be based on: <ul style="list-style-type: none"> <li>clauses</li> <li>questions</li> <li>variables</li> </ul> <p>You can use both predefined system variables and user variables. Both types of user variables are supported: those that require entry by contract authors and those where the values are supplied by a Java procedure.</p>
Where it applies	The rule applies only within the business unit and for the intent that you specify. You can have the rule apply to one of the following: <ul style="list-style-type: none"> <li>Specific contract terms templates</li> <li>All contract terms templates for the business unit</li> </ul>

## Contract Terms Template Selection Rules

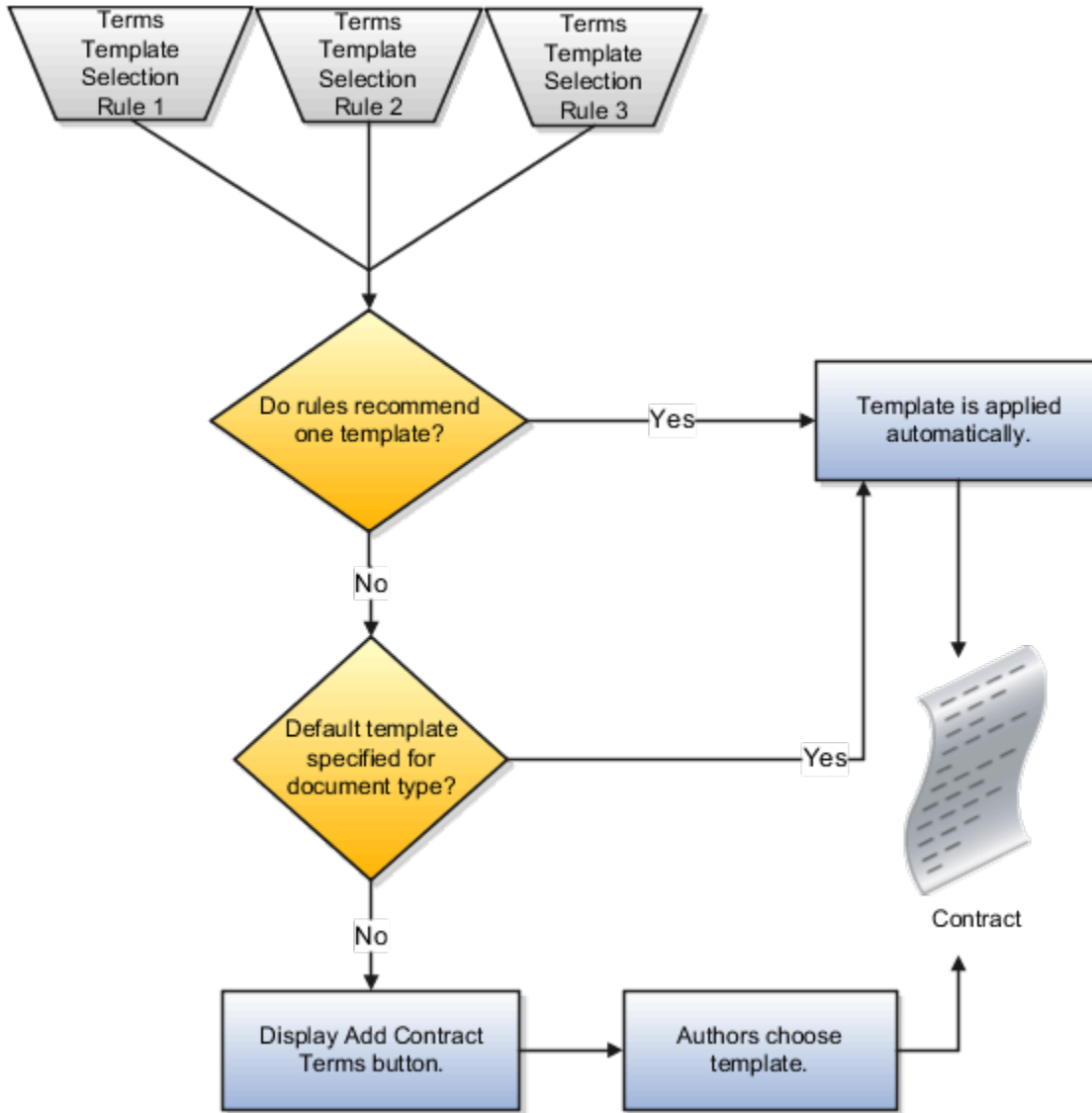
Contract terms template selection rules permit you to automatically apply a contract terms template to a contract.

The following table describes the rule properties.

Rule Property	Details
Rule outcomes	The application automatically applies a contract terms template to a contract. Or, if the author removed the contract terms using the Actions menu, the template displays the template name as the default when applying a new template.
When the rule is evaluated	The application evaluates the rule whenever the author navigates to the Contract Terms tab as long as no contract terms template is applied. If a contract terms template is applied to the contract, the template selection rules are not executed again, even if changes to the contract would result in a different rule outcome.  The rule is also evaluated to determine if the contract contains the recommended template whenever the contract author: <ul style="list-style-type: none"> <li>Runs the clause deviations report</li> <li>Validates the contract terms or the contract</li> </ul> <p>In both cases, the rule generates a warning if the author applied a different template from that recommended by the rule.</p>
Conditions	Variables only  You can use predefined system variables and those user-defined variables where the values are supplied by a Java procedure.
Where it applies	The rule applies only within the business unit and for the intent specified in the rule.

Rule Property	Details

Contract Expert doesn't apply a contract terms template if the contract terms template default rules you set up recommend multiple terms templates for a single contract. Instead, Contract Expert applies the contract terms template specified as the default for the business document type during contract terms template setup. If no document type default is specified, then the application displays the Add Contract Terms button and permits authors to select a template of their own choice. The choices are restricted to the templates specified for the contract type. The following figure describes choosing a contract terms template for application to a contract.



### Policy Deviation Rules

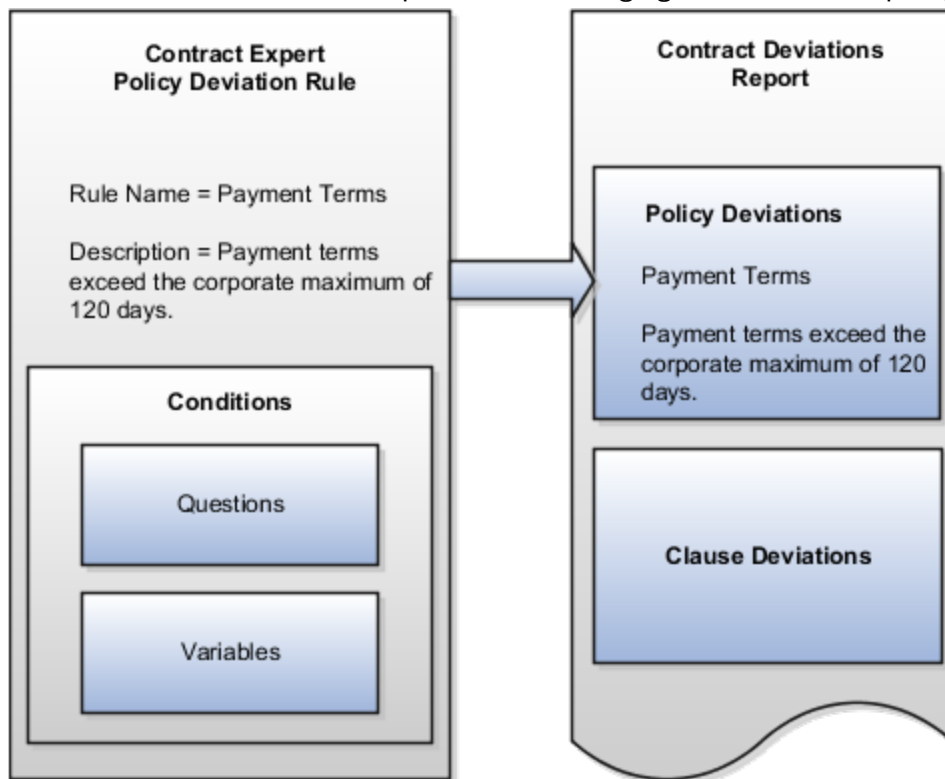
Policy deviation rules identify deviations from company policies on the contract deviations report. This report is run by the contract author before submitting a contract for approval.

The following table lists the rule properties.



Rule Property	Details
Rule results	The rule displays a deviation in the contract deviations report. The rule name becomes the deviation.
When the rule is evaluated	The rule is evaluated whenever the user: <ul style="list-style-type: none"> <li>• Runs the contract deviations report</li> <li>• Validates the contract terms or the contract</li> </ul>
Conditions	Conditions can be based on: <ul style="list-style-type: none"> <li>• Questions</li> <li>• Variables</li> </ul> <p>Both predefined system variables and those user-defined variables where the values are supplied by a Java procedure.</p>
Where it applies	The rule applies only for the contract terms templates within the business unit and for the intent that you specify.

You can build rule conditions out of both questions and variables. In the contract deviation report, your entry in the Rule Name field becomes the deviation name and your entry in the rule Description field becomes the deviation description. The following figure illustrates the policy deviation rule setup.



Policy deviation rules list policy deviations in the contract deviations report, along with any clause deviations that are identified automatically by the application. Contract authors can run the report before submitting the contract for

approval and enter comments to explain the deviation to the approver. The report is rerun automatically when the author submits the contract for approval and a copy of the report is attached to the approval notification.

## Activating and Validating Rules

After you set up a rule, you must activate it using the Activate Rule action. Rules do not require approval before activation, but the contract terms templates that they apply to do.

**Note:** To activate a rule, you must assign it to at least one contract terms template. The template doesn't have to be approved at the time that you make the assignment, but it does have to be approved before the rule can be used.

Activating a rule triggers an automatic validation process. You must correct all errors before the rule gets activated.

### Related Topics

- [Examples of Contract Expert Clause Selection Rules and Follow-up Questions](#)
- [Contract Expert Rule Statuses and Available Actions](#)
- [How Contract Expert Works](#)
- [How can I predefine locations of Contract Expert clauses in the contract?](#)
- [How does Contract Expert identify where to insert clauses into contracts?](#)

## Contract Expert Rule Statuses and Available Actions

Statuses track the life cycle of a Contract Expert rule from creation through activation and revisions as well as restrict available actions.

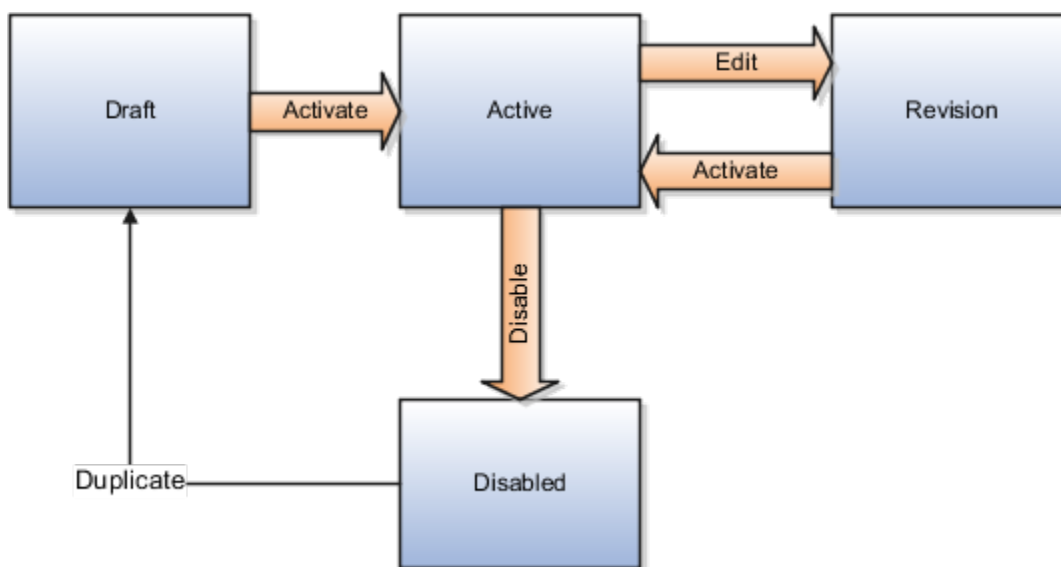
### Contract Expert Statuses and Available Actions

This table describes available rule statuses and lists the permitted actions for each.

Status	Description	Available Actions
Draft	When you first create a rule, it remains in the Draft status until you activate it and it passes all the validation checks without error.	<ul style="list-style-type: none"> <li>• Activate</li> <li>• Edit</li> <li>• Delete</li> <li>• Duplicate</li> </ul>
Active	The rule was activated and passed validation.	<ul style="list-style-type: none"> <li>• Edit</li> </ul> <p>You can edit an Active rule, to create a new version. This version remains in the Revision status until you activate it and it passes all the validation checks. Until it does, the old version remains active. Once the new version is in the Active status, it automatically replaces the old version.</p> <ul style="list-style-type: none"> <li>• Disable</li> <li>• Duplicate</li> </ul>

Status	Description	Available Actions
Revision	The status of an active rule that was edited. The new version of the rule remains in this status until it passes validation and become active.	<ul style="list-style-type: none"> <li>• Activate</li> <li>• Edit</li> <li>• Delete</li> <li>• Duplicate</li> <li>• Disable</li> </ul>
Disabled	The rule was disabled using the Disable action.	Duplicate

You can activate a draft rule. When a rule is active, then you can either edit it or disable it. When you edit a rule, the application creates a revision of the active rule. When you disable a rule, then it's status is changed to disabled. This diagram illustrates the rule statuses and main actions.



## About Contract Expert Question Setup

You can set up Contract Expert questions in the Contract Terms Library to solicit contract author entries during contract authoring. Contract Expert presents the questions to authors when they are part of a Contract Expert rule.

The questions you create are restricted to one intent and their names must be unique within that intent. Questions can be reused across all business units.

### Question Response Types

Question responses can be one of the following:

- *Yes or no*  
These questions appear to contract authors with a choice list with two values: Yes and No. This question type supplies the choice list automatically without additional setup.
- *Numeric*

Contract authors enter responses to numeric questions directly using the keyboard.

- *Selection from a list of values*

For questions that require users to make a selection from a list of values, you must set up a value set with the **Char** format type and one of the following validation types: **Independent**, **Translatable Independent**, or **Table**.

**Note:** Contract Expert does not permit you to provide default responses to user questions. However, the application sets numeric questions without a user response to 0.

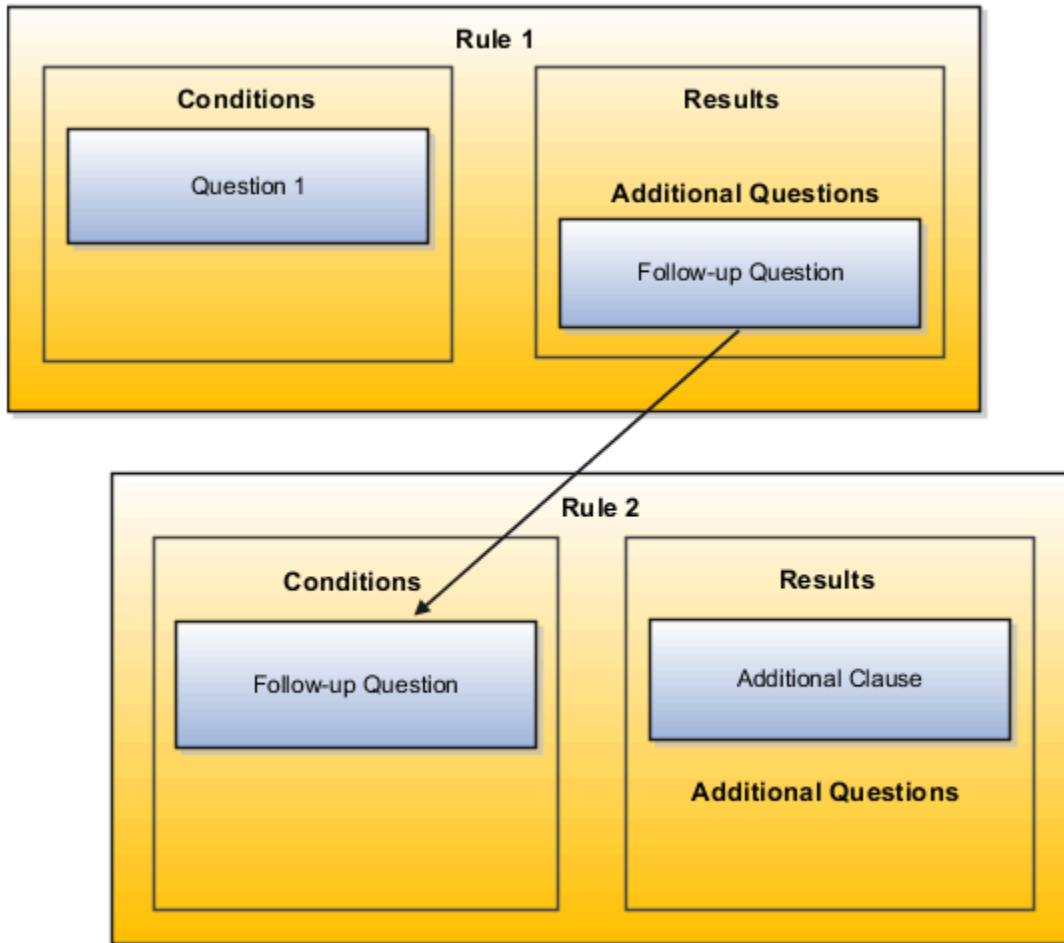
#### *Related Topics*

- [How Contract Expert Rules Work](#)
- [Examples of Contract Expert Clause Selection Rules and Follow-up Questions](#)

## How Additional Clauses are Inserted Based on Follow-up Questions

You can ask follow-up questions and insert additional clauses into the contract terms based on the answers that the contract author gives.

For example, you can create a couple of rules. The result of the first rule can trigger a follow-up question in the second rule. The following figure illustrates how you can ask a follow-up question using the follow-up question to link two rules.



## Ask Follow-Up Questions

To ask follow-up questions:

1. Include the follow-up question as an additional question on the Results tab of a rule.

In this example, contract authors get the follow-up question if they provide an answer that satisfies the condition with Question 1 (the only condition in Rule 1).

2. Create a second rule with the follow-up question in a condition.

In this example, the application inserts the additional clause if the contract author satisfies the condition based on the Follow-up Question (the only condition in Rule 2).

### Related Topics

- [Examples of Contract Expert Clause Selection Rules and Follow-up Questions](#)
- [How Contract Expert Rules Work](#)

## Examples of Contract Expert Constants

Contract Expert constants supply numeric values to numeric conditions in Contract Expert rules. The same constant can supply the value in multiple rules. Constants are specific to one intent, but can be used in all business units.

### Scenario

For example, to default a payment terms clause when the contract amount is greater than \$1 million, you create a Contract Expert rule with the condition: Contract Amount > 1,000,000.

Instead of entering the number directly into the condition, you create the constant Contract Amount Threshold and set its value to 1,000,000. The condition in your rule becomes: Contract Amount > Contract Amount Threshold.

You can use this same constant in multiple conditions. This way, if the threshold is later increased later to \$2 million, you need only to update the constant instead of every rule that uses the condition.

## Examples of Contract Expert Clause Selection Rules and Follow-up Questions

Two examples illustrate how you can set up a Contract Expert clause selection rule to insert additional clauses and sections into a contract and how you can set up rules to ask follow-up questions.

### Scenario

Suppose, that you want to add two additional insurance clauses under the section Additional Insurance when a shipment of hazardous materials is to be delivered within 30 days. You can handle this scenario by setting up one clause selection rule with two conditions:

- Condition 1: Delivery < 30

This condition will be evaluated when contract authors enter the delivery period by updating a user variable when they run Contract Expert.

- Condition 2: Hazardous Materials = Yes

This condition will be evaluated when contract authors answer the question "Is hazardous material involved?" by selecting Yes or No.

Here is how you set up the rule:

1. Ensure that both of the clauses that you want to add are created in the Contract Terms Library with the default section Additional Insurance. This guarantees that both appear in the contract under that section. If the section is not already in the contract, Contract Expert inserts it automatically.

**Note:** If you do not set up the clauses with a default section, Contract Expert inserts the clauses in the default section specified in the contract terms template.

2. For condition 1, you must create a constant called Shipping and set its value to 30.

This is because numeric values for conditions must be entered using constants rather than directly.

3. Set up a question that requires a yes or no answer for the prompt "Is hazardous material involved?" for Condition 2.
4. Create the clauses that you want to add to the contract in the Contract Terms Library.

**Note:** The clauses must be approved before the rule can be used.

5. Create the Contract Expert rule with the two conditions.

Selecting the Match All option means both conditions must be evaluated before the rule is true.

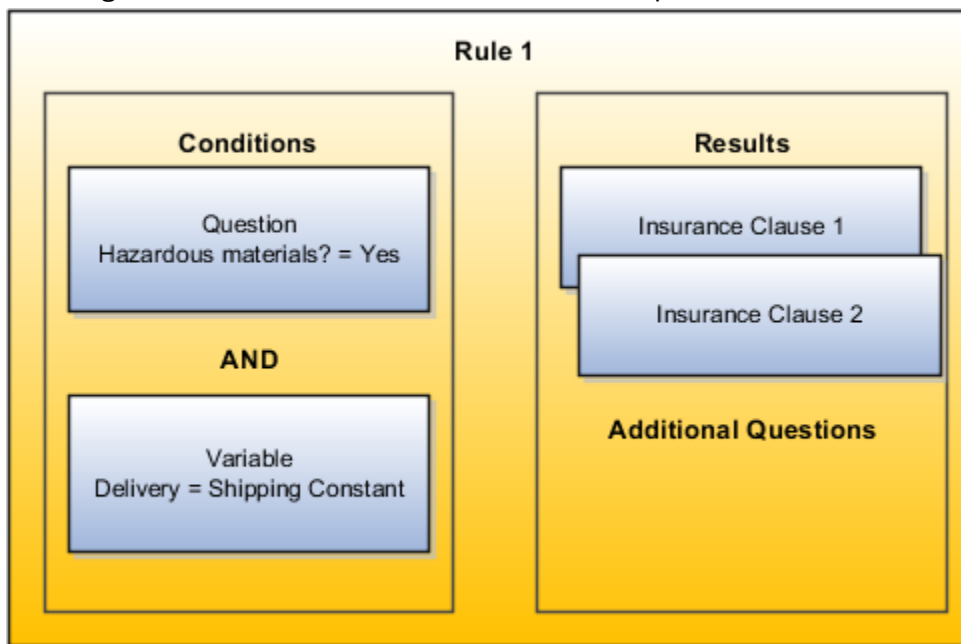
6. Associate the rule with the contract terms templates where you want the rule to apply.

You can assign the rule to individual templates or all templates with the same intent and within the same business unit.

7. Activate the rule by clicking the **Activate** button while editing the rule.

The rule is evaluated for only those contracts that use templates that have been assigned to the rule. When both conditions in the rule are true, Contract Expert will default the two insurance clauses.

This diagram illustrates the clause selection rule example.



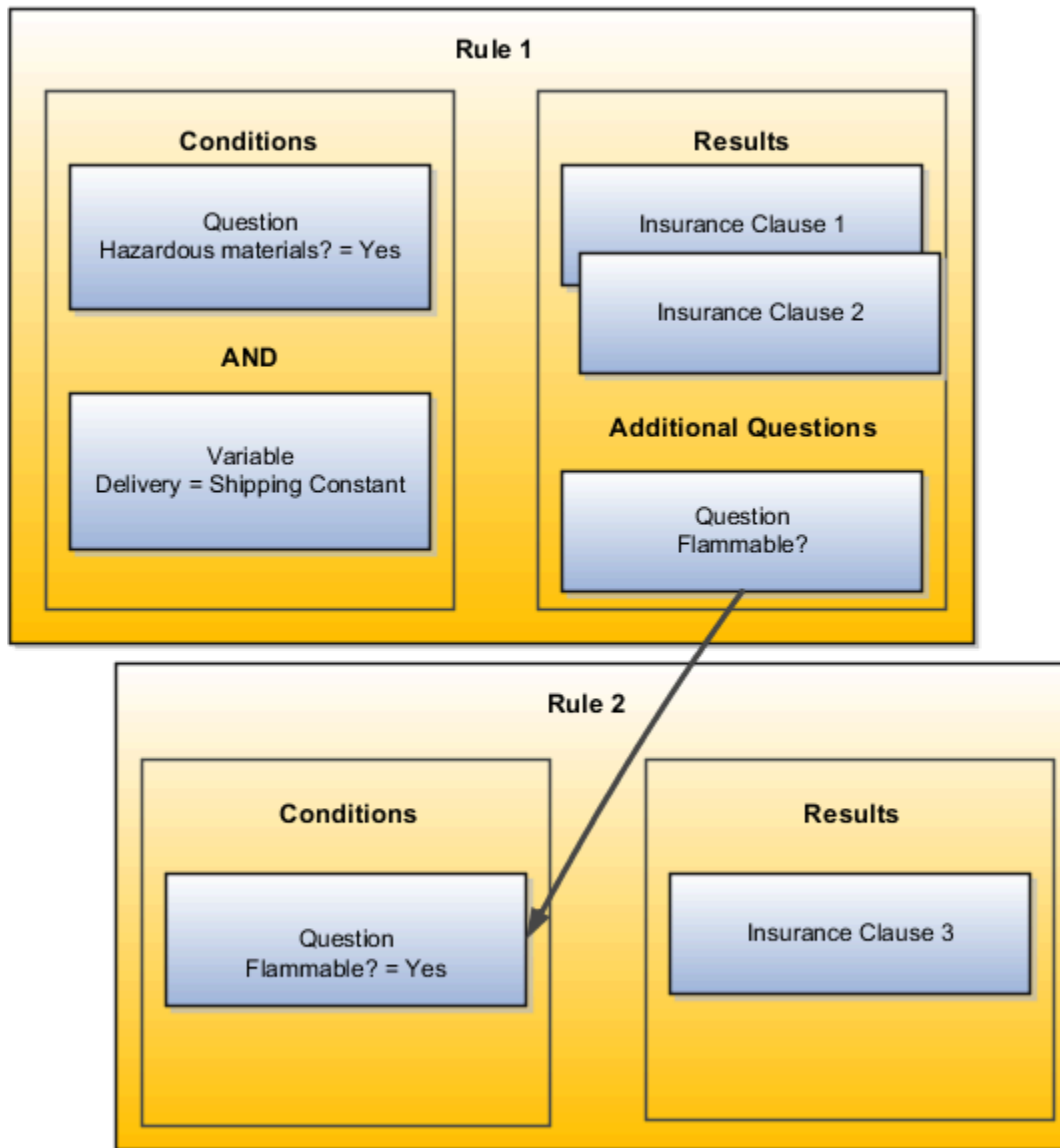
## Scenario

Now suppose you want to add an additional clause to the previous example if the hazardous material in the shipment is flammable. To do this, you create:

- The follow-up question:
- A rule where the follow-up question is a condition.
- You link the rules together by entering the follow-up question the Additional Questions region on the Results tab of the first rule.

The following diagram illustrates the setup:

### Example of Using Two Rules to Chain Questions



Here are the steps in detail:

1. Set up the follow-up question "Is the material flammable?" with yes and no answers.
2. Create the additional insurance clause that you want to add to the contract in the Contract Terms Library.
3. Create a new Contract Expert rule, Rule 2, with the follow-up question as the condition. The rule will be true if the author answers yes.
4. Associate Rule 2 with the same contract terms templates where Rule 1 applies.
5. Edit Rule 1 to add the newly created question in the Additional Questions region on the Results tab.
6. Activate both rules using the Actions menu.

Contract authors see the question from Rule 2 in Contract Expert only if Rule 1 is true. Rule 2 inserts the additional clause in the contract if authors answer yes.



### Related Topics

- [How Contract Expert Rules Work](#)

## Contract Expert Setup FAQs

### What are Contract Expert questions?

Questions contract authors answer when running Contract Expert while authoring the contract. The answers can trigger Contract Expert to suggest additional clauses or ask follow-up questions, depending on how you set up the Contract Expert rules.

### Related Topics

- [How Contract Expert Rules Work](#)

### What does it mean to make clauses suggested by Contract Expert mandatory in a contract terms template?

When contract authors run Contract Expert on a contract, Contract Expert displays a list of any clauses that it recommends for insertion.

Contract authors can review the Contract Expert recommendations before the clauses get inserted into the contract. By setting the **Expert Clauses Mandatory** option when creating a contract terms template, you can specify if you want the clause insertion to be mandatory or if the authors can ignore the recommendations.

If you make the insertion mandatory, then only contract authors with the Override Contract Terms and Conditions Controls privilege, a special privilege that allows deleting mandatory clauses from the contract, can reject the recommendations. Similarly, if the recommended clauses are standard clauses, then the authors must have the Author Additional Standard Contract Terms and Conditions privilege to reject the recommendations. This privilege allows the deletion of standard clauses from the contract.

### Related Topics

- [How Contract Expert Works](#)
- [How Contract Expert Rules Work](#)

### What happens if the clause to be inserted by the Contract Expert rule is versioned or removed from use?

If the current clause version isn't approved or removed from use, Contract Expert automatically uses the previous approved version. If there's no approved version, the author of the contract gets an error when validating the contract.

### What happens to existing contracts if I disable a Contract Expert rule?

As a contract author, whenever you run the Contract Expert, the change applies to all new and existing contracts. But, approved contracts remain intact. If you disable a clause selection rule, Contract Expert removes the suggested clause the next time you run it.

If you disable a contract terms template selection rule, it doesn't make changes to the templates that are already applied to contracts, but indicates the change during contract validation and on the contract deviations report.

## What validations are performed when I activate a Contract Expert rule?

The application automatically validates a Contract Expert rule when you attempt to activate it. You must correct any errors before the rule can become active.

The application performs the following checks:

- Circular references between questions used in the rule
- The presence of clauses that are in the Draft, Expired, or On Hold status
- Invalid or absent Java procedures associated with a variable used in the rule
- Disabled questions
- Invalid SQL in the value set associated to a question or variable used in the rule
- Invalid value in a value set associated to a question or variable used in the rule
- Other invalid rules associated to the contract terms template
- Question or variable using a deleted value set
- Expired or on-hold templates that are a part of template selection rules

### Related Topics

- [How Contract Expert Rules Work](#)

## What's a system variable?

A predefined variable that gets its value from an attribute of the contract or other document.

For buy-intent contracts, system variables include payment terms, the purchase order number, and the purchase order amount. For sales-intent contracts, they include the customer name, the ship-to address, and the payment terms. System variables are supplied with your application and cannot be modified or deleted.

## When does a Contract Expert rule become effective?

A Contract Expert rule takes effect after you activate it and associate it to a contract terms template.

## Why are some conditions unavailable for creating my Contract Expert rule?

Rule conditions are restricted by rule type. For example, rules for selecting default contract terms templates must be based on variables. However, clause selection rules can be based on variables, questions, or clauses.

### Related Topics

- [How Contract Expert Rules Work](#)

## Why can't I assign a Contract Expert rule to a contract terms template?

For you to assign a Contract Expert rule to a contract terms template, the template must be in a Draft or Approved status; it must be enabled for Contract Expert; and it must belong to the same intent as the rule.

## Why doesn't a Contract Expert question display during authoring?

A question does not display during contract terms authoring if the rule is not activated or if the rule is not assigned to an active contract terms template.

If you chain contract terms rules to ask follow-up questions, then the display also depends on the answer the contract author gives to the previous question.

### *Related Topics*

- [About Contract Expert Question Setup](#)

## Are Contract Expert rules affected by the relationships between clauses?

The alternate and incompatible relationships you specify for clauses do not affect the execution or setup of Contract Expert rules. However, the presence of more than one incompatible and alternate clause show up as warnings when the contract author validates the contract.

## How are Contract Expert questions presented during contract authoring?

Contract authors see all of the activated Contract Expert questions that apply to a specific contract terms template on a single page when they run Contract Expert during authoring.

Use the Reorder button on the View Question Sequence page to specify the order in which the questions are displayed. If you chained rules to ask additional follow-up questions, then each follow-up question appears underneath the previous question after the contract author answers it.

### *Related Topics*

- [About Contract Expert Question Setup](#)
- [Examples of Contract Expert Clause Selection Rules and Follow-up Questions](#)

## How can I find all the Contract Expert rules that use a question?

Use the Search Rule page to find all the Contract Expert rules that contain a particular question.

## How can I find out which questions contract authors see when they run Contract Expert?

The Rules tab on the contract terms template edit page displays all of the possible questions contract authors may be required to answer when they run Contract Expert and in the order they are asked.

A contract author may see only a subset of the questions, depending on what variable values they enter and how they answer the Contract Expert questions. You can view and change the order of questions from the Terms Template search page by selecting the Manage Question Sequence action.

# Set Up Variables

## Variables

You can use variables in the Contract Terms Library to represent information within individual clauses and for use within Contract Expert rule conditions.

Your application comes with predefined variables, called system variables. You can create additional variables, called user variables, with or without programming.

**Note:** While creating variables, you must use only single space between the variables. Also, don't use any characters or symbols that are part of HTML syntax (such as double quotes, less than (<), greater than (>), ellipsis) in the Variable values.

## Predefined System Variables

Your application comes with predefined system variables that you cannot modify. These include:

- System variables

These variables make it possible for you to use information that is entered in integrated procurement, sales, and projects applications. For example, you can use the purchase order amount from procurement contracts or the payment terms from sales in Contract Expert rules that insert additional clauses to a contract as necessary.

- Deliverable variables

These variables permit you to list the titles of contract terms deliverables within a clause in the contract terms. For instance, if a supplier must deliver a monthly quality report as part of the contract terms, you can create a deliverable to ensure compliance. But creating the deliverable does not automatically print that deliverable in the contract terms. To ensure that the deliverable name is printed, you must include a clause with the appropriate deliverable variable inserted.

- Table variables

Table variables make it possible for you to print in a contract all of the values in a list such as a price list. Table variables are available only in sales-intent contracts.

To obtain a list of the predefined variables and the information that they represent, navigate to the Search Variables page and filter your search on the Variable type. Select the Document Association tab to view the application and document where the variable information originates. Alternately, you can search for variables by document type.

## User Variables

You can create the following types of user variables:

- Manual
- Java string
- Java table

- Descriptive flexfield
- Object
- Child object

#### *Related Topics*

- [How User Variables and Contract Expert Rules Uses Value Sets](#)
- [Examples of Creating Java Methods for User Variables](#)
- [User Variables](#)

## Predefined System Variables

This section provides more information about how you can define and use the predefined system variables.

### Define employee data based variables

The application enables you to add the employee-based system variables and view the value for these variables in your contract. These variables are derived from the Human Capital Management cloud services. These employee-based system variables apply only to contracts that use Employee as the seller role. The application retrieves the value for these variables when it identifies employee as the primary party on the contract.

**Note:** The following users can see the document attached to a contract and the resolved variable values associated with the contract:

- User with the view contract privilege
- Contract approvers when a contract document is shared along with the approval notification. Approvers are securely set up as part of the approval hierarchy. It's not mandatory to set approvers as the users of Enterprise Contracts. Only required users with the approval to see potentially sensitive contractual information should be added in the approval hierarchy.

If required, you can separately secure access to contract documents using data security policies to protect personally identifiable information (PII) associated with the employee-based variables. The data or information that's used to uniquely identify a contact, or locate a person is called PII, such as addresses, drivers Licenses, phone numbers, and so on. This information is considered confidential and sensitive, and must be protected to prevent unauthorized use of personal information.

For more information about managing PII data, or about configuring access to PII data, see the guide [Implementing Customer Data Management](#).

Only users assigned the appropriate privileges in the HCM cloud services can access data for the employee and retrieve the value for the employee variables. Assign the Human Capital Management Integration Specialist and Human Resource Specialist-View All roles to the user who needs to see this data.

## User Variables

The following sections explain how to create and user different types of user variables used in contract clauses.

### Creating Java Variables

If you are creating user variables in a non-Cloud environment, then you can use Java variables. Java string and Java table variables require you to create Java methods to capture attribute values. Sample code is provided in the topic [Creating Java Methods for User Variables: Examples](#). While Java string and table variables require programming knowledge, you can create manual user variables without programming. To do so, you:

1. Create a value set starting from the Setup and Maintenance work area to validate the value entry for the variable.  
A value set can either specify the list of values that users must choose from or merely specify the variable format and length. Value sets are common application components described in the [Oracle Fusion Applications Functional Setup Manager Developer's Guide](#).
2. Navigate to the Create Variable page.
3. Enter a name for the variable. It can be any text that describes the purpose of the variable but it should not have the prefix `OKC$` that is used for system variables.
4. Select the variable intent.  
Variables can be created for either buy (procurement) or sell contracts.
5. Select the value set, and enter the name and the description that will help users identify the variable when they are inserting into a clause or entering its value in Contract Expert.
6. If you are creating a variable for buy intent, then you can make the variable updatable by vendors in the Oracle Fusion Sourcing application by selecting the Updatable by External Parties option.

### Creating Descriptive Flexfield Variables

You can use the variable source Descriptive flexfield to capture the values you enter in the Contract Headers flexfield and embed those values into the clauses that make up the terms and conditions of the contract.

Use the Manage Contract Descriptive Flexfields task to define the global segments that you need to reference in your contract variable. This task in the Setup and Maintenance work area is part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area.

Use the following steps to create Descriptive flexfield variables:

1. Navigate to the Terms Library and select the Create Variable task.
2. Enter the name, intent, and description for the new variable.
3. Select the Descriptive flexfield source and select the global segment on which the variable is based.
4. Assign the following job roles to users who want to use the terms library to create variables and author contracts:
  - o Customer Contract Manager - OKC\_CUSTOMER\_CONTRACT\_MANAGER\_JOB
  - o Business Practices Director - OKC\_BUSINESS\_PRACTICES\_DIRECTOR\_JOB

Descriptive flexfield variables have the following limitations:

- You can use only global segments in contract variables.

- In Contract Expert rules, you cannot use segments that use a value set with a Number or Character data type and use the Independent validation type.
- The following data and display types are not supported:
  - Drop-down List, Hidden, Date/time are not supported for any data types.
  - No display types are supported for the Date Time data type.

## Creating Object Variables

You can use the variable source, Object or Child object, to create variables that reference fields associated to the Sales Account and Opportunity objects in Application Composer. You can reference either standard child objects, or user-specific child objects that you define for the Sales Account or Opportunity objects.

To define Object or Child object variables, you should ensure the following:

- Using Application Composer, define the fields you want to use in your variables on the Sales Account or Opportunity objects. You can use standard fields or set up user-specific fields.
- Expose the new fields you created on the Sales Account or Opportunity pages.
- If these changes are defined in a sandbox, they must be published before values can be used in Contract Expert rules or for printing a contract.

## Creating Object Variables and Child Object Variables

You start by adding the following duty roles to the user depending on their requirements:

- A user that needs to view or edit contracts that use opportunity variables must be assigned to this duty: Opportunity Administration.
- A user that needs to view or edit contracts that use sales account variables must be assigned to this duty: Sales Party Review.
- A user that needs to use the Terms Library, for example, to create variables or author contracts, must be assigned the following job roles: Customer Contract Manager - OKC\_CUSTOMER\_CONTRACT\_MANAGER\_JOB, Business Practices Director - OKC\_BUSINESS\_PRACTICES\_DIRECTOR\_JOB.

Use the following steps to create object variables:

1. Navigate to the Terms Library and select the Create Variable task.
2. Enter the name, intent, and description for the new variable.
3. Select the source as Object and select the object name as either Sales Account or Opportunity.
4. Enter the field name. This is the API name assigned to the field in Application Composer.
5. Select the Character, Date, or Number data type.
6. For Character data type, enter the lookup types as follows:
  - For variables of type Fixed Choice List, enter the lookup type assigned to the field in Application Composer.
  - For fields of the check box type, enter a lookup type that has codes defined as True (Yes) and False (No).

Use the following steps to create child object variables:

1. Navigate to the Terms Library.
2. Select the **Create Variable** task.
3. Enter the name, intent, and description for your variable.
4. Select source **Child object**.

5. Select the parent object name, either Sales Account or Opportunity.
6. Obtain the child object name from the Sales Account or Opportunity XSD file. This is the API Name assigned to the child object in Application Composer. The path to the XSD file is of the format `http://server_name:port_number` followed by the following strings:
  - o `/crmCommonSalesParties/SalesPartyService?XSD=/oracle/apps/crmCommon/salesParties/salesPartiesService/SalesParty.xsd`
  - o `/opptyMgmtOpportunities/OpportunityService?XSD=/oracle/apps/sales/opptyMgmt/opportunities/opportunityService/Opportunity.xsd`
7. Enter the child object name obtained from the XSD file on the Create Variable page.
8. Enter the print layout template name. As for any other table variable that could contain multiple records, you will need to specify which values captured in the child object are to be printed on the contract, and how they should be formatted. This layout will need to be obtained from the RTF file. (See the related "Printing Contract Child Object Variables: Procedure" topic.)

**Note:** To view or print any user-specific child object values, the user must be assigned a privilege that allows them to view the user-specific child object. For more information refer to the "Managing Security for Custom Objects" topic in the extending sales guide for your cloud service.

Object variables have the following limitations:

- Object variables based on fields of type Dynamic Choice List are not supported.

## Initiating Contract Creation from An Opportunity Object

You can add an action to initiate the creation of a contract using the application composer.

You can create the contract from the opportunity object as a draft contract using the following APIs: All subsequent steps of the contract, like approving and signing, will happen through Enterprise Contracts.

- Public static `AttributeList createContract(AttributeList contractList)` throws `JboException`
- Public static void `deleteContract(String externalSourceKey, String externalReferenceKey, boolean deleteAllVersions)` throws `JboException`

Use the following steps to add an action to the opportunity object to create a contract:

1. Create an object function within the server script for the opportunity object to initiate the `createContract` API. The sample code and helper methods are given at the end of this section.
2. Ensure that the `AttributeList` input parameter to call the `createContract` Java API includes the `ExternalSourceKey` as `OPPORTUNITY` and `ExternalReferenceKey` as `Opportunity ID`.
3. Create a new action under the Action and Links section of the opportunity object to initiate the object function created in Step 1.
4. Add the action on the opportunity page, for example, Create Contract.
5. If defined in a sandbox, publish these changes once testing is complete.

**Note:** Instead of invoking the API directly in the first step, you can choose to create a global function and reference from the opportunity object.

You should grant the following privileges to users who use the opportunity object:

- Privilege: `OKC_EDIT_CONTRACT_VIA_WEB_SERVICE_PRIV`
- Duty: `OKC_ALL_BUSINESS_UNITS_CONTRACT_MANAGEMENT_DUTY`



Contract creation from opportunity objects has the following limitations:

- The contract created from the opportunity cannot use template selection rules to apply the terms template. The terms template must be the default assigned to the contract type of the contract.
- Application Composer does not support disabling the Create action if a contract is already created for the opportunity object.

Sample code - Object function to create contract:

**Note:** The values for Business Unit and Contract Type should be replaced with those appropriate to your own instance. Vision Operations and Service Agreement are only examples for illustration purposes.

```
def startDate = new Date();
def endDate = null;
def externalSourceKey = 'OPPORTUNITY';
def businessUnitName = 'Vision Operations';
def contractTypeName = 'Service Agreement';
def deleteSuccess = 'Y';
// Get ContractType Id using ContractType Name
def contractTypeId =
oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.getContrac
tTypeIdentifier(adf.sou
rce, contractTypeName );
// Get businessUnitId Id using Business Unit Name
def businessUnitId =
oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.getBusines
sUnitIdentifier(adf.sou
rce, businessUnitName );
// Delete all versions of the Contract using Chr Id and
MajorVersion
try {

oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.deleteCont
ract(externalSourceKey,
OptyId.toString(), true);
}
catch (java.lang.Exception e) {
deleteSuccess = 'N';
}

if (deleteSuccess == 'Y') {
// Create Contract
oracle.jbo.AttributeList contractHeader = new
oracle.jbo.NameValuePairs();
// Set Contract Header Attributes
contractHeader.setAttribute("OrgId",
businessUnitId);
contractHeader.setAttribute("StartDate", startDate);
contractHeader.setAttribute("EndDate", endDate);
contractHeader.setAttribute("ContractTypeId",
contractTypeId);
contractHeader.setAttribute("CurrencyCode",
CurrencyCode);
contractHeader.setAttribute("ContractNumber", Name);
contractHeader.setAttribute("PartyId",
TargetPartyId);
```

```
contractHeader.setAttribute("ContractOwnerId",
OwnerResourcePartyId);
contractHeader.setAttribute("WebServiceFlag", "N");

contractHeader.setAttribute("ExternalSourceKey",
"OPPORTUNITY");
contractHeader.setAttribute("ExternalReferenceKey",
OptyId);
// Invoke createContract API to create a contract

oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.createCont
ract(contractHeader);
}
}
.
.
.
Corrected code that should be used:
.
def OrgIdStr="OrgId";
def ContractTypeIdStr='ContractTypeId';
def WebServiceFlagStr='WebServiceFlag';
def ExternalSourceKeyStr='ExternalSourceKey';
def ExternalReferenceKeyStr='ExternalReferenceKey';
def ContractNumberStr='ContractNumber';
def ContractOwnerIdStr='ContractOwnerId';
def startDate = new Date();
def endDate = null;
def externalSourceKey = 'OPPORTUNITY';
def businessUnitName = 'Vision Operations';
def contractTypeName = 'Service Agreement';
def deleteSuccess = 'Y';
// Get ContractType Id using ContractType Name
def contractTypeId =
oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.getContrac
tTypeIdentifier(adf.sou
rce, contractTypeName );
// Get businessUnitId Id using Business Unit Name
def businessUnitId =
oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.getBusines
sUnitIdentifier(adf.sou
rce, businessUnitName );
// Delete all versions of the Contract using Chr Id and
MajorVersion
try {
oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.deleteCont
ract(externalSourceKey,
OptyId.toString(), true);
}
catch (java.lang.Exception e) {
deleteSuccess = 'N';
}
.
.
if (deleteSuccess == 'Y') {
// Create Contract
oracle.jbo.AttributeList contractHeader = new
oracle.jbo.NameValuePairs();
```

```
// Set Contract Header Attributes
contractHeader.setAttribute(OrgIdStr, businessUnitId);
contractHeader.setAttribute("StartDate", startDate);
contractHeader.setAttribute("EndDate", endDate);
contractHeader.setAttribute(ContractTypeIdStr,
contractTypeId);
contractHeader.setAttribute("CurrencyCode",
CurrencyCode);
contractHeader.setAttribute(ContractNumberStr, Name);
contractHeader.setAttribute("PartyId", TargetPartyId);
contractHeader.setAttribute(ContractOwnerIdStr,
OwnerResourcePartyId);
contractHeader.setAttribute(WebServiceFlagStr, "N");
contractHeader.setAttribute(ExternalSourceKeyStr,
"OPPORTUNITY");
contractHeader.setAttribute(ExternalReferenceKeyStr,
OptyId);
// Invoke createContract API to create a contract
oracle.apps.partnerMgmt.partnerProgram.util.service.con
tractsCoreTransactionSe
rvice.ContractsCoreTransactionServiceWrapper.createCont
ract(contractHeader);
}
```

Use the following helper methods to collect the required information for your implementation:

Method Signature	Description
public static Long getBusinessUnitIdentifier(Object context*, String businessUnitName)	Get business unit ID for a given business unit name.
public static Long getContractTypeIdIdentifier(Object context*, String contractTypeName)	Get contract type ID for a given contract type name.
<b>Note:</b> Object context is either EntityImpl or ViewRowImpl object.	
public static Long getPersonIdentifier(Object context*, Long resourceId)	Get person ID for a given resource ID.
public static AttributeList createContract(AttributeList contractHeaderList)	Create contract with only header, party and party contact entities.
public static void deleteContract(String externalSourceKey, String externalReferenceKey, boolean deleteAllVersions)	Delete a contract using the external keys.
public static AttributeList findContract(String externalSourceKey, String externalreferenceKey)	Find a contract using the external keys.

Method Signature	Description
public static void deleteContract(Long contractId, Long majorVersion) (Existing PRM API)	Delete a contract using the contract ID and version.

## Viewing a Contract from an Opportunity

You can add a link to view the contract from an opportunity using Application Composer. From the opportunity, you can access the contract through URL navigation.

Use the following steps to add an action to the opportunity object to create and view a contract:

1. Create a link in Application Composer on the opportunity object, for example, Preview Contract.
2. Return the URL for navigating to the Contracts AuthoringMainFlow in the groovy script editor for the link.
3. Add the link to the Opportunity page.
4. If defined in a sandbox, publish these changes once testing is complete.

You should grant the following privileges to Opportunity users:

- The entitlement View Opportunity must be assigned the getOpportunity resource.
- Users viewing contracts from an opportunity must be granted permission for viewing the AuthoringMainFlow taskflow:
  - Privilege: OKC\_VIEW\_CONTRACT\_PRIV
  - Duty: OKC\_ALL\_BUSINESS\_UNITS\_CONTRACT\_INQUIRY\_DUTY or OKC\_CONTRACT\_INQUIRY\_DUTY

Creating and viewing a contract from an opportunity has the following limitations and known issues:

- Performing a save or roll back is not recommended in the Application Composer groovy script. The user must click Save on the Opportunity page to persist the user-specific fields, ContractId and MajorVersion, on the Opportunity object.
- Application Composer does not support identity switch when invoking a web service for GPA policy.
- The standard for building the URL for navigating to a taskflow is to call the getURL() API on the oracle.apps.fnd.applcore.patterns.uishell.context.UIShellContext. Application Composer does not support the UIShellContext class on the groovy script.
- fileDownloadActionListener is not supported in Application Composer, so the Preview Contract PDF file cannot be downloaded by clicking a button on the Opportunity page. The alternative approach is to drill down to the Contracts Application using URL navigation.

## How User Variables Are Used in a Contract

The user variables that you create can be:

- Inserted in the Contract Terms Library clauses
- Inserted into individual nonstandard clauses created by contract authors during contract authoring.
- Used in Contract Expert rule conditions

When contract authors run Contract Expert during authoring, they are prompted to enter the variable value. The value is automatically substituted in the contract terms and any rules where the variable is used are evaluated.

Descriptive flexfield variables and Application Composer objects have a similar behavior when they are inserted into a clause text and the variable value is embedded. A contract that uses a terms template containing a clause that uses the variable takes the value entered in that field and embed it into the variable value. When previewing or printing the contract, the variables are resolved and the values printed in the document. For variables based on descriptive flexfields, the value is sourced based on the segment name and the attribute number. The ContractSample.xml file exposes the contract header descriptive flexfield so that the values are formatted and used correctly when printed with your own layout templates. For variables based on Application Composer objects, variable resolution uses the opportunity unique ID and the primary party ID to source the opportunity and sales account variable values.

This approach has the following limitation: if you create a contract from the contracts work area, and if the terms template associated with the contract contains variables sourced from the Opportunity object, no variables in the terms template are resolved because the contract was not created from an opportunity and the reference information cannot be retrieved.

#### *Related Topics*

- [Examples of Creating Java Methods for User Variables](#)
- [Variables](#)
- [Print Contract Child Object Variables](#)

## How User Variables and Contract Expert Rules Uses Value Sets

You can use value sets to determine what entries contract authors can make in user variables and in Contract Expert feature questions.

You can use them either to specify the format an entry must take, or to create a list of values contract authors must choose from.

Value sets are a common application component which you can set up by navigating to the **Setup and Maintenance** work area and searching for the **Manage Contract Terms Value Sets** task. This topic highlights value sets nonprogrammers can set up for Oracle Fusion Enterprise Contracts.

This topic covers:

- Using value sets for creating user variables
- Restrictions for values sets used in Contract Expert feature rules

### Using Value Sets for User Variables

You use value sets in the setup of user variables for one of the two following purposes:

- To set up the list of values the contract author must choose from to enter the value
- To specify only the length and format of the information the author must enter manually

Suppose, for example, that you need to create a user variable contract authors can use to enter the name of one of your warehouses into a clause during contract authoring. Without any knowledge of programming, you can:

- Create the list of values the contract author will use to select one of the warehouses.  
You create the values first and then enter them into an independent value set.
- Create a format only value set that restricts the entry to a specified number of characters.

Other value set features are also available for use by nonprogrammers. If you want to restrict the entry of the available warehouses by country, then you can make the above value set dependent on a second value set of countries, for instance.

## Restrictions for Using Value Sets in Contract Expert Rules

If you are using the value set for a variable that will be used in Contract Expert rules or to specify the values used in responses to a question used in such a rule, then you only use a subset of the value set features as described in the following table.

Value Set Format Type	Value Set Validation Type	Supported?
Char	Independent	Yes Valid operators are: Is, Is Not, In, and Not In
Char	Table	No
Char	Translatable Independent	Yes Valid operators are: Is, Is Not, In, and Not In
Char	None	No
Char	Pair	No
Char	Special	No
Char	Dependent	No
Number	None	Yes Numeric operators.
Standard Date / Standard Date Time	Not Applicable	No
Date / Date Time	Not Applicable	No

### Related Topics

- [Variables](#)
- [Overview of Value Sets](#)

## Examples of Creating Java Methods for User Variables

To use attribute values captured in application documents that are not defined as existing system variables, you can create user variables that obtain values from Java methods you write based on the sample code in this topic.

This topic provides two sample methods with comments to help you write such Java methods. The sourcing of the Java variable value in these methods are different based on the database table and view object (VO).

If the Java user variable is an attribute of the Document Header VO (for example, Contract Header VO or PO Header VO) then use the first method. Use the second method if the Java user variable is an attribute on any child table of the Document Header VO.

### Sample Java Method 1

This sample assumes that `CurrencyCode` is an attribute on the PO Header VO. This Contract Expert Java variable works even if the header information is not saved during document authoring. In this scenario, `getCurrencyCode()` is the method name associated with the user-defined Java variable in the variable definition page.

**Note:** Because Java is case sensitive, be careful when entering VO attribute names. Do not change the signature of any method or the parameter names.

1. Using Oracle JDeveloper, create an application and a project within that application.
2. Within the project, create a Java file with the method for the Java user variable.
3. Create a temporary folder and copy the `ContractsTermsLibraryPublicModel` JAR file from the **fusionapps/jlib** directory to this folder.
4. Right-click the project in Oracle JDeveloper and in the **Project Properties:**
  - a. Select **Libraries** and **Classpath**.
  - b. Add the `ContractsTermsLibraryPublicModel` JAR from the temporary folder.
5. Create a JAR for the current project, by right-clicking the project and selecting **Project Properties** and **Deployment profile**.
6. Copy this new JAR to the following directory: **mw\_home\_standalone/user\_projects/domains/fusion\_domain/servers/AdminServer/upload/ContractManagementApp/V2.0/app/ContractManagementApp/APP-INF/lib**
7. Bounce the server.

The following is a sample Java class to implement Java user variables. To configure, change the class name (`MyPurchaseUDV`). Do not change or remove any of the import statements.

```
/**
 */
MyPurchaseUDV.java
package oracle.apps.contracts.termsLibrary.publicModel.Attributes.model.java;
import java.math.BigDecimal;
import java.sql.*;
import java.util.Collection;
import java.util.HashMap;
```

```
import java.util.Iterator;
import oracle.apps.contracts.termsLibrary.publicModel.variables.model.java.ProgrammaticUDV;

/**
 * This class extends the abstract class ProgrammaticUDV.
 * TO CONFIGURE: Change the Class name only (MyPurchaseUDV).
 */

public class MyPurchaseUDV extends ProgrammaticUDV {

    /**
     * CASE 1: For achieving CASE 1 use the methods registerAttributes() and getCurrencyCode().
     */

    /**
     * The following method registers the Java variable present in the Header VO. The name of the variable should
     * be the same as the name of the attribute in the Header VO.
     * TO CONFIGURE: Change only the VO attribute name of the variable (in this case CurrencyCode) to match the
     * attribute name in the Header VO.
     * Do not change the method name or scope of the method. The only thing can be changed is the VO attribute name
     * of the user variable.
     */

    protected void registerAttributes() {
        registerAttribute("CurrencyCode");
    }

    /**
     * The following method obtains the value of java variable used in the Header VO. The attribute name of the
     * java variable used in this method is CurrencyCode. This method returns the value of the CurrencyCode. The
     * value of the variable which we are trying to get using this method (getCurrencyCode) should be registered
     * in the previous method registerAttributes().
     * TO CONFIGURE: Change the name of the method (getCurrencyCode()). Do not change the scope of the method.
     * The return type can be changed. To get the value of the variable we have to use the getAttributeValue()
     * method only.
     */

    public String getCurrencyCode() throws Exception {

        String retVal = null;

        retVal = getAttributeValue("CurrencyCode");

        return retVal;
    }
}
```

## Sample Java Method 2

The following method is used to get the value of Java variable through SQL queries. In this scenario, we want to add clauses to the contract terms if the contract has any sales credit. Sales credit information is stored in a different table from the contract header. To work this scenario, the document must be saved before invoking Contract Expert. Java variable used is in this case is `sales credit`. Use method `getSalesCredit()` if the Java user variable is an attribute on any child table of the Document Header VO.

To configure, change the name of the method `getSalesCredit()` and the return type of the method. The other attribute values, such as document ID and document type, which might be needed while executing the query, can be obtained from the get methods `getDocumentId()`, `getDocumentType()`, and `getDocumentVersion()`.



The `executeQuery` method:

- Will always return a scalar value which is present in the first row and first column in the result set.
- Will always return a string value:
  - If you are expecting an integer value, then you must do a conversion before returning value.
  - No conversion is required if you are expecting a string.

In the following example, an ID value of a Yes or No value set value is returned based on whether the contract has sales credits entries or not.

```
*/

public int getSalesCredit() throws SQLException, Exception {
    int retVal = 0;
    int value = 0;
    String s1 = null;
    BigDecimal id = getDocumentId();
    s1 = executeQuery("SELECT to_char(count(*)) FROM OKC_K_SALES_CREDITS where dnz_chr_id = " + id);
    value = Integer.parseInt(s1);

    if(value > 0) {
        retVal = 271230; // Value Set id for "YES"
    } else {
        retVal = 271229; // Value Set id for "NO"
    }

    return retVal;
}

}

/*****
The following file content is provided here only for reference.
DO NOT INCLUDE THE FOLLOWING CODE IN ANY USER METHOD.
*****/
ProgrammaticUDV.java
package oracle.apps.contracts.termsLibrary.publicModel.variables.model.java;

import java.math.BigDecimal;

import java.sql.ResultSet;

import java.sql.SQLException;
import java.sql.Statement;

import java.util.ArrayList;
import java.util.HashMap;

import oracle.jbo.server.DBTransaction;

public abstract class ProgrammaticUDV {

    private HashMap attributesData;
    private DBTransaction dbTransaction;
    private Statement statement;
    protected BigDecimal documentId;
    protected String documentType;
    protected BigDecimal documentVersion;
    private ArrayList<String> attributeNamesUsed = new ArrayList<String>();
}
```

```
public ProgrammaticUDV() {
    registerAttributes();
}

protected abstract void registerAttributes();

protected void registerAttribute(String attributeName) {
    attributeNamesUsed.add(attributeName);
}

protected String getAttributeValue(String attributeName) throws Exception {
    if(attributesData.get(attributeName) == null){
        throw new Exception("Attribute name '" + attributeName + "' is either invalid or not registered.");
    }
    return (String)attributesData.get(attributeName);
}

public HashMap getAttributesData() {
    return attributesData;
}

public void setAttributesData(HashMap variableData) {
    this.attributesData = variableData;
}

public ArrayList getAttributesUsed() {
    return attributeNamesUsed;
}

public void setDBTransaction(DBTransaction dbTransaction) {
    this.dbTransaction = dbTransaction;
}

protected String executeQuery(String query) throws SQLException {
    ResultSet rs = null;
    String s =null;
    if (statement != null) {
        statement.close();
    }
    statement = dbTransaction.createStatement(0);
    rs = statement.executeQuery(query);
    if(rs.next()){
        s = rs.getString(1);
    }
    statement.close();
    return s;
}

protected void closeQuery() throws SQLException {
    if (statement != null) {
        statement.close();
        statement = null;
    }
}

public void setDocumentId(BigDecimal documentId) {
    this.documentId = documentId;
}

public void setDocumentType(String documentType) {
    this.documentType = documentType;
}

public void setDocumentVersion(BigDecimal documentVersion) {
    this.documentVersion = documentVersion;
}
}
```

```
public BigDecimal getDocumentId() {  
    return documentId;  
}  
  
public String getDocumentType() {  
    return documentType;  
}  
  
public BigDecimal getDocumentVersion() {  
    return documentVersion;  
}  
}
```

#### Related Topics

- [Variables](#)

## Variables FAQs

### How can I obtain a list of system variables for use in Contract Expert rules?

Use the Search Variables page to create a list of system variables you can use in Contract Expert rules.

You can use the Document Type field to narrow down your search by contract document type, such as a purchase order or Request for Quote.

### How do I enable, disable, and delete variables?

The moment you create a variable, it's immediately available for use in clauses and contract expert rules. While there is no activation process or validation for a variable, variable setup is validated when you use variables in rules.

You can delete a variable that's not in use in a clause or a Contract Expert rule. If you don't want to use an already active variable anymore, disable it from the Edit Variable page. This way, you can prevent its future use, without affecting clauses or Contract Expert rules that are already using it.

## Set Up Adoption of Content Between Libraries

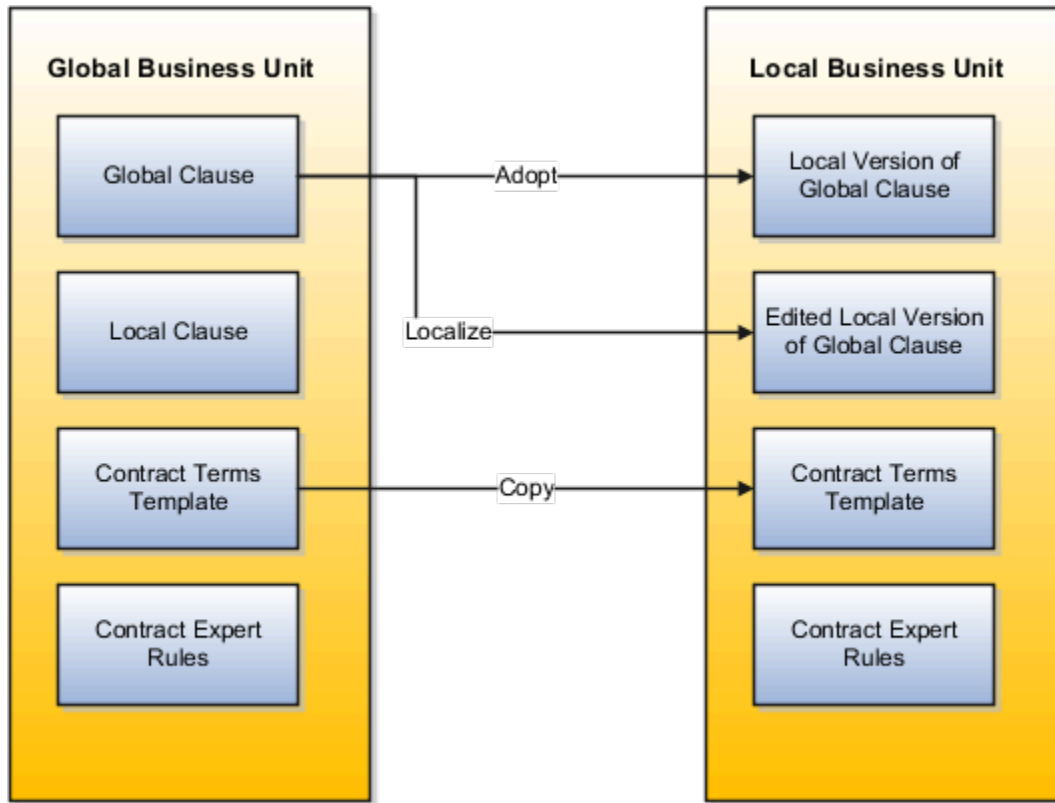
### How Content is Adopted from Global to Local Terms Libraries

Much of the content in the Contract Terms Library is available only in the business unit where you create it.

When you designate one of the business units as global during business unit setup, however, the content you create within that business unit can be copied over by other business units, a process known as adoption.

Different kinds of content in the global library can be adopted for use in a local library in different ways, as outlined in the following figure. Clauses designated as global can be adopted by selecting either the Adopt or the Localize action in local business units. Adopt adopts the clause as is. Localize permits the local business unit to edit the clause text. Local clauses are visible only in the business unit where they are created. Contract terms templates designated as global are visible to the local business units and can be copied over using the duplicate

command. Contract Expert rules are visible only in the business unit where they are created. Sections, folders, and numbering schemes do not need to be adopted or copied. They are automatically available across all business units.



## Adopting Clause Localization

Here is how you adopt and localize clauses:

1. In the global business unit, you create a clause with the **Global** option selected.

After the global clause is approved, it is automatically listed as available for adoption on the Terms Library Overview pages in the local business units.

2. Contract Terms Library administrators in local business units select **Adopt** or **Localize** from the Actions menu to adopt the clauses.

Both adopted and localized clauses now exist as independent clauses in the local library and must be approved before they can be used in contracts.

**Note:**

- During the local business unit setup, you can make clause approvals automatic.
- To adopt all approved global clauses for use in a new local business unit, run the process Adopt Global Clauses for a New Business Unit. Refer to the Enterprise Scheduler Processes topic for more information.
- When a new version of one of the adopted or localized global clauses is approved in the global business unit, the terms library administrators in the local business units are notified automatically.
- You specify the administrator to receive the notification during the local business unit setup.
- Administrators in the global business unit can create a clause analysis report that details the adoption and localization of the global clauses in the local business units.

## Using Copy for Contract Terms Template Adoption

You adopt contract terms templates by copying them:

1. In the global business unit, you create a contract terms template with the **Global** option selected.

After the global template is approved, it is automatically available for copying in the local business units.

2. Contract Terms Library administrators can search for the global templates available for adoption by selecting the **Global** option in the Search Templates page.
3. Select the **Duplicate** action to copy Global templates.

**Tip:** Clauses in the copied templates must be first adopted or localized in the local business unit.

4. The copied contract terms template must be approved in the local business unit before it can be used.

### Related Topics

- [Clause Versioning](#)

## Content Adoption FAQs

### How can I find clauses that are available for adoption?

The Clauses for Adoption region in the Terms Library Overview page shows the list of clauses ready for adoption. You can also search for them using the Search Clauses page.

Use the option, Available for Adoption from the Adoption Type drop-down list to make the search.

### What happens if the global library publishes a new version of the clause I localized?

The new version of the clause appears as available for adoption in the Terms Library Overview page and in clause searches. The Contract Terms Library administrator gets a notification about it.

#### *Related Topics*

- [How Content is Adopted from Global to Local Terms Libraries](#)

### What's the difference between an adopted clause and a localized clause?

Adopt a global clause to reuse it without change in a local business unit.

Localize a global clause to use it with edits in a local business unit.

All clauses you adopt and localize must be approved within your local business unit before they can be used for contract authoring. You can set up approvals to be automatic for adopted clauses, but not for localized clauses.

## Create Folders to Organize Clauses

### Folders in Contract Terms Library

You can use folders to organize clauses in the Contract Terms Library.

#### Folder Properties

Folders have the following properties

- A single folder can contain clauses with both buy and sell intent.
- Folders can be used only in the business unit where you create them.
- Folders cannot be copied to other business units.
- Folder names must be unique within the business unit where you create them.

# Set Up Contract Preview and Printing

## Print Contract Child Object Variables

You must specify which values captured in the child object are to be printed on the contract, and how they should be formatted. This formatting is specified using the print layout template RTF file.

### Specify the Print Layout Template Name and Copy the Template

As for any other table variable that could contain multiple records, you must specify which values captured in the child object are to be printed on the contract, and how they should be formatted. You need BI Administrator privileges to update the layout template to print the child object values.

1. On the Create Variable window enter the Print Layout Name for a child object variable.
2. In the BI catalog, find the existing `ECMTableVarSub.rtf` file in the Enterprise Contracts Transformation Templates folder.
3. Select the English sub template and save the file.

Having made a copy of the sub template, you can edit to add the child object values you would like to print. You can copy an existing child object table to use as a template and paste it into your file. Every table template must have a unique name in the RTF file. The template name entered in the `ECMTableVarSub.rtf` file must exactly match the Print Layout Name you enter when creating the child object variable.

### Update the Table Template Properties

You must also update the table template properties to ensure that the template matches the name you provided for the table template. Using Microsoft Word with the Analytics Publisher add-in installed, perform the following steps on the RTF template:

1. Right-click the template name.
2. Navigate to the Analytics Publisher properties.
3. Ensure the template match property is consistent with the table template name.
4. Update the child object column names and attributes in the table template as required.
5. Update the child object attributes in the table template.
6. Update the local name for each child object attribute.

The name must be the same as the API name of the child object attribute in Application Composer.

7. Once your edits are complete, save your changes.
8. Delete the existing `ECMTableVarSub.rtf` file from the catalog, and choose the create sub template action to upload your updated version.

When the child object variable is used in a clause, the updated sub template is applied to retrieve the attribute values and format them in the print preview.

#### Related Topics

- [Contract Printing and Layout Templates](#)

# Set Up Contract Terms Deliverables

## Contract Deliverables

Contract deliverables establish and track both contractual and noncontractual commitments that must be honored as part of negotiations and contractual agreements between businesses and suppliers or customers based on contract intent. These deliverables can be used in enterprise contracts, purchasing documents, and in negotiations.

This topic provides an overview of the following:

- How you can use contract deliverables
- Creating and managing contract deliverables
- One-time and repeating deliverables
- Where you can create and use contract deliverables
- The different deliverable types
- Fixed and relative due dates
- Deliverable notifications

## Using Contract Deliverables

You can use contract deliverables:

- To communicate with the external party on the contract about commitments.

To do this, the responsible party on the contract deliverable must update the contract deliverable such that this change is reflected in the Contracts application.

- To submit any required documents

For an enterprise contract, the external contact that is the responsible party on the deliverable can sign in to the Contracts application to submit a report and change the deliverable status to Complete.

- As a repository of documents submitted in the negotiations

All documents submitted as attachments are stored in the deliverable history and can be accessed from the deliverable itself.

- To track a contract deliverable from the initial stages of a negotiation to the signed contract

The application can automatically copy the appropriate deliverables from the negotiation document to the final contract.

- To automatically calculate deliverable due dates

You can set deliverable due dates relative to contract events, for example, a week before the contract is signed or comes into effect. The application automatically calculates the actual date the deliverable is due. You can also create multiple instances of a deliverable to track repeating deliverables, such as monthly reports.



- To automatically notify interested parties when the deliverable is due or overdue

You can set up the deliverable to automatically notify parties of an upcoming deadline or when the deliverable is overdue.

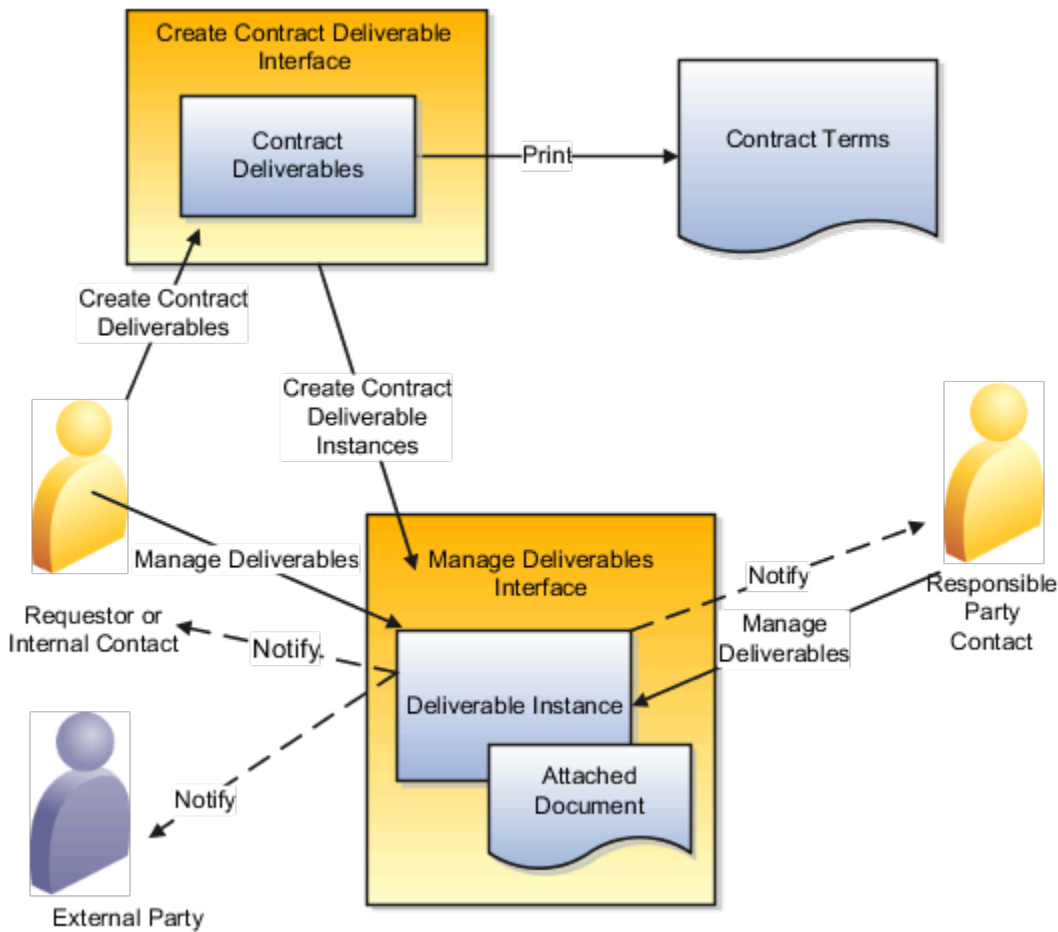
## Creating and Managing Contract Deliverables

You create and manage contract deliverables in two separate interfaces. You create the contract deliverables while the contract is in negotiations. You manage the deliverables while the contract is active and in the process of being executed except for internal deliverables with fixed due date that you can manually activate before the contract is active.

Here is how the two interfaces work:

1. You create the deliverable either in a contract terms template that can then be applied to the contract or directly in the contract. For the deliverable, you must enter the responsible party contact, the deliverable deadlines, and the notifications required.
2. If deliverables are present in a contract terms template you apply to a contract, then the deliverables get copied to the contract automatically. The type of deliverables that are applied automatically can vary based on the document type.
3. The application creates deliverable instances with the calculated deadlines based on your setups at the time the contract becomes active. For instance, if you created a deliverable that calls for the submission of a report every week after the contract is signed, then the application creates a separate instance of the deliverable for each week based on the date the contract was signed.
4. You and the responsible party contact use the Manage Deliverables page to access and update each deliverable instance. In the example, each week the deliverable instance that is due that week is updated and any collateral attached.
5. Based on your setups, the parties are automatically notified when the deliverable is due or overdue, or when one of the parties changes its status (dashed lines).
6. The contractual deliverables you set up are listed in the printed contract terms when you add the deliverable variable to a clause.

The following figure shows two different interfaces you use to create and manage contract deliverables.

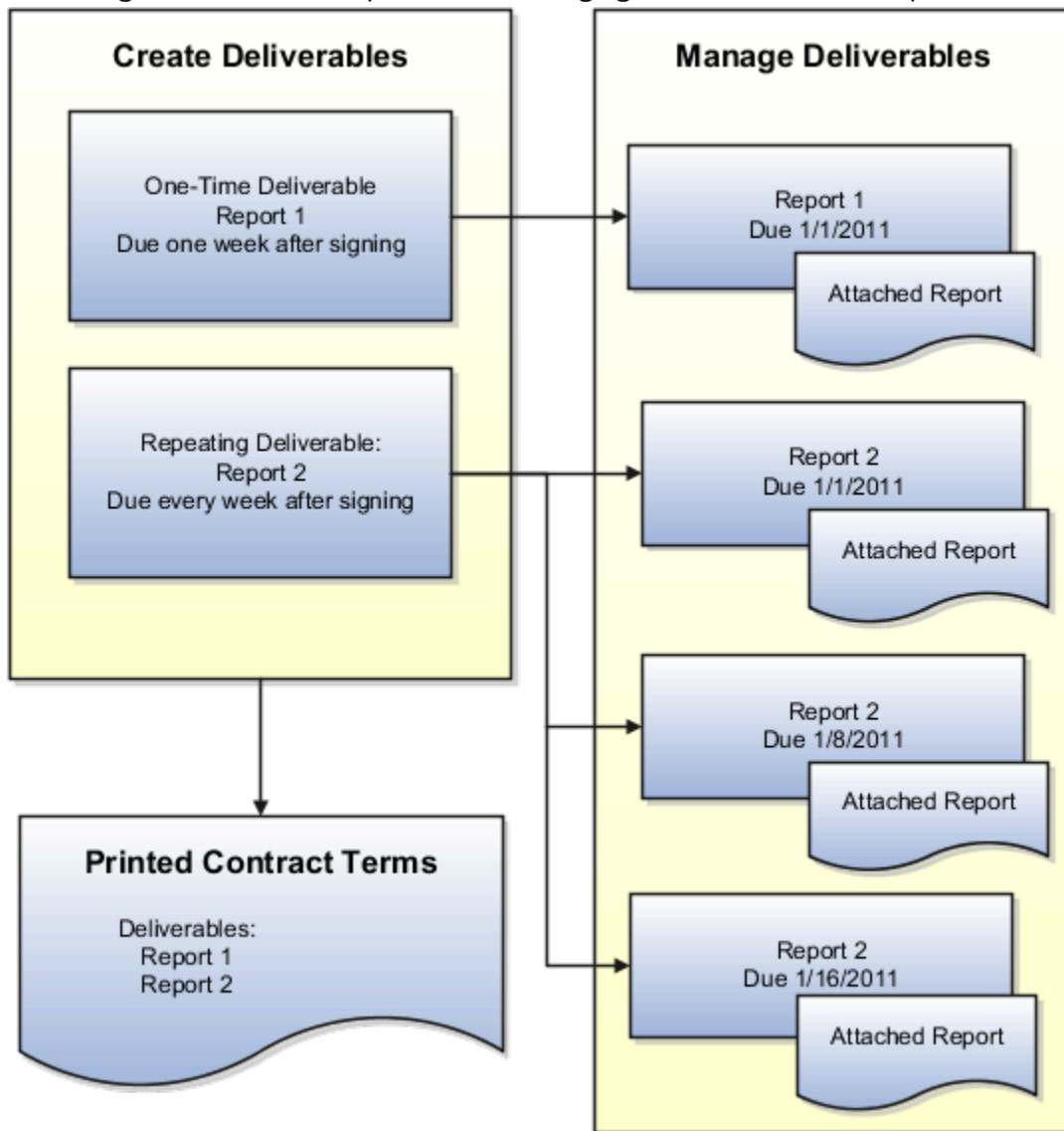


## One-Time and Repeating Deliverables

You can create both one-time and repeating deliverables. A one-time deliverable tracks the performance and deadlines for an individual required action that must be performed by one of the parties in the contract. A repeating deliverable tracks a deliverable that must be performed periodically, for instance a progress report that must be submitted every week after the agreement is signed.

The following diagram uses an example to illustrate the two variable types: A one-time deliverable (Report 1) that the responsible party contact must provide that is due one week after the agreement is signed. A repeating deliverable (Report 2) that the responsible party contact must provide weekly after the contract is signed. After the contract is signed and active, the application automatically creates instances of the two deliverables which can be viewed and updated by the responsible party contact using the Manage Deliverables page and the Deliverables bin. The due dates for each deliverable in this example are based on the date the contract was signed. Note that the name of each deliverable instance for a repeating deliverable is the same. The only difference is the due date. The internal contact, requester, or responsible external party contact attaches the report file to the appropriate instance of the deliverable

and changes its status to Complete. The following figure illustrates the example of one-time and repeating deliverables.



## Where You Can Create and Use Contract Deliverables

You can create contract terms deliverables both in buy-intent and sell-intent contract terms templates, in the Deliverables tab of an enterprise contract, and in Oracle Fusion Purchasing and Oracle Fusion Sourcing documents.

For purchasing, you can create and use deliverables on documents which include:

- Blanket Purchase Agreement
- Contract Purchase Agreement
- Standard Purchase Order

For sourcing, deliverables are copied over from the negotiation document. Sourcing documents include:

- Auction
- Bid

- RFI
- RFI Response
- RFQ
- Sourcing Quote

## Contract Deliverable Types

Deliverable types restrict where a deliverable is available and where it can be printed. There are three deliverable types, as mentioned in the following table:

Deliverable Type	Where Available	Description	Where It Prints
Contractual Deliverables	Purchasing and sourcing (except RFI documents) documents and enterprise contracts	Deliverables that must be completed as part of the contract.	Prints in all documents: <ul style="list-style-type: none"> <li>• As part of the Contract Terms Template preview</li> <li>• Enterprise contracts</li> <li>• Purchasing documents</li> <li>• Sourcing documents</li> </ul>
Negotiation Deliverables	Sourcing only	Deliverables that are a part of a negotiation document but are not part of the final contract.	Prints as part of: <ul style="list-style-type: none"> <li>• As part of the Contract Terms Template preview</li> <li>• Sourcing documents</li> </ul>
Internal Deliverables	Purchasing documents and enterprise contracts	Deliverables that are used to track internal schedules and commitments.	Not printed as part of the contract terms.

**Note:** If you create a deliverable as part of a contract terms template and that deliverable is of a type that is not compatible with the contract where the template is applied, then the deliverable does not get created in that contract. For instance, a negotiation deliverable in a template is dropped when that template is applied to a purchase order but added when that same template is used for an RFQ.

## Fixed and Relative Due Dates

You can specify a deliverable to be due on a specific date, such as the first of the month, or relative to a contract event, such as one week after the contract is signed.

The available events include:

- The contract start and end dates
- The dates the negotiations are opened and closed
- The date the contract is signed
- On negotiation documents, the date you receive a response from the responsible external party contact

The available contract events differ depending on where you create the deliverable and the deliverable type. For instance, for contractual deliverables you create in a contract terms templates, you can base the due dates on: Contract

Canceled, Contract Closed, Contract Signed, Contract Start Date, and Contract End Date. Negotiation deliverables can be based on: Negotiation Closed, Negotiation Opened, and Response Received.

## Deliverable Notifications

You can notify interested parties using Oracle BPEL Process Manager by email, voice message, instant messaging (IM), or short message service (SMS).

Notifications can only be sent for the activated deliverable. Therefore, you must first activate a deliverable to send a notification associated with it. You can activate a deliverable:

- Manually by selecting a deliverable and clicking on Activate.
- Automatically when a contract is activated.

Even for a contractual deliverable, you can send a notification message when you activate a contract.

### Note:

- You can send only one notification for a deliverable.
- You can't send a notification when the contract is in the pending approval state.

You can send automatic notifications:

- Prior to the due date
- When one of the parties changes the status of the deliverable
- When a deliverable is overdue
- When a deliverable must be escalated after the due date

**Note:** For these notifications to appear, the following processes must be running:

- Send Contract Terms Deliverable Due Date Notifications
- Send Contract Terms Deliverable Escalation Notifications
- Send Contract Terms Deliverable Overdue Notifications

Who receives the notification depends on a combination of the notification type and the party who is responsible for the deliverable as listed in the following table. The requester is an internal party. The external contact is a supplier or customer contact.

Notification Type	Responsible Party	Recipients
Prior to due date	Internal	Internal Contact
Prior to due date	External	External Contact
Overdue	Internal	Requester, Internal Contact

Notification Type	Responsible Party	Recipients
Overdue	External	Requester, Internal Contact, External Contact
Status Change	Internal	Requester, Internal Contact
Status Change	External	Requester, Internal Contact, External Contact
Escalation	Internal and External	Requester, Internal Contact, Escalation Contact

*Related Topics*

- [What's the difference between internal and contractual deliverables?](#)
- [How do I create contract deliverables for an enterprise contract?](#)

## Contract Deliverables FAQs

### How do I create contract deliverables for an enterprise contract?

You can create deliverables for a terms template and apply this terms template to a contract. The deliverables from the applied terms template are then visible in the Deliverables tab of the contract.

Alternatively, you can navigate to the Deliverables tab using the contract header Deliverables menu item and create deliverables directly in the contract.

*Related Topics*

- [Contract Deliverables](#)

### What does it mean to change the printing sequence for contract deliverables?

Contract deliverables can be listed by title in a clause in your terms and conditions. You can change the sequence in which the titles appear on this list by modifying the print sequence.

### What's the difference between contract deliverables and contract fulfillment?

Contract deliverables establish and track both contractual and noncontractual commitments that must be honored as part of negotiations and contractual agreements between businesses and suppliers or customers based on contract intent. These deliverables can be used in enterprise contracts, purchasing documents, and in negotiations.

Contract fulfillment in procurement contracts denotes commitments in terms of goods or services that must be delivered. Use contract fulfillment to create and track a purchasing activity in integrated procurement applications. For example, use contract fulfillment to create a purchase order in Oracle Fusion Purchasing. And next, track the activity on that purchase order as it's being executed.

*Related Topics*

- [Contract Deliverables](#)
- [How do I create contract deliverables for an enterprise contract?](#)
- [How Contract Fulfillment Works](#)

## Index Clauses for Keyword Searches

### How You Build and Maintain the Text Index for Keyword Searches

In the Contract Terms Library, you can use the Keyword field to search the text of clauses and contract terms templates. You can automatically build and maintain the text index by running the processes listed in this topic.

#### Setting Up and Maintaining the Text Index

You can set up the processes listed in this table to automatically build and optimize the text index at desired intervals. How frequently depends on how often your clauses and contract terms templates are updated. New clause and template versions become available for searching after they are indexed.

Process	Description
Build Keyword Search Index for Contract Clauses	Builds the index for clauses. The process indexes the text in the following fields: Clause Text, Clause Title, Display Title, Description, and Instructions.
Optimize Keyword Search Index for Contract Clauses	Optimizes the clause search.
Build Keyword Search Index for Contract Terms Templates	Builds the index for clauses in contract terms templates. The process indexes the text in the following fields: Template Name, Description, and Instructions.
Optimize Keyword Search Index for Contract Terms Templates	Optimizes the clause search in contract terms templates.

To run the processes:

1. Select the **Manage Processes** task link in the Terms Library work area.
2. In the Managed Scheduled Processes page, click **Schedule New Process**.

# Manage Clause and Section Numbering Schemes

## Manage Numbering Schemes

Use a numbering scheme to number sections and clauses in a contract terms template or contract. In addition to the numbering schemes that come with the application, you can create more numbering schemes in the Terms Library work area.

### Numbering Scheme Properties

Numbering schemes have the following properties:

- Numbering schemes are available in all business units.
- You can create numbering schemes up to five levels.
- Numbering clauses is optional.
- You can add the numbering of the previous level as the suffix of the current level by selecting the Concatenate with Child option.
- You can skip the numbering of specific sections and clauses for printing and display of contract terms by selecting the Skip Numbering printing option. This automatically moves up the numbering of subsections and clauses in the section and following sections and clauses in the contract.
- Edits you make to an existing numbering scheme in the Contract Terms Library do not automatically apply to all contracts using that numbering scheme. You must reapply the scheme to each contract.
- You cannot delete any of the numbering schemes that come with your application.
- You cannot delete a numbering scheme if it is used in an existing contract.

#### *Related Topics*

- [How can I change the numbering scheme for sections and clauses?](#)

## How can I change the numbering scheme for sections and clauses?

You can apply a numbering scheme for contract sections and clauses when authoring a contract or creating a contracts terms template. To do so, use the Change Numbering Scheme action on the Contract Terms tab.

You can change the numbering sequence using the **Skip Numbering** printing option for a section or clause.

To hide or display subsequent subsections, clauses within sections, and clauses in a contract, use the **Suppress Title** option. To hide a specific clause, you need to manually suppress it. The application doesn't support automatically suppressing clauses based on the clause type.

To create additional numbering schemes, use the action on the Terms Library Overview page.



### Related Topics

- [How can I configure contract terms before I print them?](#)

## Contract Terms and Clause Approval

### How to Set up Approval for Terms and Clauses

The following topic outlines the main setups approval for the Terms and Clauses. The setups are accomplished using tasks from the Setup and Maintenance work area.

Here's how you set up approval groups and approval task configuration rules for contracts:

1. In Setup and Maintenance go to the following:
  - o Offerings: Sales
  - o Functional Area: Sales Foundation
  - o Task: Manage Approval Groups
2. On the Manage Approvals page, click the **Approval Groups** tab.
3. In the Groups region, select the plus sign icon to begin creating a new approval group.
  - a. Enter a name for the new group.
  - b. Click **Save**.
4. Add a member to the group. Click the Add Member icon to retrieve the Add to Group dialog window. In the search box, enter the email address of the user created earlier and click OK.
5. Click **Save**.
6. Repeat the previous steps to create an approval group that includes both level-one and level-two approvers.
7. Click the **Task Configuration** tab.
8. In the **Tasks to be configured** region, search for `ContractClassApproval` and `TemplateApprovalHumanTask` for the set up of clause and template respectively.
9. Click the **ContractClauseApproval** or **TemplateApprovalHumanTask** respectively to access a set of subtabs where you can set up rules for the approval task.

For example, under Configuration, you can set the assignment and routing policy attributes to suit your business needs. If you want to let the initiator add ad hoc approvers and configure notifications as the approval progresses, select the **Allow initiator to add participants option**.

10. You can create rules to suit your business needs. Edit the `ContractClauseApproval` or `TemplateApprovalHumanTask` respectively.
11. Click **Rules**
12. Expand each rule.
13. Click **Edit** to create rules for the `ContractsApproval` Or `TemplateApprovalHumanTaskStage` rule set respectively.
14. Delete all three rules.
15. Create a new rule.
16. Enter the rule name. Click the arrow. Under the IF label, click the list icon next to the first field.
17. As an example, in the Condition Browser, expand `ContractClauseApproval` Or `TemplateApprovalHumanTask`, `ContractDetails`, **result**, and create the following rule:

Edit IF condition to 1 is 1

Under Then block Choose

18. Select Approval Group from the List Builder drop-down list under THEN, and click Create Action to create the List builder action 1 region.
19. Select level 1 approver and enter the required information for the List builder action 1 region.
20. Alternatively, to bypass the approval hierarchy and have automatic approval, create only the following rule.

Edit IF condition to 1 is 1

Under Then block Choose

```
List builder : Supervisory Response type: Required Number of levels: 1 Starting
Participant HierarchyBuilder.getPrincipal(Task.creator,-1,"","") Top Participant
HierarchyBuilder.getPrincipal(Task.creator,-1,"","")
Auto action enabled: True Auto Action: "APPROVE"
Save and commit.
```

21. Click the **Approval Group** tab to create an approval group for Clause and Template Approval respectively.
22. Click the **Task Configuration** tab to create rules for clause approval human task and template approval human task respectively. Click the human task TemplateApprovalHumanTask or ContractClauseApproval and then click the rules subtab.
23. Click the **Approval Group** tab to create an approval group for Template Approval or Clause Approval.

## Scenario-Based Clause and Template Approval Rule Setups

The following topic outlines the main setups approval for scenario-based clause and template. The setups are accomplished using the tasks from the Setup and Maintenance work area. You need to select and edit the task to create a new rule.

Here are steps you can use to set up specific approval scenarios:

1. Sign in as a setup user.
2. Navigate to the Setup and Maintenance work area.
3. Search and select the **Manage Task Configurations for Customer Relationship Management** task. The BPM Worklist page appears.
4. In the Tasks to be configured region, select **ContractClauseApproval** or **TemplateApprovalHumanTask** respectively.
5. Click the **Edit task** icon.
6. Click the **Assignees** tab and click the **Go to rule** icon to create a new rule.
7. Click the **Add Rule** icon to add one of these rules such that:
  - o Clauses and Template are approved automatically:
    - i. In the If section, select the condition as 1 is 1.
    - ii. In the Then section, select:
      - o List Builder: Supervisory
      - o Response Type: Required
      - o Number of levels: 1
      - o Starting Participant: `HierarchyBuilder.getPrincipal(Task.creator,-1,"","")`
      - o Top Participant: `HierarchyBuilder.getPrincipal(Task.creator,-1,"","")`

- Auto Action Enabled: True
      - Auto Action: "APPROVE"
    - iii. Ensure that other rules are inactive.
  - Clauses and Template are approved based on organization ID:
    - i. In the If section, select the condition as  
`Task.payload.getContractsClauseApprovalRuleAttributesResponse.result.orgId.longValue() IS Organization ID.`
    - ii. In the Then section, you can select a user or a group of a user as per your business requirements, this example, is a build for a user:
      - List Builder: Resource
      - Response Type: Required
      - Users: search for username
      - Groups: NULL
      - Application Role: NULL
    - iii. Ensure that other rules are inactive.
8. Click **Save and Close**.

