

Oracle Fusion Cloud Sales Automation

How do I use Enterprise 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

Some application pages have help icons  to give you access to contextual help. 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. If the page has contextual help, help icons will appear.

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Thanks for helping us improve our user assistance!

1 Introduction

Overview of 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 contracts.

General Feature Summary

Here are the key actions you can perform using general enterprise contract 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.
- Change a contract to make edits to the contract after you've 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 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 predefined renewal rules.

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

For More Information

The following links provide more information about Enterprise Contract rich features and answers such questions as:

- [*How do I configure Enterprise Contracts?*](#)
Learn how to configure Enterprise Contracts.
- [*How do I get started with Enterprise Contracts?*](#)
Learn how to get started with Enterprise Contracts.
- [*How do I configure contract approval notifications?*](#)
Learn how to configure templates to meet your business requirements for sending contract approval notifications.
- [*How do I configure and use Contract Requests?*](#)
Learn how to set up and use the Contract Requests feature so that salespeople and others can quickly raise requests for contracts and agreements.

- *How do I extract and classify key terms contract documents using Generative AI?*

Learn how to set up, extract, and classify key terms from contract documents using Generative AI. Discover how to create key terms and prompts and categorize them based on your business rules.

2 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.

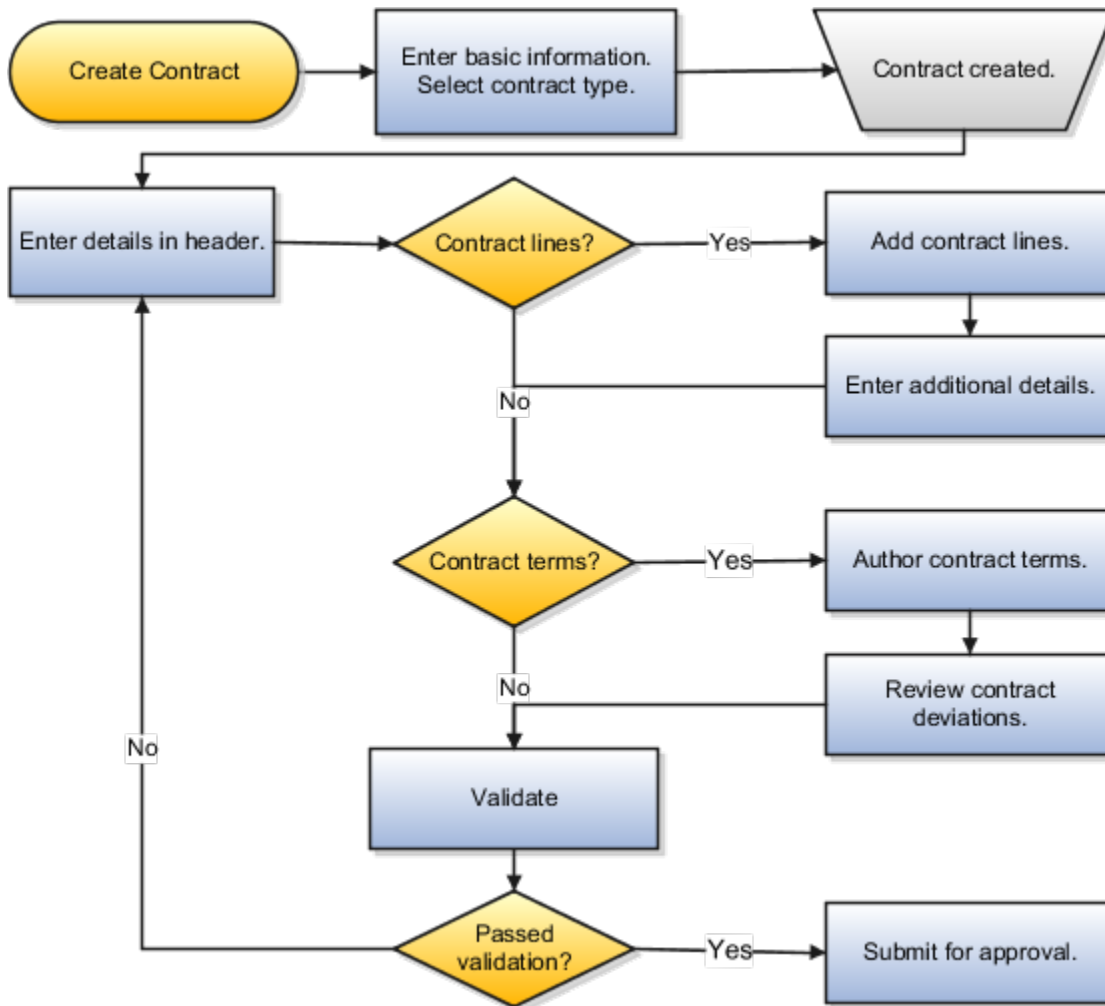
Selecting the contract type determines what additional information you can enter. This creates the contract which you can then edit.
2. Enter additional contract details.
3. Depending on the contract type, you can:
 - Add contract lines.

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.
 - Author contract terms and review contract deviations.
 - 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 various 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.

Contract Actions

Some 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.

Contract Statuses

Contract 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.

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	- Cancel Resulting status: Canceled - Submit for Approval Resulting status: Pending approval - Create New Version Resulting status: Draft When a contract is in Draft status and a new version of it is created, this new version will also be in Draft status. Note: When you try to activate a renewed Contract that's 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.
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's submitted for internal approval.	- Stop Approval Resulting Status: Draft The contract is withdrawn from approval. You can now make corrections to the contract and resubmit it for approval. - Stop Approval Resulting Status: Under amendment The current contract is in Under amendment status if it has an earlier active version. - Approve Resulting status: Active If, based on the contract type, signature isn't required for acceptance, and all approvers have approved.

Status	Description	Available Actions and Resulting Statuses
		- Approve Resulting status: Pending signature If, based on the contract type, signature is required for acceptance. - Approve Resulting status: Hold When a contract is approved, if there's an existing Hold on it with Hold date later than the system date, its status changes to Hold. - Reject Resulting status: Draft When one or more approvers don't approve the contract. - Reject Resulting status: Under amendment This status results when one or more approvers don't approve the contract and the contract has a previous active version. Note: The Approve and Reject actions are available from the approval workflow notification.
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.	- 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. - 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 Send to send the contract for electronic signature to the designated signers. - Sign Contract Resulting status: Hold When a contract is accepted, if there's an existing Hold on it with Hold date later

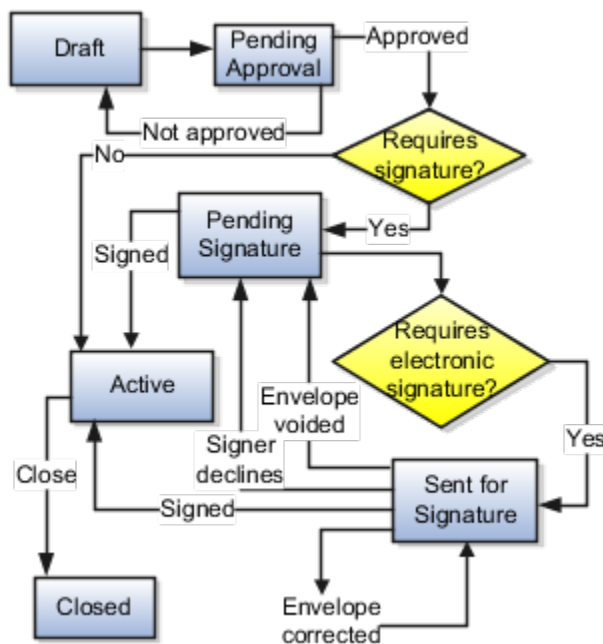
Status	Description	Available Actions and Resulting Statuses
		than system date, its status changes to Hold. - Sign Contract Resulting status: Expired Sign Contract can go straight to Expired if the end date has been reached. - Create New Version - Resulting status: Draft When a contract is pending signature, if a new version of it is created, this new version is in Draft status. - Resulting status: Under amendment If the original contract pending signature was under amendment, the new version will also be in Under amendment status. - Cancel Resulting status: Canceled
Sent for signature	The status of a contract changes to Sent for signature when the contract is sent for signature using the integrated electronic signature solution. Run the Track Electronic Signature Status process to activate the contract after all signers have signed the contract.	- Manage Signatures - No resulting status If the sender corrects the envelope and resends it for signature. - Resulting status: Pending signature If the signer declines to sign or the sender voids the envelope. - Resulting status: Active If all the signers sign the contract.
Active	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.	- Amend Resulting status: Under amendment Enables you to make changes to the contract and resubmit it for approval. - Apply Hold Resulting status: Hold - Close (Terminate) Resulting status: Closed This contract is no longer available except from contract history.

Status	Description	Available Actions and Resulting Statuses
Hold	The status of a contract changes to Hold when a hold is applied. The Update Contract Status process will ignore contracts or contract lines on hold and will not change them to the Expired status.	- Amend Resulting status: Under amendment Enables you to make changes to the contract and resubmit it for approval. - Remove Hold Resulting status: Active if prior to end date. otherwise the status will be Expired. - Close (Terminate) Resulting status: Closed This contract is no longer available except from contract history.
Under amendment	The status of a contract changes to Under amendment when it is amended.	- Submit for Approval Resulting status: Pending approval - 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. - 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.
Closed	The status of a contract changes to Closed when you close (terminate) it. Closed status implies either a foreclosure or a closeout after expiration.	Reopen Resulting status: Draft Makes this contract available for corrections and resubmission for approval.
Expired	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.	- Amend Resulting status: Under amendment Opens the contract for corrections and before resubmitting for approval. - Apply Hold Resulting status: Hold

Status	Description	Available Actions and Resulting Statuses
		Close Resulting status: Closed Resulting status: Closed This contract is no longer available except from contract history.

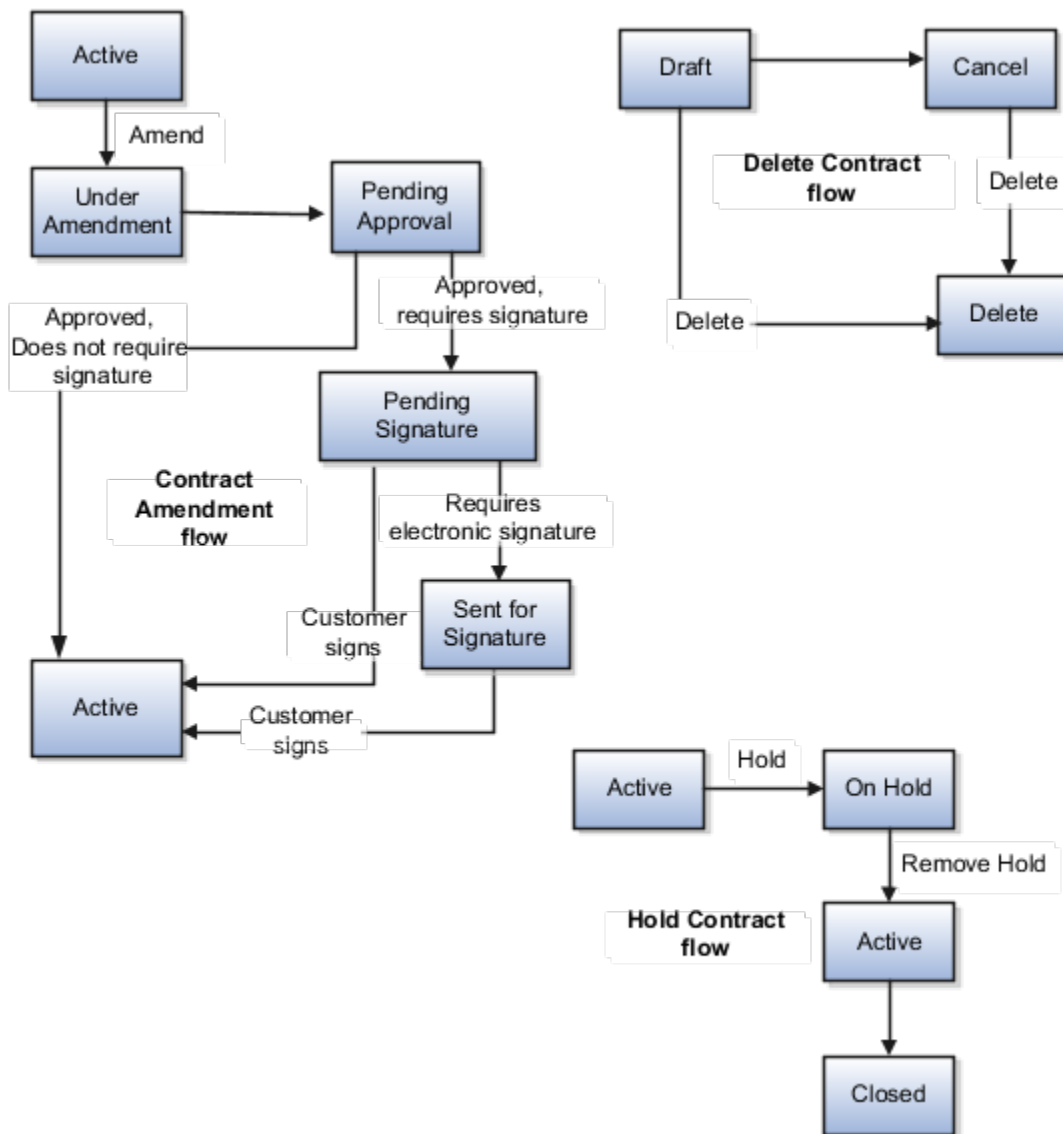
Contract Flow from Draft to Approval to Acceptance

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



Contract Amendment, Contract Delete, and Contract Hold Flows

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



Related Topics

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

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.

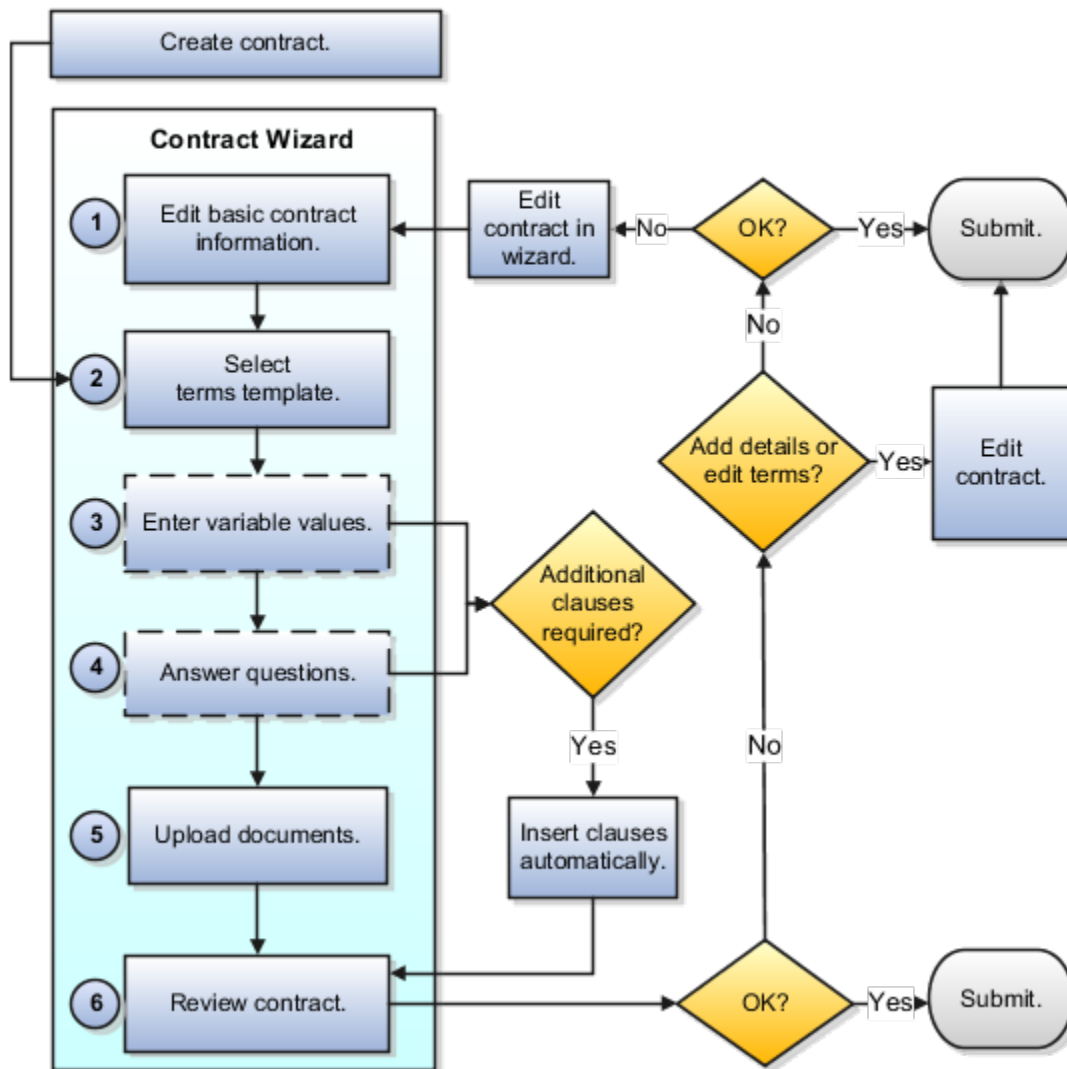
The Contract Wizard guided process is based on the origin of the contract terms. If the contract terms originate internally in your organization, then you add the contract terms by applying a contract terms template. If the contract terms originate from an external party, such as a supplier, then you 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 might recommend the template or let you select one of your own.
3. Depending on the business rules set up for the selected template, you might 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're outlined in dashed lines. Based on your entries in Steps 3 and 4, the application might insert extra clauses into the contract terms.
4. You can upload supporting documents.
5. You can preview the contract terms, including any extra 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. 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.
 - Select the **Edit Contract** action 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:

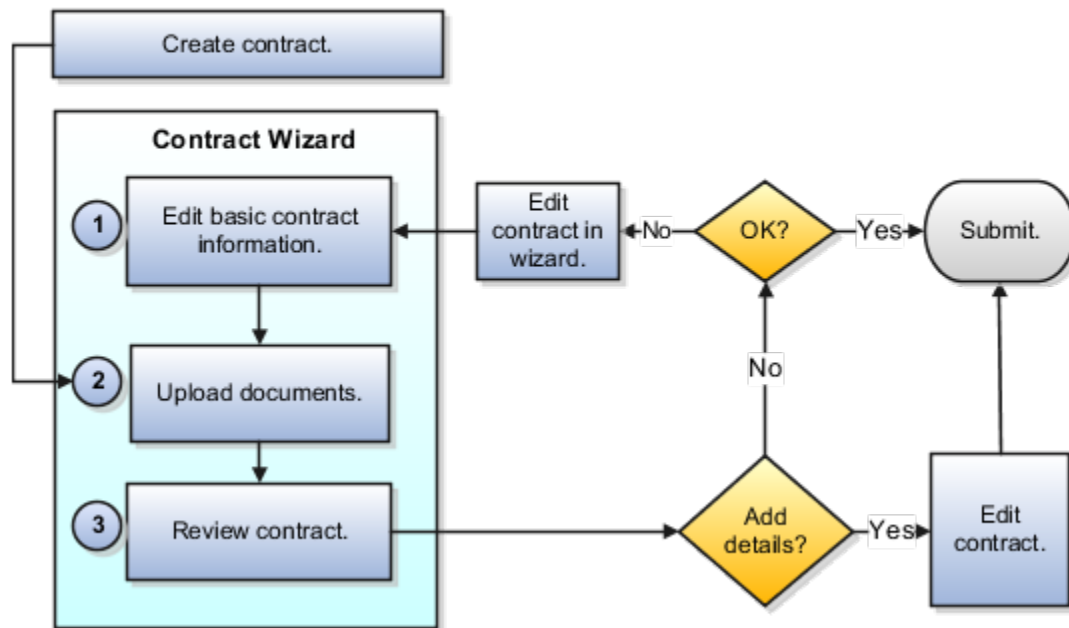
1. Select **External** as the authoring party and enter basic contract information on the Create Contract window.
2. Upload the file containing the contract terms as the primary contract document and any other supporting documents.

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 How do I configure enterprise contracts? playbook.

3. Review the contract information.
4. Submit on the Review Contract page to validate the contract if you're satisfied with the contract.
5. If there are no validation errors, the contract is submitted for approval.
6. 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 doesn't appear in the same format as the final contract and doesn't include the clauses that might be inserted by the application in later steps.

Entering Variable Values

Depending on the business rules for the selected template, you might need to enter variable values. The application substitutes the values in the contract and might use them to decide if extra 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 might 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 don't 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 extra clauses inserted by the application. The displayed contract terms are formatted for HTML, but not in final format yet. 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.

A subscription line can include many 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's 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 might differ from the start date of the contract.
- **End Date:** Date until which the subscription line is valid. This value can be changed and might 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 means 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, change and cancel subscription items in the contract, after which you can submit the contract for approval.

Note: Before creating a subscription line, ensure that the **Sales Product Type** and **Service Duration Type** fields are set up 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 task 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	~	Orcl~ Finds contract with letters O,R,C, and L, in a word. For example, Oracle.
Field based search Supported only with the Text 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:item>
            <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:findCriteria>
                </ns1:filter>
              </ns2:group>
            </ns2:item>
          </ns2:group>
        </ns2:filter>
      </ns1:findCriteria>
    </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 various 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.	• Apply Hold Resulting status: Hold • Close (Terminate) Resulting status: Closed

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.	- Remove Hold Resulting status: Active if prior to end date. otherwise the status will be Expired. - Close (Terminate) Resulting status: Closed This line is no longer available except from contract history.
Expired	The status of a line changes to Expired when its end date is reached.	- Apply Hold Resulting status: Hold - Close Resulting status: Closed Resulting status: Closed This line is no longer available except from contract history.

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 reprice 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. The maximum size of each attachment should be no more than 100 MB each.

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're 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.

What's the size limit for enterprise contract attachment files?

You can attach any kind of file, including images, to a contract in the Documents region of the contract Header tab. The maximum size of each attachment should be no more than 100 MB each.

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	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. CAUTION: 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.
Invoice Summarization Options	Select the labor, nonlabor, and event formats that group transactions on invoice lines.
Associated Contract Lines	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. 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.

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

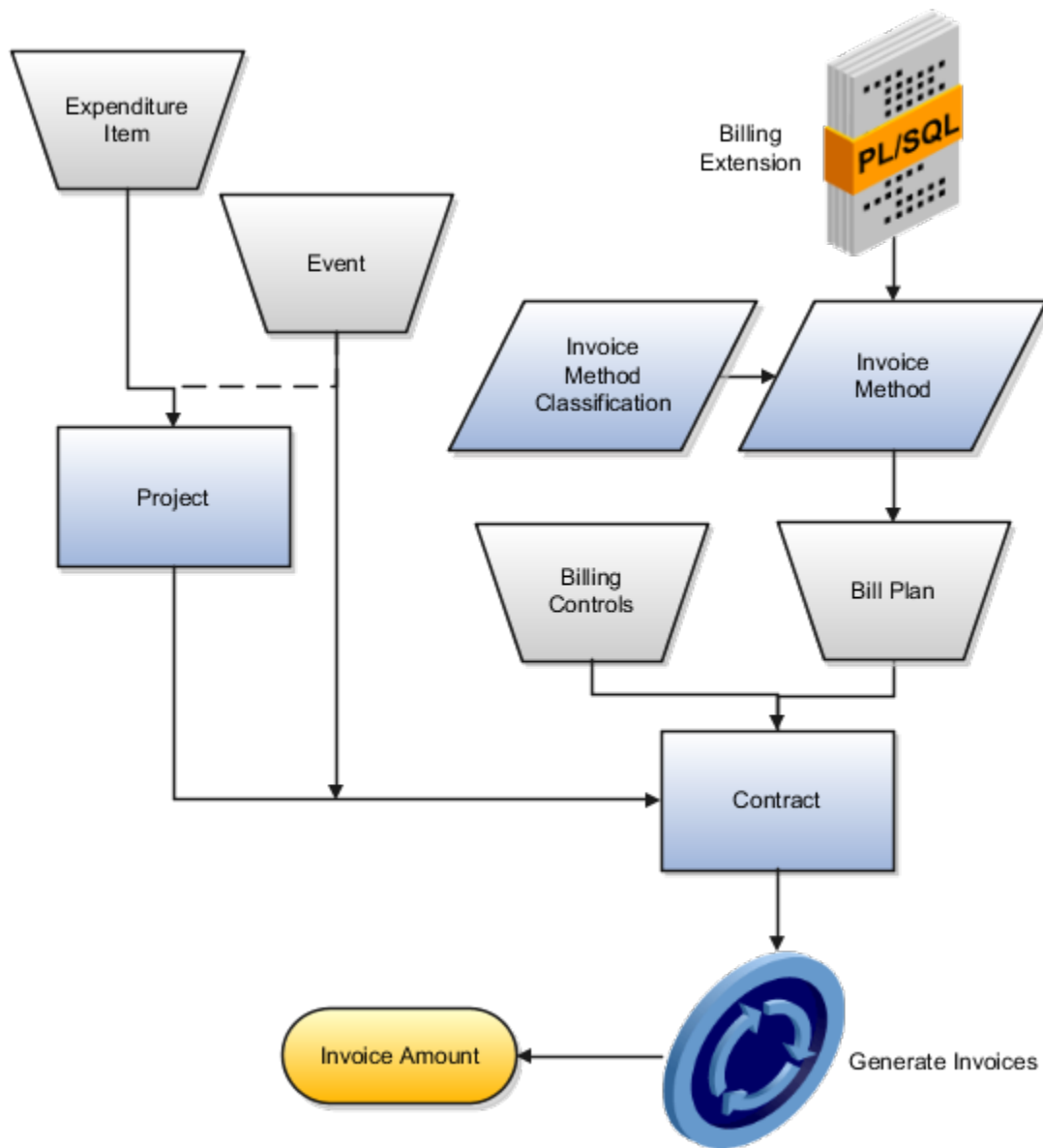
- [Why can't I associate a billable task with a contract line?](#)
- [How can I control the billing sequence of multiple contracts associated with the same project and task?](#)
- [What happens if I remove an associated project from a contract line?](#)

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
Contract Number	Your initials, followed by New Company TM Percent Spent Contract .
Start Date	1/1/2011
All other fields	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
Bill-to Customer	New Company and Associates
Bill-to Site	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

4. 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

5. Click **Save and Close**.

Reviewing the Revenue Plan

1. In the Revenue Plans region, click **Percent Spent Revenue**. Verify the Method Name is Percent Spent Revenue.
2. 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.

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: • Enabled for time and materials. • Enable the project to receive cross-charge transactions.
Project plan	Assign the following resources to a chargeable and billable task: • Project Manager • Senior Consultant • Junior Consultant • Expenses Set the baseline for the project plan.
Contract type	Intercompany
Contract lines	Create the following contract lines: • Line 1 for the Paris consultant's labor. • Line 2 for the Paris consultant's expenses. • Line 3 for all other consultants' labor. • Line 4 for all other consultants' expenses.
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: • \$25,000 hard limit for expenses. • Billing resources: expenses and labor.
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

Decisions to Consider	In This Example

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:
 - Budget: create a project budget, set as current working, and create a baseline.
 - 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
My Contracts	If this field is checked, remove the check mark.
Party Name	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
Contract Number	Your initials, PS001 (For example, TP PS001)
Start Date	01/01/2010
All other fields	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
Project Name	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

Field	Value
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.

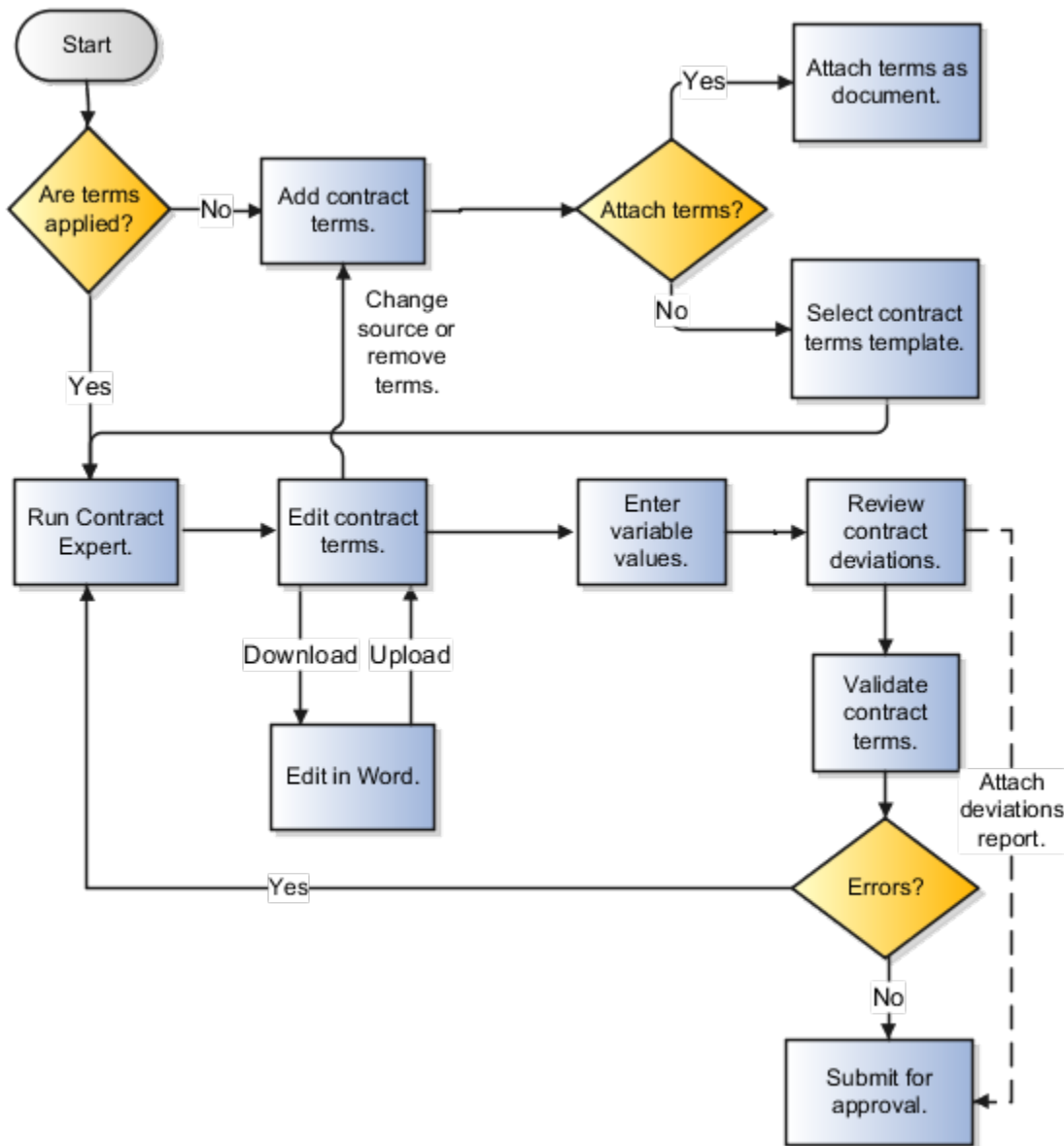
3 Author Contract Terms

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:

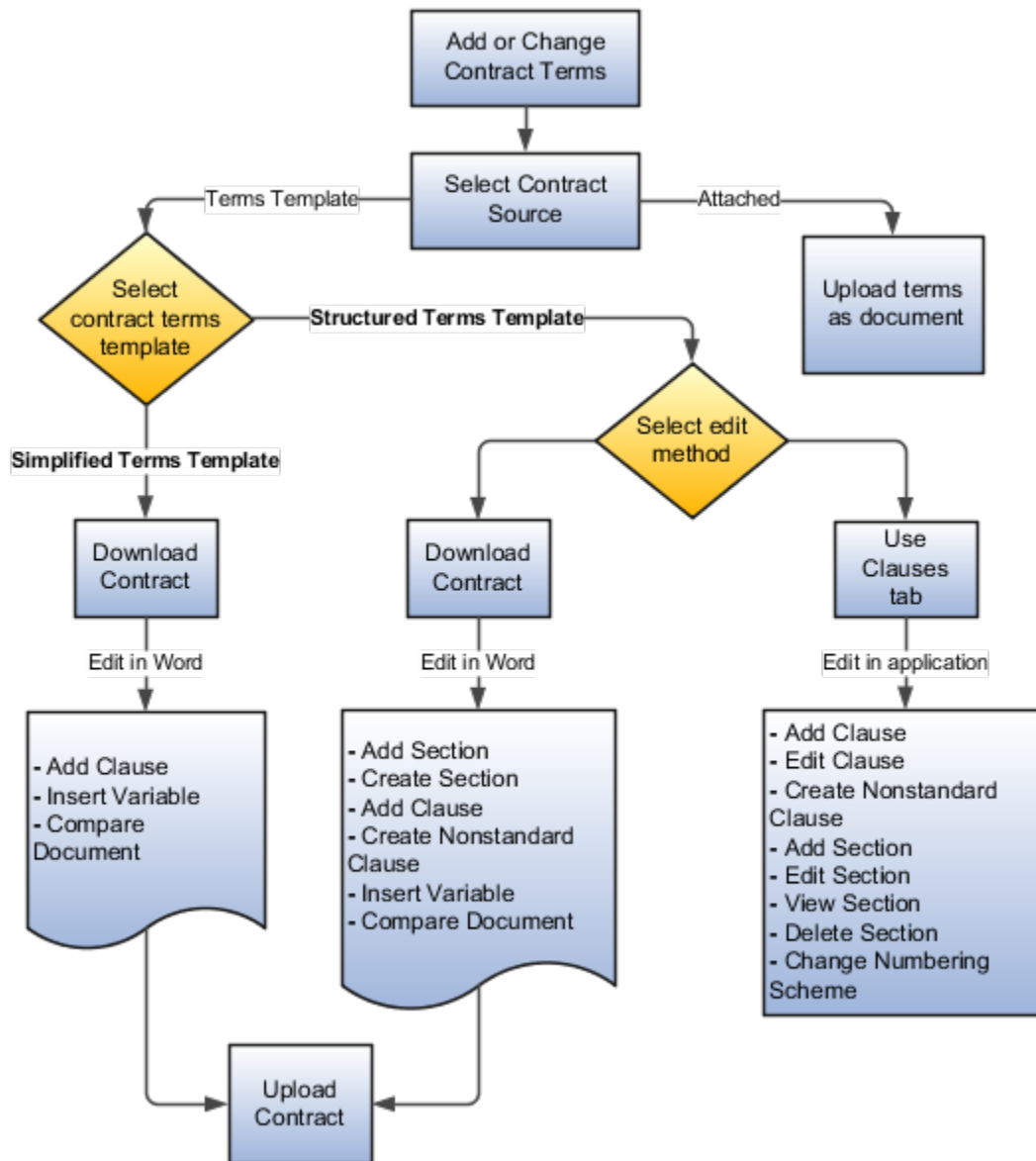
- Attached
- Terms Template

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 Option

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	• Add • Move • Delete • Edit to create a nonstandard clause
Nonstandard	• Create by adding and editing a standard clause or create an entirely new nonstandard clause • Move • Delete • Edit
Protected	• Add • Move • Delete • Edit only with special privileges
Mandatory	• Move • Delete only with special privileges • Edit only with special privileges
Alternate	• Move • Edit to create a nonstandard clause • Delete • Select an alternate clause

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.

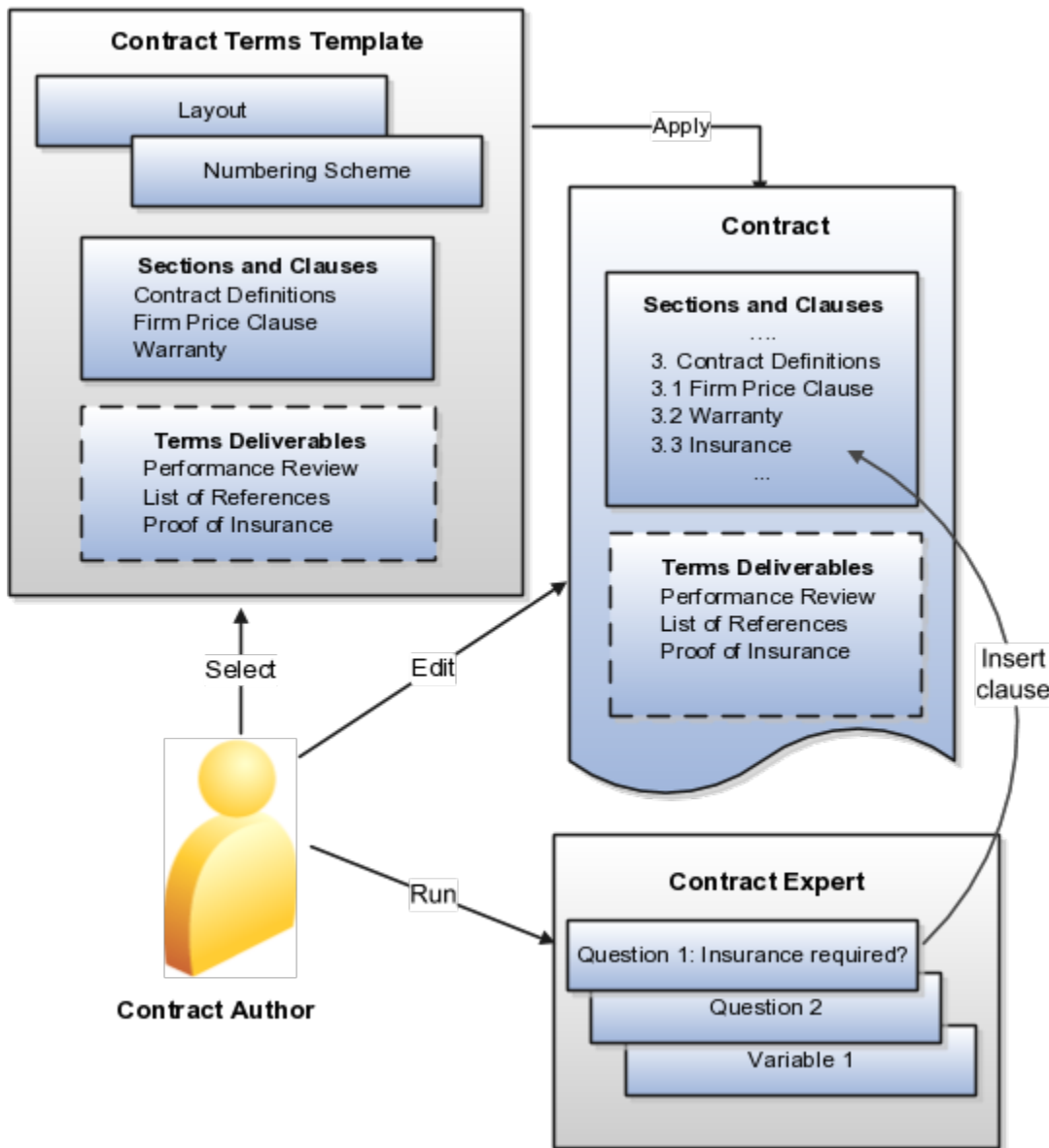
Depending on the setup, the application can automatically apply the contract terms and conditions from a template or let you select which contract terms template to apply manually.

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 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.
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 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.

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: • The structured terms template as an XML file you can edit in Word. • The simplified terms template as a DOCX file you can edit in Word.
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 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
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.

Action	Description
Validate Contract Terms	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 application automatically performs the same contract terms validation whenever you submit the contract for approval.

Actions for Starting Over

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

Action	Description
Change Contract Source	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.
Remove Contract Terms	Select the Remove Contract Terms action to remove all contract terms from the contract. Removing contract terms removes all contract terms documents.

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

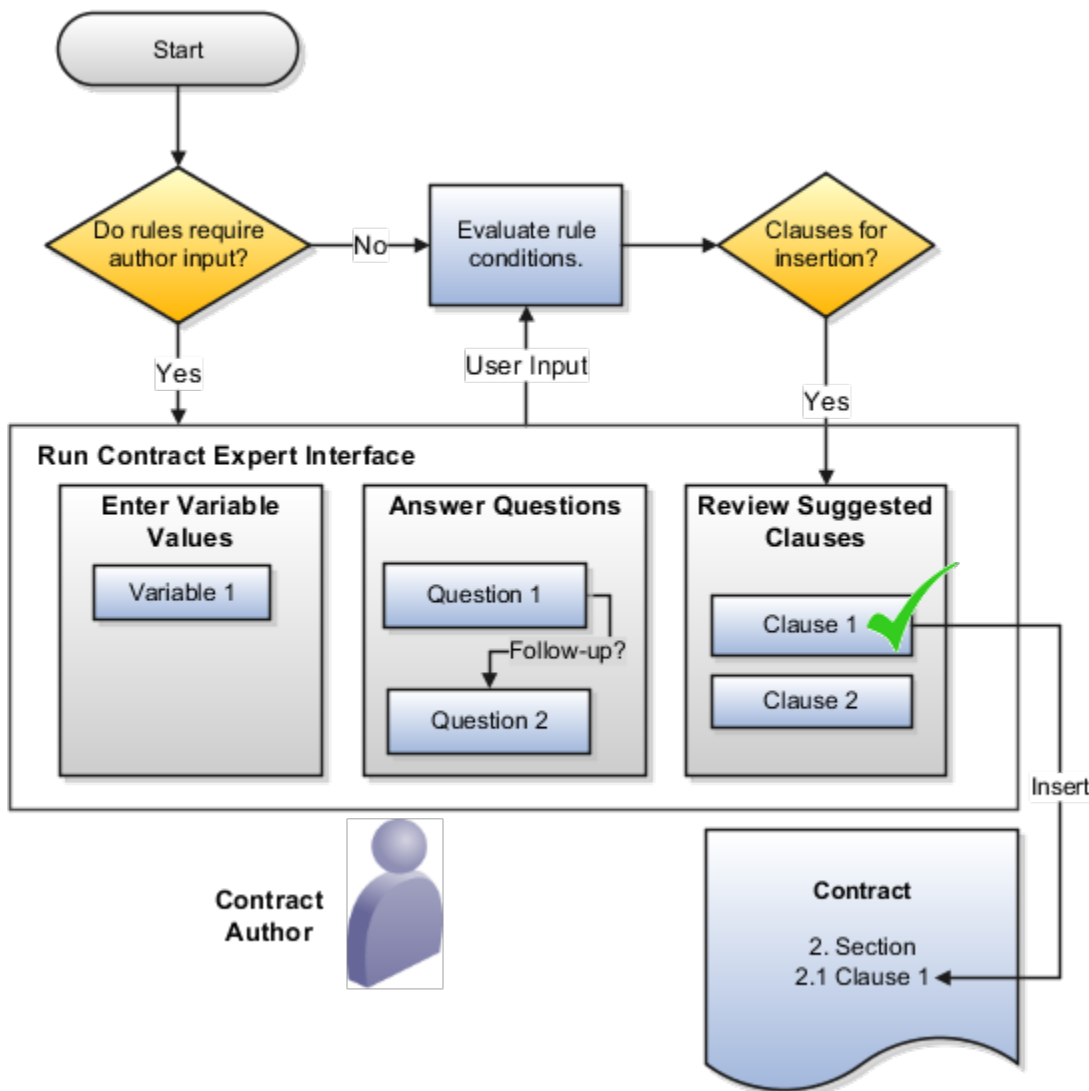
If a Contract Expert-enabled contract terms template is applied to your contract, then you must run Contract Expert to determine if the contract deviates from company policies or if any additional clauses are required.

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

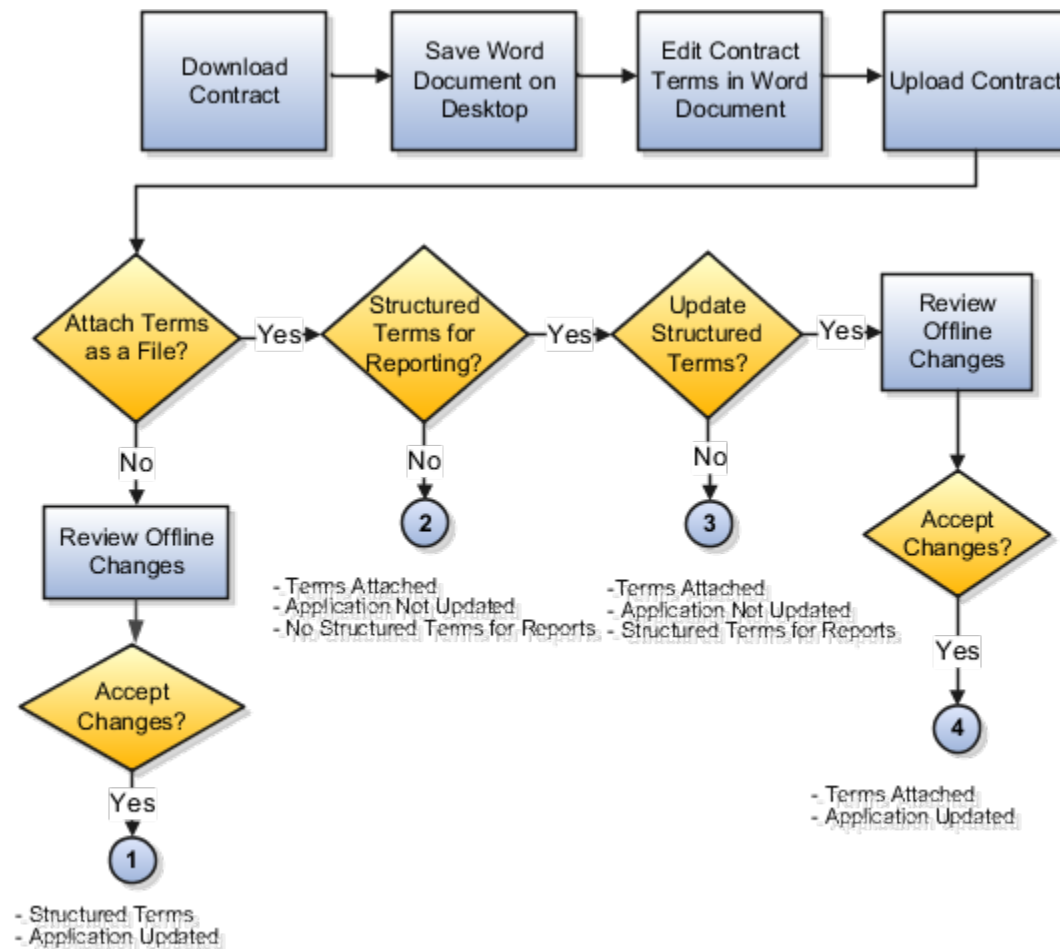
How Editing Contract Terms in Microsoft Word Works

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.	• The contract terms in the application are updated with the edits from the Word document. • The application remains the source of the contract terms. • The file with your edits is uploaded as a supporting document.
2	The edits in the Word file are so extensive that importing them into the application is impractical. The contract terms in the file are so different, that running the contract deviations report against the terms in the application would be misleading.	Attached Document	Deselected	Deselected	• The application isn't updated with changes. • The Word file becomes the primary contract document. • The structured terms in the application aren't retained for reports.
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	• The application isn't updated with your changes. • The Word file becomes the primary contract document. • The structured terms are retained for reporting.
4	You want to specify the attached file as the primary contract document, but want	Attached Document	Selected	Selected	• The application is updated with your changes.

Use Case Number	Use Case	Contract Source Selection	Update Contract Terms Automatically	Retain Structured Terms for Reporting	Consequences
	to import the changes into the application for more accurate reporting.				- The Word file becomes the primary contract document. - The structured terms are used for reporting.

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).

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

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

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

4 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](#).

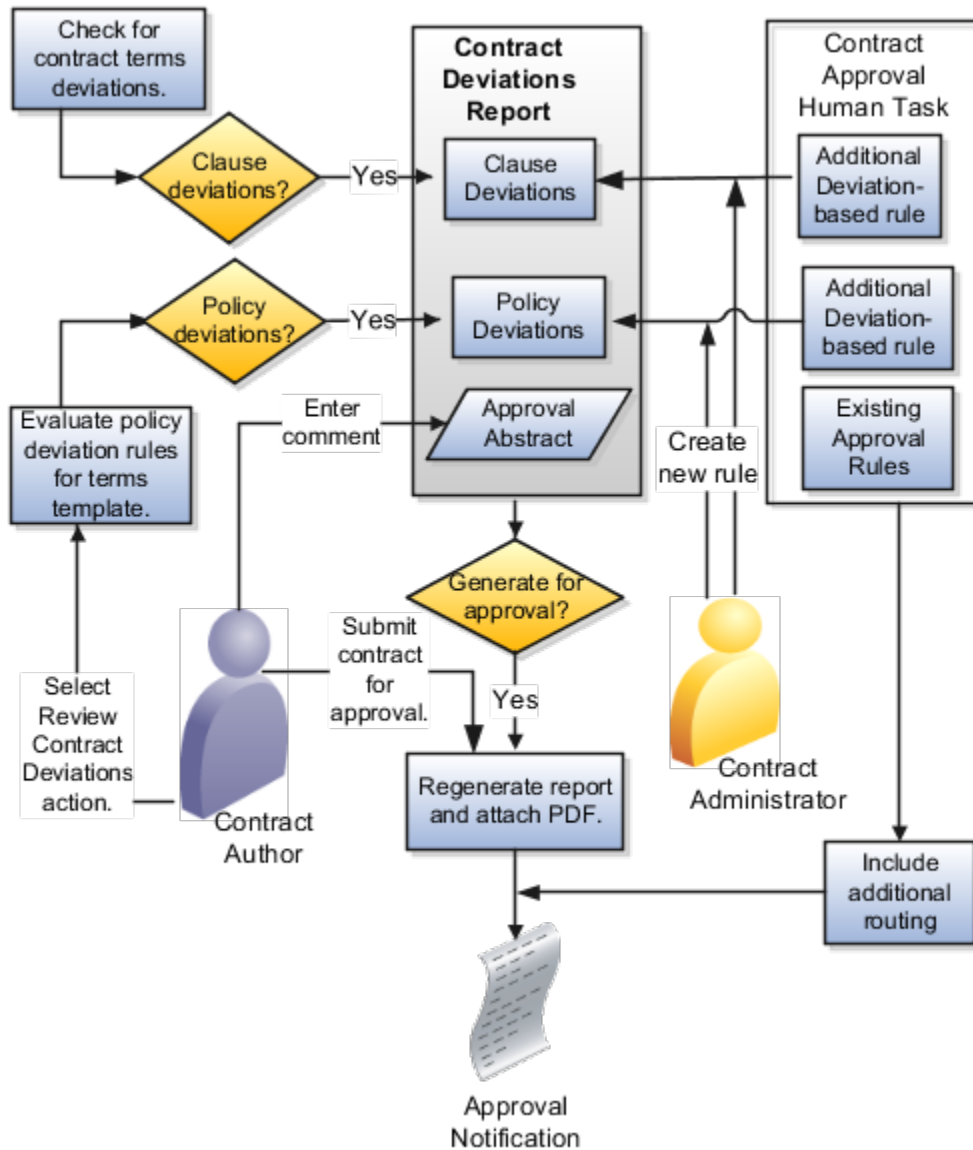
You can enter a justification for any deviations in the report and make the report available for review by the contract's approvers. This action is available while the contract is in a status that's open to editing, such as the draft status. A copy of the report is automatically attached to the contract 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

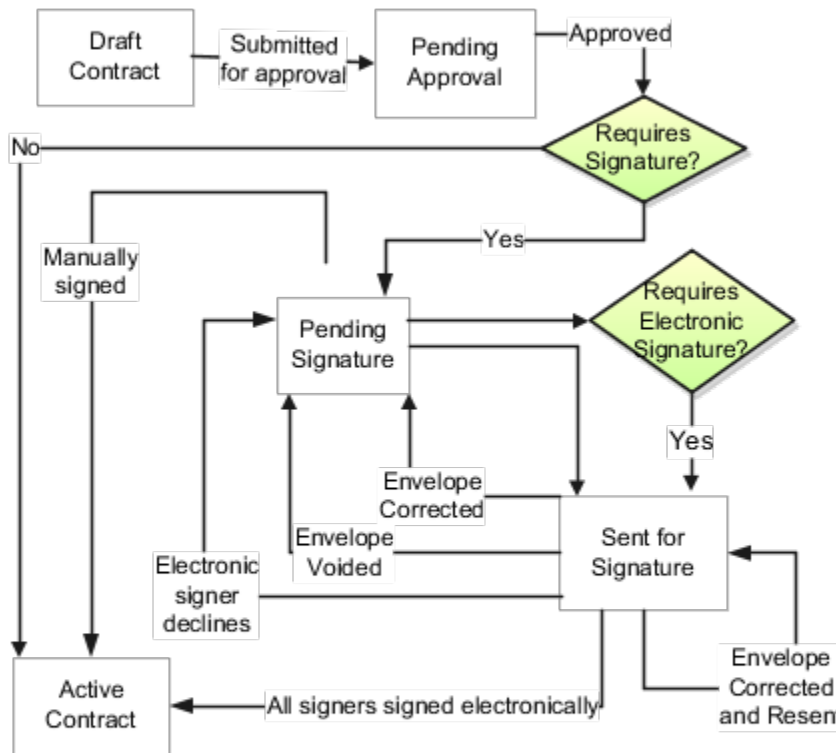
The signer who receives an email from DocuSign can either sign or decline to sign. If the signer declines, the contract status changes back from its Sent for Signature to its previous Pending Signature status. The sender of the contract can then make the required corrections to the envelope before resending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

5 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 How do I configure enterprise contracts playbook.

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 more 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 using the Manage Contract Types task in Setup and Maintenance. The task is in 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.

For 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 whether the contract includes lines and what can be entered into them.
- Specify whether external item masters can be referenced.
- Make it required 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 should 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.
- Allow the authoring of contract terms using the Contract Terms Library.

Note: Contract renewal functionality supports buy or sell contracts with no lines.

Common Contract Type Entries

This table describes common contract type entries:

Field or Option	Description
Class	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. • Enterprise Contract: Used for authoring both buy and sell contracts where you're buying or selling items and services. Examples of contracts of this class include contract agreements (buy or sell intent), project contracts, and repository contracts. • Agreement: Used for authoring a buy or sell intent contract to create a sales agreement. • Partner Agreement: Used for Oracle Partner Management. You can't change the class after the contract type is created.
Set	Determines the data security for contracts of this type.
Name	The name of the contract type that you select when authoring contracts. We recommend you to avoid using special characters when entering the contract type name. For example, & and @.

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 Enable Electronic Signature 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	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. These options aren't available if you enabled Use external item master. 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: - The person who submits the process - The contract owner of the contract that's expiring - The contract contact who has the role you have selected in the Contract Type Expiry notification setup

Line Types

You can enter the line types allowed by the class you selected for the contract type. You can only do this 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

See [Guidelines for Setting Up Contract Types for Different Contracts](#) for more information.

Note: If you enable **Use external item master** when creating a contract type, you can create only the Bundle line type. Bundle lines type are for sell contracts, They describe the sale of bundled items tracked in inventory. Bundles can include other bundles or items. Line type sources for this line type are: bundle and sell.

Add 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 more parties with the same role to the contract.

Set 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
Intercompany	Enables project billing between internal organizations.
Interproject	Enables billing to other projects.
Enable Billing Controls and Billing Limit Type	Enables billing controls for each contract line, thus letting users set a hard limit or a soft limit as the Billing Limit Type. A soft limit warns you if the billing limit is reached. A hard limit prevents you from billing above the limit.

Enable Contract Fulfillment Notifications for Purchase Contracts

For purchase contracts, you can use the Notifications tab to specify which contract fulfillment notifications will be sent to which 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

Enable 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
Enable Terms Authoring	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. Note: When this option is disabled, you can attach contract terms along with other supporting documents.
Enable Risk Management	Enables the entry of contract risks. You must set up contract risks using the Manage Contracts Risks task in Setup and Maintenance.
Enable Related Contracts	Lets users relate contracts to each other.

Enable Electronic Signatures

For a contract created from a contract type that's enabled for electronic signatures, 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 signatures, 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 signatures. In the e-Signature tab, you can further enable the contract type for electronic signatures 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 signatures, you must designate one or more contacts on the contract as signers. Only users with edit privileges on the contract can manage the signature process. This includes sending the contract for signatures, editing the contract, sending the contract out again, withdrawing the contract from the signature process, and canceling a contract sent for signatures.

Note: See [Set Up Electronic Signature](#) for steps to set up electronic signature functionality.

Related Topics

- [Define Document Sequences](#)

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 can 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 change 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.
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.

Line Type Source	Description
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 Many Contracts to New Owners at the Same Time

Your administrator can reassign several contracts to new owners all at once 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 the process after it runs. In the Process Details tab, download the attachment there.

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. Or, 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 decide 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 checkbox 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](#)

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](#)

User Statuses and Transitions

User Statuses and Transitions

A contract has predefined statuses that characterize its lifecycle. In addition, you can define user statuses and their transitions.

For example, as contract manager you might want to pass the contract for a more thorough review of its sections by the appropriate team such as Legal, Financial, and Accounts. You can do this using the user statuses and transitions that you defined.

Defining User Statuses and Transitions

Define these user statuses and their transitions using the contract setup task of Manage User Statuses and Transitions and save your changes.

Note: While defining user statuses, ensure that you select the Allow Assignment checkbox for each of the user transitions. This enables you to assign the contract to named assignees during a user transition.

Setting Up The State-Based Event Model

Use the Event Models setup task to create events and actions for the business object, `oracle.apps.contracts.coreAuthoring.contractService.view.ContractHeaderVO`.

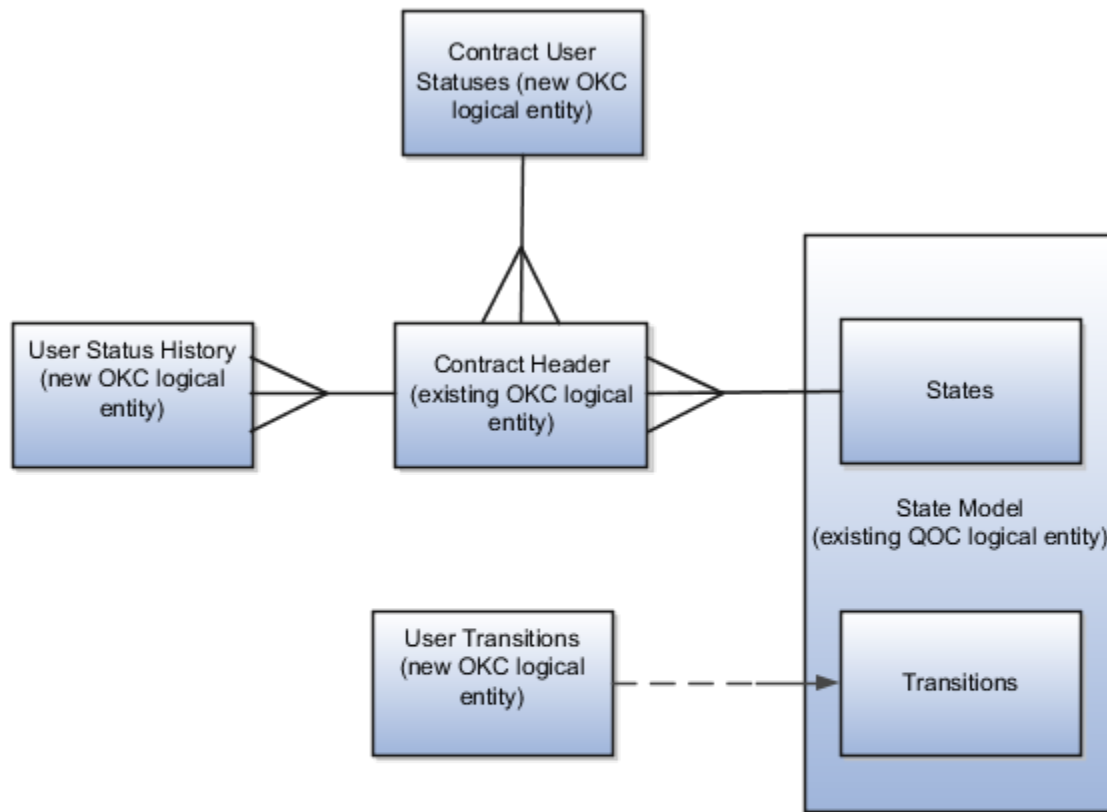
Set these events up for each To and From state of the user transition. For predefined states you can select from available events and actions. An example of an action could be a Groovy script.

Save this new State based event model and specify the condition or contract type that can use this. For contracts of the specified condition, the user statuses and transitions that you created are available as Action menu items. You can use these action menu items to pass a contract between teams for review before submitting the contract for approval.

Note:

- User statuses and transitions apply only to contracts that satisfy the condition defined in the Event Model. They can't be used for contract templates.
- To create events and actions, Oracle recommends you use the existing event model instead of creating a new one.

This figure shows the user statuses and their transitions:



Related Topics

- [Contract Assignment and Workload Management](#)
- [How You Set Up User Statuses and User Transitions](#)

How can I set up and display my own statuses on the contract overview?

Yes, you can setup and display user status on the contract overview tab. To have user statuses on a contract, you must add the custom statuses and the transition into the event model.

See the related topic for more information.

Related Topics

- [How You Set Up User Statuses and User Transitions](#)

How You Set Up User Statuses and User Transitions

Enterprise Contracts cover the standard statuses that track the progress of a contract from Draft to Approved. You can also create your business-specific user statuses and user transitions, like Legal Review or Finance Review, to closely monitor your contract stage.

Once defined, you can incorporate these statuses into the contract life cycle.

Start by creating user statuses and transitions:

1. Navigate to the Setup and Maintenance work area.
2. Search and select the **Manage Contract User Statuses and Transitions** task.
3. Click the **Add** icon to add one or more user statuses and transitions.
4. Click **Save and Close**.

For the user statuses to be available on a contract, you must add the custom statuses and the transitions into the event model. Event models are applied to various contracts based on the conditions specified in each event model. The event model enables you to configure the contract states, the transitions between them, and the actions performed while in each state. Event models are made up of states, events, and actions. Each state of an event model can have one or more events defined for it. Each event can have one or more actions associated with it.

Here's how you can configure an event model:

1. Sign in to the application as a setup user.
2. Ensure you're working in an active sandbox.
3. Navigate to Contracts in Contract Management.
4. Open the Tasks side panel and click **Event Models** in the Setup tasks.
5. In the Events Models page, for the `oracle.apps.contracts.coreAuthoring.contractService.view.ContractHeaderVo` business object, click the Add icon to create a new event model or select an existing event model and click the **Edit** icon.
6. Create the status, events, and actions as defined in the `DefaultContractHeader` event model. The `DefaultContractHeader` event model contains the standard configurations. You can skip the statuses that you don't want to use.
Note: You can associate an event model with a condition. You can create event models specifically for some business units or contract types. You must define these event models with appropriate conditions so that they aren't universally applicable.
7. Click the **Initial** State and configure it as defined in the `DefaultContractHeader` event model.

The **Initial** state is a special state that enables you to initiate contract creation. The `DefaultContractHeader` event model has `CREATE` and `CREATE_FROM_COPY` events associated with it.

8. Click the **General** State and configure it as defined in the `DefaultContractHeader` event model.

The **General** state is a common state and any event or action defined in this state becomes available for contracts in all the states. The `DefaultContractHeader` event model has the `Validate` event that's available for a contract in all the states.

9. Add new states based on your business requirements.

You can create a standalone or a child of a parent state. Examples of standalone states are `Draft` and `Canceled`. A parent state is a collection of one or more child states. You can use the parent state when events or actions apply to more than one state. In the `DefaultContractHeader` event model, the `Approved Composite` state is a parent state for the `Approved` and `Hold` states. The events defined for the `Approved Composite` state are applicable for all the child states defined under it.

10. Create events for every state based on your business requirements.

Events are the transitions for a specific state. Events control the actions you can take on a contract in the application. For example, while the contract is in the `Draft` state, some allowable actions are `Cancel`, `Submit for Approval`, and `Create Version`.

11. Create actions associated with every event. You can use the `DefaultContractHeader` event model to find groovy script examples associated with various events and actions.
12. Click **Save and Close**.
13. After testing these changes, publish the sandbox according to your company's business practices.

Example of Adding Legal Review as Custom Status in Event Model

Here's an example for including `Legal_Review` as the custom status in the event model:

1. Create user statuses and transitions.
 - a. Navigate to the **Setup and Maintenance** work area.
 - b. Search and select the **Manage Contract User Statuses and Transitions** task.
 - c. From the User Statuses section, click the **Add** icon and enter `Legal_Review` in the Code column and **Legal review** in the Name column.
 - d. From the User Transitions section, Enter `SEND_FOR_LEGAL_REVIEW` as user transition value and **Send for legal review** as name.
 - e. Click **Save and Close**.
2. Sign in to the application as a setup user.
3. Ensure you're working in an active sandbox.
4. Navigate to Contracts in Contract Management.
5. Open the Tasks side panel and click **Event Models** in the Setup tasks.
6. In the Events Models page, for the `oracle.apps.contracts.coreAuthoring.contractService.view.ContractHeaderVo` business object, select an existing event model and click the **Edit** icon.
7. In the States section, click the **New** icon.
 - a. In the Create State window, enter `Legal_Review` in the **Name** field and click **OK**.
 - b. Select `State` in the Type column.
 - c. Select `General` in the Parent State column.
8. In the `LEGAL_REVIEW: Details` section, click the **New** icon.
 - a. In the Create Event window, select **Entry** in the **Type** field and click **OK**.

- 17.** The user status for contract changes to Legal review.

Similarly, you can configure more custom user statues as per your business requirements.

How to Raise a Business Event

To configure a status change event, you must raise a business event. To raise a business event, you must first store the changes in an active sandbox. You can either create a sandbox or select an existing one and make it active.

You must activate the configuration tools you want to use in your sandbox.

Follow these steps to create and activate sandboxes for the configuration tool.

1. Click **Navigator > Configuration > Sandboxes**.
2. On the Sandboxes page, click **Create Sandbox**.
3. Enter a name and description for your sandbox.
4. In the **Publishable** field, select **Yes** or **No**. If you set this option as **No**, you can use your sandbox for testing purposes but can never publish it.
5. Select **Configure Business Objects** and click **Create** to create the sandbox, or **Create and Enter** to enter or activate the sandbox after creating it.

Here are the steps to raise business events for contracts:

1. Navigate to **Contracts** in Contract Management.
2. Open the Tasks side panel and go to **Event Models** in the Setup tasks.
3. In the Events Models page, select `defaultContractHeader` event model and click the **Edit** icon.
4. In the States section, click the **DRAFT**.

5. In the DRAFT: Details section, select **Entry** in the Type field.
6. In the Entry section, click the **New** icon to add the condition that changes user status to **DRAFT**
7. In the Create Event window, use Groovy scripts to raise a business event. Here's sample code, you can modify the scripts to fit your requirements.
 - a. Select **Groovy Script** in the **Type** field.
 - b. In the Script field enter:

```
oracle.jbo.NameValuePairs plist = new oracle.jbo.NameValuePairs();

plist.setAttribute("contractId", ContractId);

eventModel.execute('stsMgtAM').raiseBusinessEvent(plist);
```
 - c. Click **OK**.
8. Click **Save and Close**.
9. To test this new status, create a new contract.

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](#)

Preview and Print Contracts

Contract Printing and Layout Templates

Previewing and printing clauses, reports, contracts, and contract terms uses several 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: u30260932 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
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

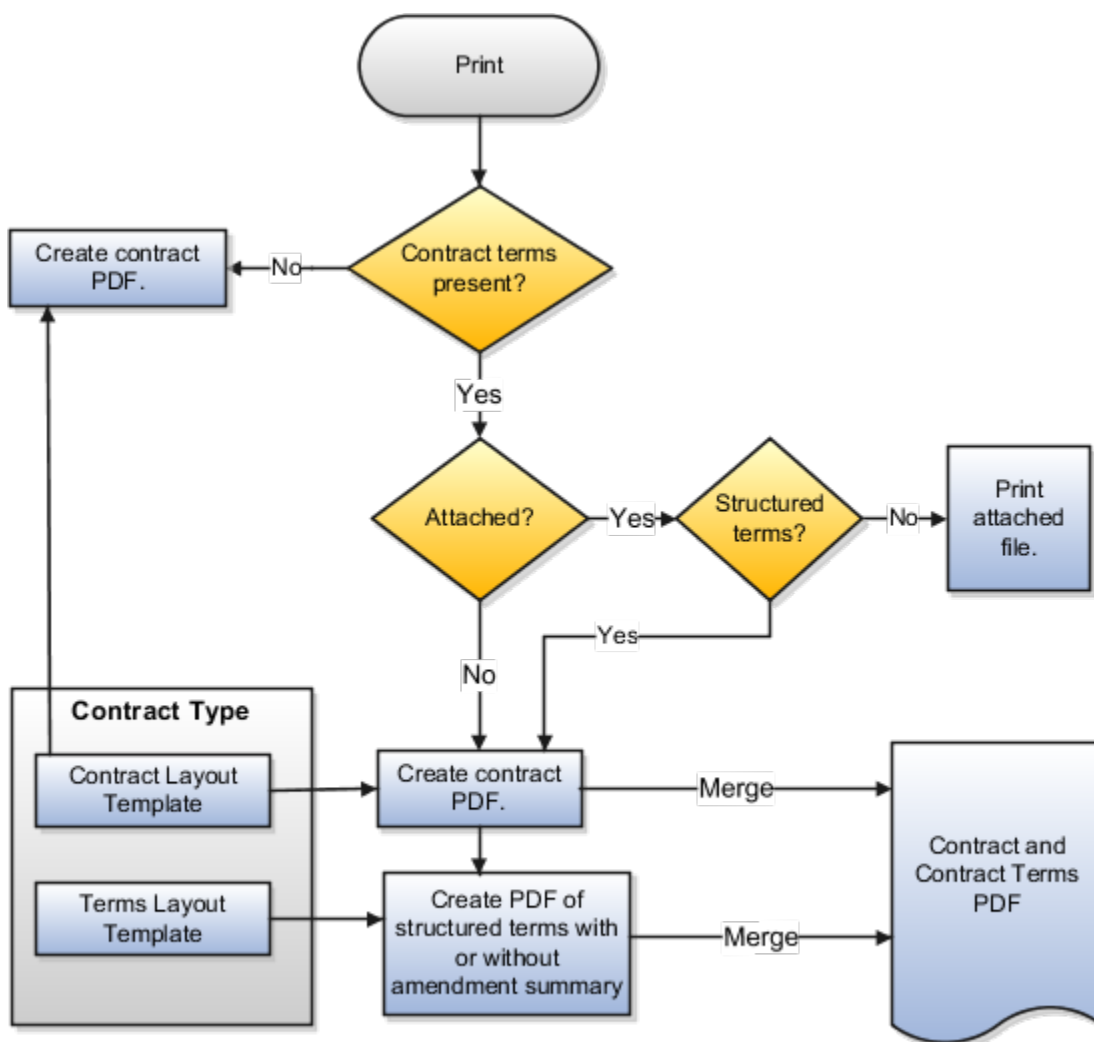
You specify which templates you want to use during contract type setup. This means that you can create different layout templates for each contract type. To set up contract types, select the **Manage Contract Types** task from the Setup and Maintenance work area as part of the Enterprise Contracts offering in the Enterprise Contracts Base functional area or **Contract Types** in 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
<code>ContractTermsProcurement</code>	The layout for printing the contract terms in enterprise contracts when you author contract terms in the application.	Enterprise Contracts/Contract Terms Printing/Contract Terms Download and Preview
<code>ContractTermsAmendmentsOnlyProcurement</code>	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
<code>ContractTermsPlusAmendmentsProcurement</code>	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:

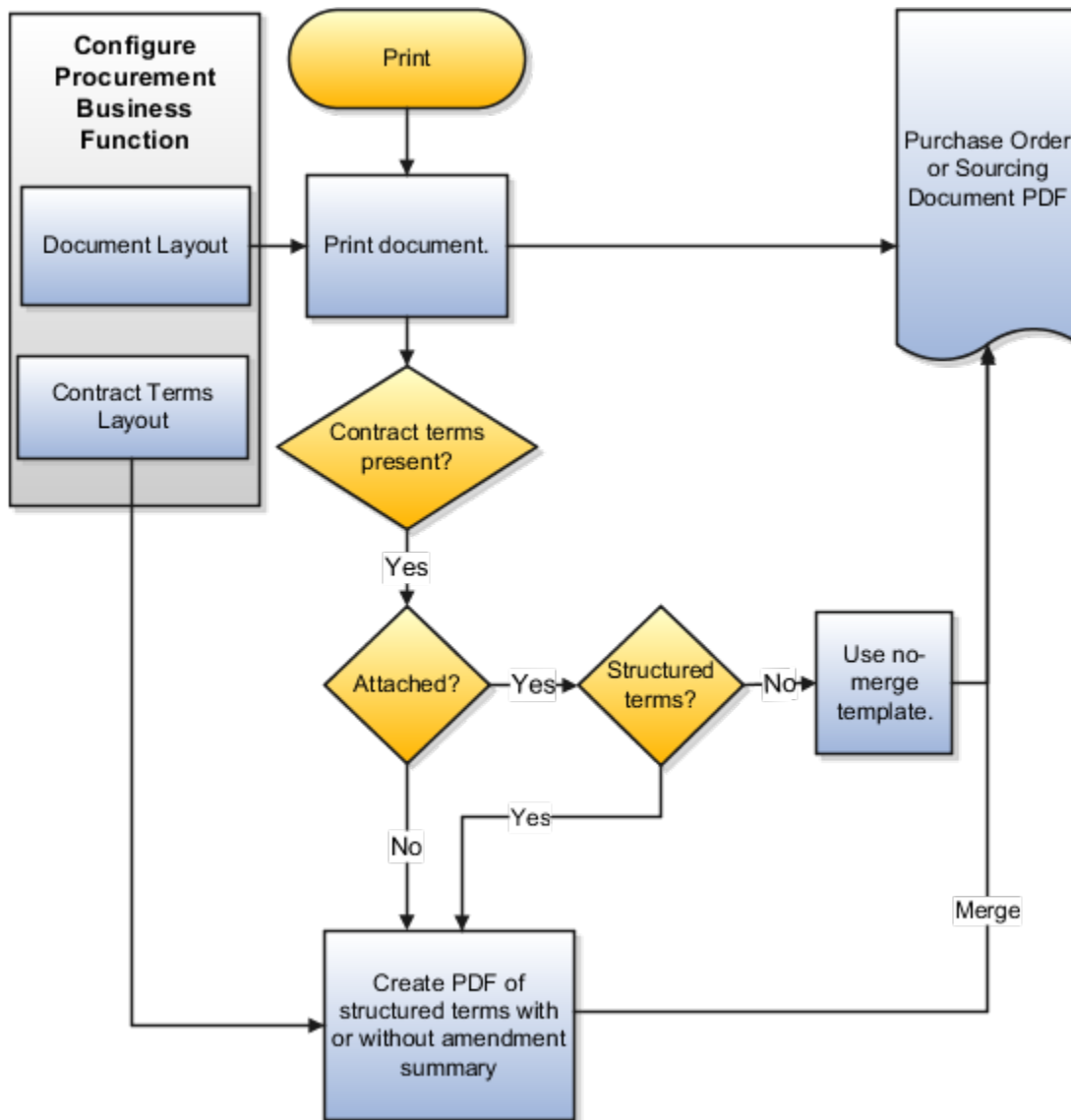
File Name	Description	Location in Analytics Publisher Catalog Directory
<code>ContractTermsNoMerge</code>	This layout template includes the following text: The contract terms for this {doc type} are listed in a separate document which is either attached to the e-mail you received or sent separately. These contract terms should be read in conjunction with this {doc type}. The document type name is substituted in the printed contract.	Enterprise Contracts/Contract Terms Printing/Attached Contract Preview

File Name	Description	Location in Analytics Publisher Catalog Directory

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: 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 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

- [Create and Edit Report Layouts](#)
- [Contract Terms Library Business Unit Setup](#)
- [How Contract Terms Templates Work](#)
- [How You Import Clauses into the Contract Terms Library](#)

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.