

JD Edwards EnterpriseOne Applications

Agreement Management Implementation Guide

9.2

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Preface

Welcome to the JD Edwards EnterpriseOne documentation.

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Related Information

For additional information about JD Edwards EnterpriseOne applications, features, content, and training, visit the JD Edwards EnterpriseOne pages on the JD Edwards Resource Library located at:

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Conventions

The following text conventions are used in this document:

Convention	Meaning
Bold	Boldface type indicates graphical user interface elements associated with an action or terms defined in text or the glossary.
<i>Italics</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
Monospace	Monospace type indicates commands within a paragraph, URLs, code examples, text that appears on a screen, or text that you enter.
> Oracle by Example	Indicates a link to an Oracle by Example (OBE). OBEs provide hands-on, step-by-step instructions, including screen captures that guide you through a process using your own environment. Access to OBEs requires a valid Oracle account.

1 Introduction to JD Edwards EnterpriseOne Agreement Management

JD Edwards EnterpriseOne Agreement Management Overview

Agreements are established between partners to move inventory between the partners' locations or to the partners' customers. You enter into agreements with business partners to save money and time, provide better service to your customers, and save on capital expenses. The JD Edwards EnterpriseOne Agreement Management system complements and enhances your day-to-day contract negotiations by providing a comprehensive documenting and monitoring system.

The purpose of the JD Edwards EnterpriseOne Agreement Management system is to record all transactions, monitor volume or amount balances, and determine whether you and your business partners are in compliance with the contract terms. With Agreement Management, you can establish agreements easily, enter orders against them immediately, and maintain volume or amount monitoring.

JD Edwards EnterpriseOne Agreement Management Integrations

Agreement Management integrates with these JD Edwards EnterpriseOne systems:

- Advanced Pricing.
- Sales Order Management.
- Procurement.
- Bulk Stock Management.

The JD Edwards EnterpriseOne Agreement Management system works with other JD Edwards EnterpriseOne systems to ensure that all information is fully integrated into manufacturing processes. The JD Edwards EnterpriseOne Agreement Management system enables you to create and monitor the status of many types of distribution agreements. This system integrates with other systems to enable you to:

- Enter transactions to move inventory to fulfill contracts.
- Create unique pricing structures for transactions that are used to fulfill the terms of contracts.
- Create penalty schedules to apply if your business partner does not meet the terms of the contract.

This table illustrates how Agreement Management integrates with other systems:

Function	System
Create contracts and define terms.	JD Edwards Agreement Management (system 38)

Function	System
Set up and apply pricing and penalty schedules for one or more partners and contracts.	JD Edwards Advanced Price and Adjustments (system 42)
Ship product to your partner.	JD Edwards Sales Order Management (system 42)
Receive product from your partner.	JD Edwards Procurement (system 43)
Exchange product.	Oracle's JD Edwards Bulk Stock Management (system 41)
Monitor status, print statements, and adjust balances.	JD Edwards Agreement Management (system 38)

We discuss integration considerations in the implementation chapters in this implementation guide,

JD Edwards EnterpriseOne Agreement Management Implementation

This section provides an overview of the steps that are required to implement the JD Edwards EnterpriseOne Agreement Management system.

In the planning phase of your implementation, take advantage of all JD Edwards EnterpriseOne sources of information, including the installation guides and troubleshooting information. A complete list of these resources appears in the preface in the *JD Edwards EnterpriseOne Applications Inventory Management Implementation Guide*, with information about where to find the most current version of each.

See *"Preface" in the JD Edwards EnterpriseOne Applications Inventory Management Implementation Guide*.

Global Implementation Steps

This table lists the suggested global implementation steps for JD Edwards EnterpriseOne Agreement Management:

- Set up global user-defined codes.
 See *"Working with User Defined Codes" in the JD Edwards EnterpriseOne Tools Runtime Administration Guide*.
- Set up companies, fiscal date patterns, and business units.
 See *"Setting Up Organizations" in the JD Edwards EnterpriseOne Applications Financial Management Fundamentals Implementation Guide*.
- Set up next numbers.
 See *"Setting Up Next Numbers" in the JD Edwards EnterpriseOne Applications Financial Management Fundamentals Implementation Guide*.

- Set up accounts and the chart of accounts.
See *"Creating the Chart of Accounts" in the JD Edwards EnterpriseOne Applications Financial Management Fundamentals Implementation Guide* .
- Set up the General Accounting constants.
See *"Setting Up the General Accounting System" in the JD Edwards EnterpriseOne Applications General Accounting Implementation Guide* .
- Set up multicurrency processing, including currency codes and exchange rates.
See *"Setting Up General Accounting for Multicurrency Processing" in the JD Edwards EnterpriseOne Applications Multicurrency Processing Implementation Guide* .
See *"Setting Up Exchange Rates" in the JD Edwards EnterpriseOne Applications Multicurrency Processing Implementation Guide* .
- Set up ledger type rules.
See *"Setting Up Ledger Type Rules for General Accounting" in the JD Edwards EnterpriseOne Applications General Accounting Implementation Guide* .
- Enter address book records.
See *"Entering Address Book Records" in the JD Edwards EnterpriseOne Applications Address Book Implementation Guide* .
- Set up inventory information such as branch/plant constants, default locations and printers, manufacturing and distribution AAls, and document types.
See *"Setting Up the Inventory Management System" in the JD Edwards EnterpriseOne Applications Inventory Management Implementation Guide* .

Implementation Steps for the Agreement Management

This table lists the implementation steps for the JD Edwards EnterpriseOne Agreement Management system.

- Set up integration with other systems,
See *Setting Up Agreement Management*.
- Set up agreement selection or assignment, confirm shipments, and confirm loads for agreements.
See *Setting Up Agreement Management*.
- Set up user-defined codes and AAls.
See *Setting Up Agreement Management*.

2 Understanding JD Edwards Agreement Management

Types of Agreements

Many companies use actual written legal documents that include all the terms and stipulations for each contract. Different kinds of agreements are used in the purchasing and sales cycles.

With the JD Edwards EnterpriseOne Agreement Management system, you can readily monitor many types of contracts. You can identify the volume or currency amount on each transaction that has been assigned a specific contract number and identify any out-of-balance contracts.

Exchange Agreements

An exchange agreement allows products to be traded between companies. The partners often agree to exchange specific quantities of product for a given time period. Exchanges involve different products or multiple products and often include a differential that one party pays per unit of product exchanged. Financial differentials are not currently managed by Agreement Management, but are supported with the integrated systems.

If the agreement is for an extended period (one year, for example), the parties normally agree on monthly quantities to exchange. Partners generally expect exchanges of physical product to remain approximately in balance. However, imbalances do occur and are usually monitored on a monthly basis. Partners often review their contracts annually to bring the contracts in balance with adjustments, monetary payment, or product repayment.

Loan or Borrow Agreements

A loan or borrow agreement is the simplest type of product exchange and often is used in response to a potential stock shortage. It is usually for the same product and does not involve product or price differentials. In a shared facility, a simple loan or borrow agreement can occur when a company depletes its stock. If another company at the depot has stock available, it might agree to loan the stock against a planned replenishment. Or a company might pick up product from a partner at another depot and replace it with product at a later date. Normally, loans and borrows are informal agreements that are settled in product.

Tonne per Tonne Agreements

A tonne per tonne (transport) agreement involves moving product for a partner. Partner A transports its product along with Partner B's product and then unloads, stores, and delivers the product to Partner B. Partner B does the same for Partner A at another location. These agreements are limited to one physical product, but can involve one or more depots per partner.

Imbalance settlements usually involve throughput fees and transport charge differentials and are settled with a financial transaction instead of physical product.

Throughput Agreements

A throughput agreement is essentially a service agreement in which Partner A agrees to store and manage product for Partner B for a specified time period. Partner B actually owns the stock that is stored in Partner A's depot, but Partner A monitors the stock level, suggests replenishments, and unloads, stores, and delivers product to the partner or its customers. Partner A might process customer sales for Partner B, or Partner B might simply pick up product for distribution to its customers. Partner A charges Partner B a service fee for managing, transporting, storing, and delivering product.

Consignment Agreements

In a consignment agreement, the retailer acts as agent for the company. The product that is sold from the retail site is owned by the company. The company agrees to supply a specific volume of product to the retailer, based upon expected demand. The agent does not pay for the product upon delivery, but only upon sale of the product (at the agreed-upon price).

Storage Agreements

In a storage agreement, one company provides storage facilities for another and charges a fee based on the quantity that is stored (cost per unit volume) and for the time that the product is stored or the storage space is held. The volume is monitored through Agreement Management and the associated fees are managed through supporting systems.

Information Structure

The JD Edwards EnterpriseOne Agreement Management system contains master maintenance and transaction processing tables.

Master Maintenance Tables

This table describes the master maintenance tables:

Table Name	Description
F38010	Contains information about the partner, contract effective dates, and other information that the system uses to process the contract.
F38011	Contains information about products and quantities/amounts, which partner is receiving or shipping the product, and the unit of measure for the product.
F38012	Contains information about all sources from which product can be moved.

Table Name	Description
F38013	Contains information about the forecasted schedule for shipment and receipt of product between you and your business partner.
F38014	Contains the information to balance unlike products on an agreement.

Transaction Processing Tables

This table describes the transaction processing tables:

Table Name	Description
F38111	Contains quantity and amount information for all agreement transactions and adjustments.
F38112	Temporarily holds the quantities that are committed on transactions until the processing moves them to actual quantities.
F4211	Contains detailed information for each sales order line.
F4311	Contains detailed information for each purchase order line.
IF4111	Contains history information for all inventory transactions. The system records any changes to the inventory in this table.
F41500	Contains supplemental information that pertains to bulk transactions only.

3 Setting Up Agreement Management

Understanding Agreement Management Setup

Before you can use Agreement Management, you must complete certain tasks to define information that the system uses during processing. You can configure much of this information to meet the company's business needs.

This information includes:

- User-defined codes
Define codes, such as document types and item pools, that are appropriate for the business needs.
- Automatic accounting instructions
Define the rules for the chart of accounts and establish how the system creates automatic entries.

Setting Up Integration with Other Systems

To use Agreement Management with other systems, complete these setup tasks:

- Define each of the four penalty schedules that you use for the distribution agreements, using the same forms that you use to define price adjustment definitions.
- Optionally, define the order detail group to create adjustments that the system uses to determine the price of order lines, including penalties.
- Set up the preference for agreement penalties using the penalty (PN) user-defined code.
- Define the schedule for each of the four penalty schedules using the Price Adjustment Schedule program (P4070).
- Assign the penalty schedules to any combination of partners and item numbers using the Price Adjustment Schedule preference.

If you do not install the JD Edwards EnterpriseOne Advanced Pricing system and the JD Edwards EnterpriseOne Sales Order Management system, you can use Agreement Management as a repository to create agreements and adjustments.

Note:

- *"Working with Schedules and Adjustments" in the JD Edwards EnterpriseOne Applications Advanced Pricing Implementation Guide .*
- *"Defining Order Detail Groups" in the JD Edwards EnterpriseOne Applications Advanced Pricing Implementation Guide .*
- *"Setting Up Advanced Pricing Hierarchies" in the JD Edwards EnterpriseOne Applications Advanced Pricing Implementation Guide .*
- *"Building Adjustment Schedules" in the JD Edwards EnterpriseOne Applications Advanced Pricing Implementation Guide .*
- *"Setting Up Adjustment Details" in the JD Edwards EnterpriseOne Applications Advanced Pricing Implementation Guide .*

Setting Up Agreement Selection or Assignment

You must assign agreements to transactions for the system to match the transaction to the correct agreement and to monitor the activity. Companies that use Agreement Management have different requirements and operating procedures. Therefore, you can select the method to use to assign agreement numbers. You can assign agreement and supplement numbers to transactions in one of these ways:

- Manually assign the agreement and supplement numbers during order entry.
- Automatically assign agreement and supplement numbers during order entry, including batch and electronic data interchange (EDI) processing.
- Select an agreement during order entry.

You must set the associated processing options for each of the programs that integrate with Agreement Management to process agreement transactions during order entry.

Note: If you leave the processing option blank in an order entry program, you cannot assign agreements in that program. Agreement Management processing is not activated.

You can set processing options for Agreement Management in these order entry programs:

- Sales Order Entry (P4210) and related order entry programs.
- Batch Edit and Creation (R4210Z).
- EDI Order Edit/Create.
- Purchase Orders (P4310).

You can set up the Shipment Confirmation program (P4205) in Sales Order Management and the Transportation Load Confirmation program (P49640) in Oracle's JD Edwards EnterpriseOne Transportation Management system to process borrow agreements that involve foreign depots. At those points in the process, the system requires an agreement. You can select the method of assignment.

Setting Up Confirm Shipments and Confirm Loads for Agreements

The JD Edwards EnterpriseOne Agreement Management system enables you to make agreements to borrow product from your partner and not take possession of the product at your depot. In these situations, your partner's branch/plant is referred to as a foreign depot.

To use a foreign depot, you must select the Foreign Depot constant for your partner's branch/plant in the Branch/Plant Constants program (P41001) in Inventory Management.

The system uses the branch/plant that you identify when you set up the agreement to search for contracts that include the foreign depot as the source.

To assign borrow agreements during ship confirmation, set the processing options on the Agreements tab in the Shipment Confirmation program in Sales Order Management. You can use this program or the Work With Shipments program (P4915) in Transportation Management to confirm the shipment. The Work With Shipments program calls the Transportation Shipment Confirmation program (P49645), which in turn calls the Shipment Confirmation program.

To assign borrow agreements during load confirmation in Transportation Management, you must set the processing options on the Agreements tab for the Transportation Load Confirmation program or for the Shipment Confirmation program. If the transaction refers to a vehicle that is compartmentalized, as indicated by the load type, the system calls the Transportation Load Confirmation program. If the vehicle is not compartmentalized, the system calls the Shipment Confirmation program.

In the processing options on the Agreements tab for the ship and load confirmation programs, you identify this information:

- The branch/plants for the agreement search program to use as the destination.
- The type of assignment (selection type) to occur.

Note: If you leave the selection processing option blank, the system assigns the agreement with the earliest expiration date. Unlike the order entry programs, you do not need to set the selection type for assignment to occur. The system requires an agreement number for borrow assignments that involve foreign depots.

Setting Up User-Defined Codes

You can define most standard information in user-defined code (UDC) lists. Many of these codes are set up and are included when you install the system. When a UDC is referred to as hard-coded, the programming has been defined to work with hard-coded UDCs. If you change a hard-coded UDC, the programming does not work correctly.

Each system has its own system number and UDC types. Agreement Management is system 38. UDCs are referenced by the system number and type. Therefore, System 38/Type CA indicates that CA (Agreement Adjustments) is a UDC type for the JD Edwards EnterpriseOne Agreement Management system.

User-Defined Codes for Agreement Management

Agreement Management also integrates with other systems, such as JD Edwards EnterpriseOne Procurement system. Therefore, in addition to System 38 UDCs, you must set up UDCs for other systems. This table lists the UDC types that are associated with agreements and the information that you should include in each:

User Defined Code Type	Information That You Should Include
System 38, type CA (Agreement Adjustments)	Include the types of adjustments to use.
System 38, type CC (Agreement Cancellations)	Include the different reasons for canceling an agreement.
System 38, type CP (Agreement Purpose)	Include the different reasons or purpose for making agreements.
System 38, type CV (Agreement Types)	Include the different types of agreements that your company uses for different partners.
System 38, type R1 through type R4 (Agreement Reporting Codes)	Include UDCs for four different groups. Within each group, you can assign different UDCs for reporting and other business purposes to organize and associate your agreements and business partners.
System 40, type AS (Schedule Name)	Include the four penalty adjustments to use for the penalty schedules. You should use these UDCs for the penalty schedules: <ul style="list-style-type: none"> • TRANSMIN (transaction minimum) • TRANSMAX (transaction maximum) • UNDCOMIT (under commitment) • OVRCOMIT (over commitment)
System 40, type PR (Preference Profiles)	Include PN as the agreement penalties preference that you use to set up the penalty schedules.
System 40, type SD (Sales Detail Groups)	Include a UDC called Penalty to define the price group for the penalty schedules.

Setting Up AAls

This section provides an overview of AAls and discusses how to set up AAls.

Understanding AAls

AAls determine how to create general ledger entries for programs that generate automatic journal entries. AAls are the user-defined link between program functions, your chart of accounts, and financial reporting. AAls direct transactions to the appropriate general ledger accounts.

The system contains predefined AAls. You must ensure that these AAls are appropriate for your business needs. You can revise existing AAls and set up additional AAls to accommodate growth and change in your business functions and financial reporting. Follow the same setup steps to create a new AAI or to revise an existing AAI.

For distribution systems, you must create AAls for each unique combination of company, transaction, document type, and general ledger class that you use. Each AAI identifies a specific general ledger account consisting of a business unit, an object, and a subsidiary (optional). When the system processes a transaction, it creates accounting entries.

When setting up each AAI, verify that a default for company 00000 exists. For each company that requires specific instructions, verify that a business unit or object account exists. In many companies, the accounting department is responsible for AAI setup and maintenance.

Alternate AAls for Loan or Borrow Agreements

The system uses alternate AAls to write accommodations for loan or borrow agreements. If you select the Write Accommodations option on the Agreement Master Revisions form, the system uses alternate AAls during sales order, purchase order, and general stock movement processing.

This table discusses AAls for Agreement Management:

Type of Processing	AAls
Sales order processing	<p>Depending on the processing that is performed when the system processes a sales order, the system typically uses these AAls:</p> <ul style="list-style-type: none"> • Cost of Goods Sold (AAI 4220). • Deferred Cost of Goods Sold (AAI 4221). • Inventory (AAI 4240). • Inventory in Transit (AAI 4241). <p>If the specified agreement has the Write Accommodations option turned on, the system uses these AAls instead of 4220 and 4221:</p> <ul style="list-style-type: none"> • Cost of Goods Sold - Accommodations (AAI 4222). • Deferred Cost of Goods Sold - Accommodations (AAI 4223). <p>If the specified borrow agreement at load confirmation has the Write Accommodations option selected, the system uses these AAls instead of 4240 and 4241:</p> <ul style="list-style-type: none"> • Accommodations (AAI 4242). • Accommodations in Transit (AAI 4244).
Purchase order processing	<p>Typically, when you receive a purchase order, the system writes these general ledger entries:</p> <ul style="list-style-type: none"> • DR - Inventory (AAI 4310). • CR - Received Not Vouchered (AAI 4320). <p>If the specified agreement has the Write Accommodations option selected, the system writes these general ledger entries:</p>

Type of Processing	AAIs
	<ul style="list-style-type: none"> DR - Accommodations (AAI 4311). CR - Received Not Vouchered (AAI 4321).
General stock movements	Typically, when you enter a stock movement, the system uses these AAI: Inventory (AAI 4122). When you enter a stock movement and specify an agreement with the Write Accommodations option selected, the system uses these AAls instead of 4122: Accommodations (AAI 4123).

Form Used to Set Up AAls

Form Name	FormID	Navigation	Usage
Account Revisions	W40950D	Access AAls from the setup menu for the appropriate system, such as Sales Order Management or Procurement. Procurement System Setup (G43A41), Automatic Accounting Instructions Sales Order Management Setup (G4241), Automatic Accounting Instructions Select an AAI on the Work With AAls form, and click Select.	Set up AAls.

Setting Up AAls

Access the Account Revisions form.

Note: You can use the Notes function to attach explanatory messages to any AAI.

Do Ty (document type)

Enter a UDC (00/DT) that identifies the origin and purpose of the transaction. The system reserves several prefixes for document types, such as vouchers, invoices, receipts, and time sheets. The reserved document-type prefixes for codes are:

P: Accounts payable

R: Accounts receivable

T: Time and Pay

I: Inventory

O: Purchase order

S: Sales order

G/L Cat (general ledger category)

Enter a UDC (41/9) that identifies the GL offset that the system uses when it searches for the account to which it posts the transaction. If you do not want to specify a class code, you can enter **** (four asterisks) in this field.

You can use automatic AAls to predefine classes of automatic offset accounts for the Inventory Management, Procurement, and Sales Order Management systems. You might assign GL class codes such as:

IN20: Direct Ship Orders

IN60: Transfer Orders

IN80: Stock Sales

The system can generate accounting entries based upon a single transaction. For example, a single sale of a stock item can trigger the generation of accounting entries similar to:

Sales-Stock (Debit) xxxxx.xx

A/R Stock Sales (Credit) xxxxx.xx

Posting Category: IN80

Stock Inventory (Debit) xxxxx.xx

Stock COGS (Credit) xxxxx.xx

The system uses the class code and the document type to find the AAI.

Branch Plant

Enter an alphanumeric code that identifies a separate entity within a business for which you want to track costs. For example, a business unit might be a warehouse location, job, project, work center, branch, or plant.

You can assign a business unit to a document, entity, or person for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business unit to track equipment by responsible department.

Business unit security might prevent you from viewing information about business units for which you have no authority.

If you leave this field blank, the system uses the business unit that you entered on the work order in the Charge to Cost Center field.

Obj Acct (object account).

Enter a value that specifies the portion of a general ledger account that refers to the division of the cost code (for example, labor, materials, and equipment) into subcategories. For example, you can divide the cost code for labor into regular time, premium time, and burden.

Note: If you use a flexible chart of accounts and the object account is set to six digits, it is recommended that you use all six digits. For example, entering 000456 is not the same as entering 456 because if you enter 456, the system enters three blank spaces to fill a six-digit object.

Sub (subsidiary)

Enter a subset of an object account. Subsidiary accounts include detailed records of the accounting activity for an object account.

Note: If you are using a flexible chart of accounts and the object account is set to six digits, you must use all six digits. For example, entering 000456 is not the same as entering 456, because if you enter 456, the system enters three blank spaces to fill a six-digit object.

If you leave this field blank, the system uses the value that you entered on the work order in the Cost Code field.

4 Processing Agreements

Understanding Agreement Processing

Although each company's actual agreements are unique documents, Agreement Management provides a standardized format for creating and managing all of the item and scheduling information.

After you create an agreement, you can assign the number to the transactions that move product to fulfill the agreement's terms. You use the same applications for agreement transactions that you use to place sales orders, purchase orders, or bulk stock control transactions. Frequently, you do not know whether you should apply a product to an agreement until load confirmation. You can also assign an agreement number to an order at this time.

You can prepare balance statements to determine whether you and your partner are in compliance with the terms of the agreement. The statement includes the agreement information and identifies what you owe or what your partner owes to meet the terms.

As you manage agreements, you might note that the terms have not been met or that you must assign a transaction. You can correct the out-of-balance conditions with an adjustment or a sales order transaction.

Understanding Other Agreement Management Functions

This section describes other agreement management functions.

Revising an Agreement

After you have entered an agreement and assigned it to transactions, the system prohibits changes to some fields. For example:

- You cannot change Agreement Quantity if transactions exist.
- You cannot shorten the effective dates if the changed date would exclude existing transactions.

Extending or Renewing an Agreement

You have several options for renewing or extending agreements. The option that you use depends on your company's operating procedures and policies. You can:

- Create a new agreement.
- Create a new agreement with a supplement number to extend or renew an existing agreement.
- Change the expiration date in the original agreement and create numbered supplements.

Closing an Agreement

An agreement is no longer active when the expiration date equals the current system date. To close an agreement earlier than the expiration date, change the status or enter a cancellation date and reason on the Agreement Master Revisions form.

You can also close an agreement while making agreement adjustments.

See *Creating Agreements*.

The Agreement Master program (P38010) enables you to reset the agreement expiration date to an earlier date. (Release 9.2 Update)

The system runs the check on these agreement master tables to ensure that the associated transaction date records (effective date and expiration date) are prior to or same as the preponed expiration date:

- Agreement Quantities file (F38011)
- Agreements Transaction Ledger (F38111)
- Agreements Committed Quantities (F38112)
- Agreements Quantities Schedule (F38013)

If any of the transactions associated with the agreement have a transaction date later than the expiration date being set, the system displays an error.

Attaching a Note to an Agreement

You can choose from these memo functions to attach an explanatory message to an agreement:

- Agreement notes
- Opening notes
- Closing notes

When you attach a note:

- The opening, closing, and transaction notes print on the Agreement Balance Statement.
- You can work with the notes in the transaction programs.

Multicurrency

The JD Edwards EnterpriseOne Agreement Management system can accommodate multicurrency agreements. If you establish a base currency for your depot, the base currency appears on each of the forms. Additionally, you can identify different currencies for different sources and destinations when you define the agreement values and locations.

Currency Amount or Item Quantity

You can create an agreement with a partner for a currency amount rather than item quantity. The forms display information as either amounts or quantities, depending on how you define the terms of the agreement.

Creating Agreements

This section provides an overview of agreement definition, lists prerequisites, and discusses how to:

- Define agreement relationships.
- Set processing options for Agreement Master (P38010).
- Define items and destinations.
- (Optional) Define price overrides and cost rules.
- Define product sources.
- Define time frames.
- Define exchange ratios.
- Set processing options for Agreement Exchange Ratios (P38014).

Understanding Agreement Definition

The JD Edwards EnterpriseOne Agreement Management system provides methods to document and track the terms, products, quantities or currency amounts, and penalties on each of your agreements with business partners. Depending on the agreement terms and your company's procedures, you can choose some or all of the methods to define your agreements.

You must define the relationships for each agreement. This creates a master for each agreement that you can use to define the terms of the agreement, extend the agreement, or create additional agreements.

Each agreement has values that might differ from other agreements or from the system values. In addition to the product quantity values, you can specify unique prices and penalties if agreement terms are not met.

An agreement might have multiple sources and destinations. For example, you might want to specify one or more destinations that can receive a product to fulfill the agreement. You might want to identify only one or several locations that can provide a product.

Some agreements are based on moving specific product quantities during specific periods of time. If you define specific time frames, you can also monitor the actual maintenance of the agreement to the schedule.

Some agreements include terms to exchange products. Not all products have the same unit value. If your agreement includes unlike products or products with unequal values, you can define the ratios that make exchanges equal.

Agreement Relationships

Select Agreement Master to perform these functions:

- Set up an agreement in the system.

- Enter the information that defines the agreement's relationships with your partner and to other agreements.
- Access other programs that define the agreement.

Agreement Values

After you enter basic information for the agreement, you can define agreement values, including:

- Items that are included in the agreement.
- Destinations where each item will be delivered.
- Price overrides and cost rules.

Each agreement is based on either you, or your partner, moving inventory. When you enter an item, you must indicate whether the item is due to your company (C) or due to your partner (P). For example:

- When you loan to your partner, product is due to your partner.
- When you borrow from your partner, product is due to your company.

Some agreements stipulate pricing that might differ from the amounts that you have set up for your direct customers. You can use this program to override the price when an agreement is assigned to a transaction. You also can define a cost rule that the system uses as a default value for a purchase order. The cost rule tells the system how to process costs that exceed the actual price of the item.

Use Agreement Quantities to define which of the following types of quantity checking you want the system to perform:

- Agreement level.
- Minimum and maximum agreement quantity level.
- Balance level.

Product Sources

If the agreement states that your partner will ship the product to you (product due to company), your partner's address book or cost center number is the source. If the agreement states that you will ship the product to your partner (product due to partner), your company is the source. An agreement might enable you to move an item from multiple sources to the destination that is specified in the agreement detail line. You can list each address book or cost center source that the agreement allows.

If the agreement stipulates only one source, you do not need to define the product source. When you enter information on the Agreement Quantities form for agreements that stipulate only one source, the system automatically creates records in the Product Source/Destination Master table (F38012).

Time Frames

You can schedule the dates and quantities that you anticipate for the duration of the agreement. The information that you enter is a forecast of the activity that will fulfill the agreement. When you complete this schedule, you can use the Online Statement program (P38300) to compare the actual activity with the forecast.

Exchange Ratios

If an agreement contains two or more different items (items with different values), you might need a method to balance them. You can define exchange ratios for quantity agreements if the agreements contain items of unequal value.

To define exchange ratios, designate an item as the balancing item, list the ratios for the unlike items, and specify effective and expiration dates for the ratio. The ratio must equal one unit of measure for the balancing item. You can have only one balancing item per agreement.

For example, suppose you have an exchange agreement with a partner to exchange unleaded gasoline for various additives or lubricants. Liter for liter, the items are not of equal value. According to the agreement, the exchange requires that you receive more liters of gasoline for every liter of additive and lubricant that you provide.

Product	Product Multiplier	Balance Multiplier
Unleaded gasoline (balancing item)	1	1
Additive	1	1.5

Prerequisites

Before creating agreements, set up your partner in the address book and branch/plant constants.

See *"Setting Up Constants, Defining Branch, Plant Constants" in the JD Edwards EnterpriseOne Applications Inventory Management Implementation Guide* .

Before defining agreement values:

- Set up the pricing schedules.

See *"Building Adjustment Schedules" in the JD Edwards EnterpriseOne Applications Advanced Pricing Implementation Guide* .

- Set up the landed cost rules.

See *"Setting Up Landed Costs" in the JD Edwards EnterpriseOne Applications Procurement Management Implementation Guide* .

Forms Used to Create Agreements

Form Name	FormID	Navigation	Usage
Agreement Master Revisions	W38010A	Daily Processing (G381), Agreement Master Click Add on Work With Agreement Master.	Define agreement relationships.
Agreement Quantities	W38011B	Daily Processing (G381), Agreement Quantities Select an agreement on the Work With Agreement Master form, and select Agreement Quantity from the Row menu.	Define items and destinations. Define price overrides and cost rules. Note: When you create a new agreement, the Agreement Quantities form appears after you click

Form Name	FormID	Navigation	Usage
			OK on Agreement Master Revisions.
Agreement Source/ Destination	W38012A	Daily Processing (G381), Agreement Quantities Select an agreement on the Work With Agreement Master form, and select Agreement Quantity from the Row menu. Select an item and destination on the Agreement Quantities form, and select Source/ Destination from the Row menu.	Define product sources.
Agreement Quantities Schedule	W38013A	Select a row on the Agreement Source/ Destination form, and select Quantities Schedule from the Row menu.	Define time frames.
Agreement Exchange Ratios	W38014A	Daily Processing (G381), Exchange Ratio Select an agreement on the Work With Agreement Master form, and then select Exchange Ratios from the Row menu.	Define exchange ratios.

Defining Agreement Relationships

Access the Agreement Master Revisions form.

Agreement Number/Supp (agreement number/supplement)

Enter the number that the company assigns to uniquely identify a particular agreement. Assign some significance to the agreement number (for example, an agreement type code, location, year, and so forth). An agreement might have multiple supplements to record changes, for example.

Status

Enter a user-defined code that indicates the current status of the agreement.

Amendments

Indicates whether amendments exist for this agreement.

Agreement Type/Purpose

(Optional) Enter a user-defined code that indicates the general type of the agreement.

Agreement Mgr/Admin (agreement manager/administration)

(Optional) Enter the Address Book number of the manager of this particular contract. The coding considerations for this number are the same as for data item AN8, and this item is verified in the Address Master File.

Partner Agreement

(Optional) Enter the agreement number that is assigned by your partner. Frequently, business partners maintain numbering systems that are different from yours. If your company requires both agreement numbers for tracking purposes, enter your partner's number in this field.

Update at Amb/Std/Wgt (A,S,W) (update at ambient/standard/weight)

(Optional) Enter the code that determines the method that the system uses to update the agreement. Values are:

A: Use the ambient volume.

S: Use the standard volume.

W: Use weight.

Commingled Agreement

(Optional) Enter a value that indicates that the agreement uses commingled inventory. During load confirmation, if you load product from a commingled tank, you must enter an agreement number that is designated as commingled.

Code 1

(Optional) Enter a user-defined code to group agreements that have similar attributes. Use reporting codes to link or group related agreement constants. The system uses this information in the Agreement Search and Online Balance Inquiry programs to determine the agreement information to display.

Associated Agreement

(Optional) Enter the number that is assigned by the company to uniquely identify a particular agreement.

Your company might base or associate the terms of a new or renewal agreement or supplement on an existing agreement. If so, enter the agreement number of that agreement here.

The system uses the agreement number in the Agreement Search, Online Statement, and Online Balance Inquiry programs to determine the data to display.

Parent Agreement

(Optional) Enter a number that identifies a parent agreement for the displayed agreement. Use the parent agreement and supplement numbers to define a relationship between two or more agreements. The system uses the parent agreement and supplement numbers in the Agreement Search, Online Statement, and Online Balance Inquiry programs to determine the data to display.

Created From Agreement

(Optional) Identifies that a previous agreement is related to this agreement and supplement. Enter the agreement number and supplement for the previous agreement. The system can use this field as a selection field during agreement search.

Closed To Agreement

(Optional) If this contract is created from an existing contract, enter the number in this field.

You can use this field as a selection field during contract search.

Date

Enter the actual date that the contract or agreement was signed. This may or may not be the same as the effective date.

Effective Date

Enter the date that the agreement becomes effective.

Expiration Date

Enter the date that the agreement ceases to be in effect. If you do not enter a date in this field, the system enters a date that you defined during system setup.

Write Accommodations

Enter a value that indicates whether the agreement is a loan/borrow type of agreement. Values are:

Y or **1**: Yes, include accommodations.

N or **0**: No, do not include accommodations.

If you include accommodations, the system uses alternate AAls during purchase order, sales order, and general stock movement processing.

If you do not want the system to send transactions that are covered by the agreement to the standard inventory account in the general ledger, set the Write Accommodations indicator to include accommodations. For example, you might want the system to send transactions to a different account for agreements that involve a foreign depot.

New/Renewal

Enter a value that indicates whether this is a new agreement or a renewal agreement. Values are:

N: New (Default)

R: Renewal

Agreement Qty Type (agreement quantity type)

Enter a code that indicates whether this agreement is based on quantity by item or currency amount. Values are:

Q: Quantity

If you enter Q, you can enter quantity and unit of measure for the products that are covered by the agreement.

A: Currency amount

If you enter A, you can enter currency amounts that are covered by the agreement.

The system calculates currency amounts on the price for sales order transactions or the cost for purchase transactions.

Setting Processing Options for Agreement Master (P38010)

Processing options enable you to specify the default processing for programs and reports.

Defaults

1. Depot

Enter the default business unit that the system uses to specify the depot. For example, a business unit might be a warehouse location, job, project, work center, branch, or plant. You can assign a business unit to a document, entity, or person for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business unit to track equipment by responsible department. Business unit security might prevent you from viewing information about business units for which you have no authority.

2. Quantity or Amount Flag for agreement balance updates

Specify the quantity or amount flag for agreement balance updates.

3. Agreement Type that identifies a reporting agreement

Specify the agreement type that identifies a reporting agreement.

Display

Enter a '1' to protect the price override and price schedule fields

Specify whether to protect the price override and price schedule fields. Values are:

- 1:** Price override and price schedule fields are protected.
- 0** or Blank: Price override and price schedule fields are not protected.

Versions

1. Agreement Exchange Ratio (P38014), 2. Online Statement (P38300), and 3. Online Balance Inquiry (P38375)

Specify the program version for the Agreement Exchange Ratio program, the Online Statement program, and the Online Balance Inquiry program.

(Release 9.2 Update) Process

1. Partner Hold Validation

Specify whether the system validates if an agreement partner has been placed on hold. Values are:
Blank: Do not validate.

- 1:** Display a warning message.
- 2:** Display an error message.

Defining Items and Destinations

Access the Agreement Quantities form.

Ds Ty (destination type)

Enter a code that identifies the type of destination. Values are:

- AB:** Address Book number.
- CC:** Business unit.
- *A:** Any location.

Agreement Quantity

Enter the gross quantity for the life of the contract. If you defined the agreement as a quantity type (Q) agreement, complete this field.

UM (unit of measure)

Enter a user-defined code (OO/UM) that indicates the quantity in which to express an inventory item, for example, CS (case) or BX (box). If you defined the agreement as a quantity type (Q) agreement complete this field.

Amount

Enter an amount if you defined the agreement as a currency amount type (A).

Currency Code

Enter an appropriate code for amount agreements.

(Optional) Defining Price Overrides and Cost Rules

Access the Agreement Quantities form.

Effective Date and Expired Date

(Optional) Enter the date that the agreement becomes effective or ceases to be in effect. If you do not enter a date in the Expired Date field, the system enters a date that you defined during system setup.

Minimum Quantity

(Optional) Enter the minimum transaction quantity that is allowed for any transaction to fulfill the agreement.

If you apply quantity control to the agreement, the system verifies that each transaction meets the minimum allowed. If a transaction is entered for less than this quantity, a penalty can be assessed.

Maximum Quantity

(Optional) Enter the maximum transaction quantity that is allowed for any transaction that is assigned to this agreement. If you apply quantity control to the agreement and a transaction is entered for more than this quantity, a penalty can be assessed.

Unit Price

The list or base price to charge for one unit of this item. The unit price that you enter here overrides the current price whenever you assign this agreement to a transaction.

Adj. Schedule (adjustment schedule)

For agreement penalty schedules, set up a schedule for each of the penalties:

Minimum Quantity (for example, TRANSMIN)

Maximum Quantity (for example, TRANSMAX)

Under Commitment (for example, UNDCOMIT)

Over Commitment (for example, OVRCOMIT)

Note:

- *Defining Agreement Relationships.*

Defining Product Sources

Access the Agreement Source/Destination form.

Transaction Source

Enter a value that identifies the location that supplies the item to fulfill the agreement. The value must match these source type codes:

If the source type is AB, the transaction source must be an address book number in the Address Book Master table (F0101).

If the source type is CC, the transaction source must be a business unit in the Business Unit Master table (F0006).

If the source type *A, the transaction source must be *ANY.

Type

Enter a code that specifies the type of source that is entered in the Transaction Source field:

If the transaction source is an address book number in the Address Book Master table (F0101), the source type must be AB.

If the transaction source is a business unit in the Business Unit Master table (F0006), the source type must be CC.

If the transaction source is *ANY, the source type must be *A.

Minimum Quantity

(Optional) Enter the minimum transaction quantity that is allowed for any transaction to fulfill the agreement.

If you apply quantity control to the agreement, the system verifies that each transaction meets the minimum that is allowed. If a transaction is entered for less than this quantity, a penalty can be assessed.

Maximum Quantity

(Optional) Enter the maximum transaction quantity that is allowed for any transaction that is assigned to this agreement. If you apply quantity control to the agreement and a transaction is entered for more than this quantity, a penalty can be assessed.

Defining Time Frames

Access the Agreement Quantities Schedule form.

Defining Exchange Ratios

Access the Agreement Exchange Ratios form.

Complete the fields for each balancing item starting on the first open line of the detail area.

Setting Processing Options for Agreement Exchange Ratios (P38014)

Processing options enable you to specify the default processing for programs and reports.

Versions

1. Agreement Master (P38010), 2. Agreement Quantities (P38011), 3. Online Statement (P38300), and 4. Online Balance Inquiry (P38300)

Specify the program version for the Agreement Master program, the Agreement Quantities program, the Online Statement program, and the Online Balance Inquiry program.

Assigning Agreements

This section provides an overview of agreement assignment, lists prerequisites, and discusses how to:

- Select agreements to assign.
- Assign borrow agreements during ship confirmation.
- Assign borrow agreements during load confirmation.

Understanding Agreement Assignment

You enter transactions to move the inventory that fulfills an agreement. When you assign an agreement, you include the agreement number and supplement number, if necessary, on a transaction. The system uses these numbers to match the transaction to the correct agreement and monitor the activity.

You can perform these functions:

- Manually assign the agreement numbers to transactions.
- Choose from a list of agreements that the system selects.
- Enable the system to make the assignment automatically.

Your company's operating procedures determine which method you should use.

You can assign an agreement number as you enter transactions for most types of agreements. If the transaction is a sale to your customer and the source branch/plant in the transaction detail is your partner's depot, you must also assign borrow agreements during ship or load confirmation. When you borrow from your partner to ship directly to your customer, your partner's branch/plant is referred to as a foreign depot.

The processing option for agreement selection enables you to choose one of three methods for assigning the agreement number:

1. The system assigns an agreement if only one agreement is in the system.

If multiple matching agreement exists, the system displays a check mark in the row header column and in the Agreement Exists column. Use the selection from the Row menu to review the list of agreements and select the agreement to assign.

2. The system searches all available agreements and displays a check mark in the row header column and in the Agreement Exists column.

Use the selection from the Row menu to review the list of agreements and select the agreement to assign.

3. The system searches on all available agreements and automatically assigns the agreement with the earliest expiration date.

Note: Setting this processing option to specify one of the choices activates Agreement Management processing in the order entry programs. If you leave this processing option blank in the order entry programs, you cannot assign agreements to transactions during order entry. When you leave the processing option blank in the shipment and load confirmation programs, and the branch/plant is a foreign depot, the system assigns the agreement with the earliest expiration date.

Types of Transactions

You use different types of transactions, depending on the terms of the agreement. For example:

- When you have a borrow agreement with a partner, the partner ships you product based on a purchase order with the agreement number assigned to it.
- When you have a loan agreement with a partner, you enter a sales order, assign the agreement number to it, and ship the product to your partner.

Agreement Number Assignment

You can set the Agreement processing option, on the Process tab, so that you can select an agreement to assign whenever you enter transactions that could fulfill the agreement. Alternatively, if you know the agreement number, you can enter the agreement number and, if necessary, the supplement number manually.

You can assign an agreement number to:

- Purchase orders.
To borrow from a partner, use the Purchase Orders program (P4310).
- Sales orders.
Use the Sales Order Entry program (P4210) to:
 - Loan product and ship it to your partner.
 - Loan product and ship it to your partner's customer.
 - Borrow product and ship it from your partner's foreign depot to your customer.
The system can also assign agreements for Electronic Data Interchange (EDI) and batch orders.
- Transfer orders.
To move products between branch/plants, use the Transfer Order Processing program (P4242).
- Direct ship orders.
To create both a purchase order and a sales order to move product from a supplier directly to another partner or customer, use the Sales Order Entry program (P4210).
- Bulk or general stock movements.
To record non-sale packaged or bulk movements, use the appropriate form in the General Stock Movement program (P415101).

For example, if you are entering a sales order that includes the partner number and item that is defined in a loan and borrow agreement, the system searches for an agreement that matches the information. If the system locates one or more agreements, you can select the list from the Row menu. You can select the agreement to assign and return to the transaction. The system records the agreement and supplement numbers in the appropriate fields.

This feature is not available during purchase order receipts. To change a purchasing agreement after order entry, return to the order entry program.

To change a sales or loan agreement after order entry, return to the order entry program. The agreement number that you can assign during ship or load confirmation is used only for borrow agreements involving a foreign depot.

When you select an agreement from a list or have the system automatically assign an agreement to a transaction, the system uses search criteria to identify the agreements.

Agreement Selection in Sales Order Entry

When you enter a sales order, the system selects agreements that meet these criteria:

- The item on the sales order and the item on the agreement must be the same.
- The value in the Due To field on the agreement must be **P** (partner), which indicates that product is due to the partner for this product and agreement.
- The value in the Sold To or Ship To fields on the sales order must be the same as the destination on the agreement.
- The detail branch/plant or its owner on the sales order must be the source on the agreement.
- The date on the sales order must be within the active date range for the agreement.
- For agreements that have quantity control activated, the quantity on the sales order must not exceed the quantity remaining to be fulfilled before the system selects the agreement.

The system uses the same criteria for transfer, direct ship, EDI, and batch orders.

Agreement Selection in Purchase Order Entry

When you enter a purchase order, the system selects agreements that meet these criteria:

- The item on the purchase order and item on the agreement must be the same.
- The value in the Due To field on the agreement must be **C** (company), which indicates that product is due to your company for this product and agreement.
- The supplier on the purchase order must be the same as the source on the agreement.
- The detail branch/plant on the purchase order must be the destination on the agreement.
- The date on the purchase order must be within the active date range for the agreement.
- For agreements that have quantity control activated, the quantity on the purchase order must not exceed the quantity remaining to be fulfilled before the system selects the agreement.

Agreement Selection in Stock Movement Transactions

When you enter a stock movement transaction, the system selects agreements that meet these criteria:

- The item on the stock movement and the item on the agreement must be the same.
- If the value in the From/To field is **To**, the system locates agreements with Due To equal to C (company) and with a destination that equals your branch/plant.
- If the value in the From/To field is **From**, the system locates agreements with Due To equal to P (partner) and with a source that equals your branch/plant.
- For agreements that have quantity control activated, the quantity on the stock movement must not exceed the quantity remaining to be fulfilled before the system selects the agreement.

Agreement Selection During Ship or Load Confirmation

You can borrow product from your partner without actually receiving the product into your inventory. Your partner can ship the product directly to your customer. In these situations, you identify your partner's depot as the detail branch/plant on your customer's sales order.

You can assign agreements for borrow agreements involving foreign depots during ship or load confirmation.

Note: The system uses the Agreement Number field in these programs only for borrow agreements involving a foreign depot. In these programs, the system does not display the agreement number that is assigned during order entry.

To assign agreements during load confirmation, you must use Oracle's JD Edwards EnterpriseOne Transportation Management system, and the vehicle for the order must be compartmentalized. If the vehicle is not compartmentalized, Transportation Management calls the Shipment Confirmation program in Sales Order Management to assign agreements.

The Agreement Processing tab's processing options for the ship and load confirmation programs determine whether the system assigns the agreement or you must select it from the Agreement Selection Window.

Note:

- *"Entering Order Header Information" in the JD Edwards EnterpriseOne Applications Procurement Management Implementation Guide .*
- *"Entering Order Detail Information" in the JD Edwards EnterpriseOne Applications Procurement Management Implementation Guide .*
- *"Entering Receipts" in the JD Edwards EnterpriseOne Applications Procurement Management Implementation Guide .*
- *"Entering Direct Ship Orders" in the JD Edwards EnterpriseOne Applications Sales Order Management Implementation Guide .*
- *"Entering Transfer Orders" in the JD Edwards EnterpriseOne Applications Sales Order Management Implementation Guide .*

Prerequisites

Before assigning agreements, set the agreement processing options in transaction programs.

See *Setting Up Agreement Selection or Assignment*.

Before assigning borrow agreements during ship confirmation:

- Verify that your partner has been identified as a foreign depot in the Branch/Plant Constants for Inventory Management.
- Set the Agreement processing options on the Agreements tab for the Confirm Shipments program (P4205) in Sales Order Management.

Before assigning borrow agreements during load confirmation:

- Verify that your partner has been identified as a foreign depot in the Branch/Plant Constants for Inventory Management.
- Set the Agreement processing options for the Transportation Load Confirmation program (P49640) and the Shipment Confirmation program (P4205) in Sales Order Management.

Forms Used to Assign Agreements

Form Name	FormID	Navigation	Usage
Sales Order Detail Revisions	W4210A	Sales Order Processing (G4211), Sales Order Detail Select a record on Sales Order Detail and then click Select.	Enter transactions for which you want to select agreements. Perform this task if the Agreements processing option requires that you must assign agreements to transactions.
Agreement Selection Window	W38200WB	Select a row on the Sales Order Detail Revisions form, and select Agreement from the Row menu.	Select agreements to assign when you enter transactions.
Shipment Confirmation	W4205K	Sales Order Processing (G4211), Confirm Shipments Select a row on the Work with Shipment Confirmation form, and click Select. Select a row on the Shipment Confirmation form, and select Agreements from the Row menu. Select a row on the Agreement Selection Window form, and click Select.	Assign borrow agreements during ship confirmation. Note: To assign borrow agreements during ship confirmation, you can use either Sales Order Management or the Transportation Management.
Work with Loads	W4960A	Shipments and Loads (G4911), Load Building	Build loads that require agreements. To assign borrow agreements during load confirmation, you must use the Transportation Management.
Confirm Load	W49640A	Select a row on the Work with Loads form, and select Confirm Load from the Row menu.	Confirm loads.
Confirm Load - Compartments	W49640B	Confirm a load on the Confirm Load form, and click OK.	Select agreements for compartmentalized vehicles.

Form Name	FormID	Navigation	Usage
			This form is available only for compartmentalized loads.
Purchase Order Detail	W4310A	Purchase Order Processing (G43A11), Enter Purchase Orders	<p>Add purchase order header information.</p> <p>Enter the transaction lines for which you want to select agreements.</p> <p>Perform this task if the Agreements processing option requires you to assign agreements to transactions.</p>
Agreement Selection Window	W38200WB	Select a row on the Purchase Order Detail form, and select Agreement from the Row menu.	Select the agreement to use for the selected detail line.

Selecting Agreements to Assign

Access any of the transaction forms that you use to fulfill an agreement, such as the Sales Order Detail Revisions form.

To select an agreement to assign:

1. Complete the steps for entering the transaction that is appropriate to the form that you accessed.
2. To manually assign the agreement, enter the agreement number and supplement.

To select the agreement to assign to the selected row, select Agreement from the Row menu.

Note: The name of the selection on the Row menu varies slightly for different transactions. For example, the name of the selection for purchase orders is Agreements.

3. On the Agreement Selection Window form, review the item number and the quantity remaining to fulfill the agreement in the detail area.
4. Select the agreement to which the transaction applies, and click Select.
 The system inserts the agreement number and supplement number, if any, on the transaction form, and selects the Agreement Exists field.
5. Complete the transaction after completing the standard procedures.

Assigning Borrow Agreements During Ship Confirmation

Access the Shipment Confirmation form.

Complete the steps for confirming the shipment. When you click OK, the system assigns the agreement number to the order.

Assigning Borrow Agreements During Load Confirmation

Access the Work with Loads form.

To assign borrow agreements during load confirmation:

1. Complete the steps to build a load that requires an agreement.

Note: If the load uses a vehicle that is compartmentalized, assign the appropriate load type.

2. Select a row and select Confirm Load from the Row menu.
3. On Confirm Load, complete the steps for confirming the load and click OK.

If the vehicle is not compartmentalized, the system calls the Shipment Confirmation program to assign the agreement. Refer to the steps for assigning agreements during ship confirmation.

If the vehicle is compartmentalized, the system displays the Confirm Load - Compartments form. The next step applies to compartmentalized vehicles only.

4. On Confirm Load - Compartments, select the agreement.

The system searches for the applicable agreement number and commits or adjusts the borrow agreement.

Managing Agreements

This section provides an overview of agreement management, lists a prerequisite, and discusses how to:

- Review online statements and balance information.
- Set processing options for Online Statement (P38300).
- Set processing options for Transaction Ledger (P38350).
- Print balance statements.
- Set processing options for Balance Statement (R38400).
- Create adjustments.
- Set processing options for Agreement Adjustments (P38020).

Understanding Agreement Management

After you have created an agreement, you must manage it. For example, you can monitor the transactions that fulfill the terms and stipulations of the agreement, and you can make adjustments to correct agreements that are not in balance.

Online Statements

You can compare the forecasted time frame that you entered on the Agreement Quantities form with the actual quantities that are included on transactions that the system has assigned to the agreement. This comparison enables you to compare the forecasted schedule with the actual compliance.

The system subtracts the actual quantity and committed quantity from the agreement quantity to calculate the remaining quantity to fulfill the agreement. The system displays and calculates the quantities. This list describes the calculations:

- The agreement quantity is the total for this item when the agreement was initiated.
- The actual quantity is the amount that was delivered to the destination.

The actual quantity appears after receipts, delivery confirmation, or sales update. Stock movement transactions appear immediately. The system updates this quantity as ambient, standard, or weight, depending on the value that you defined on the Agreement Master Revisions form.

- The committed quantity is the amount that was entered on a transaction.

The committed quantity appears immediately after you enter the transaction.

Transaction Ledger

The Transaction Ledger program provides a running balance of the transactions that affect a specific agreement with a partner.

Balance Inquiry

Use the Online Balance Inquiry program (P38300) to identify the quantity of product that you have shipped, the quantity that you have received, and the quantity that is outstanding on the agreement.

The system subtracts the quantity that is delivered and quantity that is received from the quantity that is identified in the agreement to calculate the outstanding balance.

The processing options for this program are the same as those for Online Statement.

Adjustments

If an imbalance on an agreement exists, you can create an adjustment to bring the agreement to a status that is agreed upon by your company and your partner. For example, an imbalance might exist if a transaction was not correctly assigned.

You must assign a document number and type for all adjustments so that the system can track the adjustment.

Depending on the terms that your company and your partner agree upon, you can create adjustments with different types of information. For example, you can:

- Make a manual adjustment and enter a specific quantity of a product.
- Have the system reduce the product quantity to zero.
- Create a sales order from the adjustment information.
- Close the agreement.

You cannot change or delete an existing adjustment. If you enter an incorrect adjustment, you must create a new adjustment to correct the error.

When you access the Agreement Adjustment program (P38020) from either the Online Statement or the Online Balance Inquiry menu options, the system uses the agreement information as default entries for certain fields. You cannot change these fields on the Agreement Adjustment form.

Prerequisite

Set the processing options for the Agreement Master program (P38010).

See *Setting Processing Options for Agreement Master (P38010)*.

Forms Used to Manage Agreements

Form Name	FormID	Navigation	Usage
Work With Agreement Master	W38010L	Daily Processing (G381), Agreement Search	Search for and select agreements to review.
Work With Online Statement	W38300A	Daily Processing (G381), Online Statement Daily Processing (G381), Online Balance Inquiry	Review amount and quantity information for online statements. Review balance and quantity information for contracts.
Agreement Committed Quantities	W38300D	Select a row on the Work With Online Statement form, and select Committed Quantity from the Row menu.	View the transaction detail lines for a specific committed quantity.
Agreement Transaction	W38300C	Select a row on the Work With Online Statement form, and select Agreement Trans (Transactions) from the Row menu.	View the agreement and transaction information for the actual quantity on a specific line on the Work With Online Statement form.
Work With Online Statement	W38300B	Select a row on the Agreement Transaction form, and select Transaction Notes from the Row menu.	Work with notes for individual transactions.
Work With Agreement Adjustments	W38020B	Daily Processing (G381), Agreement Adjustments Click Add on the Work With Agreement Adjustments form. Select a row on the Work With Online Statement form, and then select	Work with adjustments.

Form Name	FormID	Navigation	Usage
		Adjustment from the Row menu.	
Work With Transaction Ledger	W38350A	Daily Processing (G381), Transaction Ledger	Review the transactions that have been assigned to an agreement as of the current date.

Setting Processing Options for Agreement Master (P38010)

Processing options enable you to specify the default processing for programs and reports.

Defaults

1. Depot

Specify the depot.

2. Quantity or Amount Flag for agreement balance updates

Specify the quantity or amount flag for agreement balance updates.

3. Agreement Type that identifies a reporting agreement

Specify the agreement type that identifies a reporting agreement.

Display

Enter a '1' to protect the price override and price schedule fields

Specify whether the system protects the price override and price schedule fields. Values are:

0 or Blank: Does not protect.

1: Protects.

Versions

1. Agreement Exchange Ratio (P38014), 2. Online Statement (P38300), and 3. Online Balance Inquiry (P38375)

Specify the program version for the Agreement Exchange Ratio program, the Online Statement program, and the Online Balance Inquiry program.

Reviewing Online Statements and Balance Information

Access the Work With Online Statement form.

To view Work With Online Statement in summary mode, select the Summary option and click Find. The system subtotals the information by agreement, item number, and due to. You cannot access the Committed Quantities, Agreement Transactions, or Agreement Adjustments forms in summary mode.

To view Work With Online Statement in detail mode, clear the Summary option and click Find.

You can access the Agreement Adjustment program (P38020) in detail mode. When you access the program in detail mode, the system copies the agreement information to the adjustment fields.

Setting Processing Options for Online Statement (P38300)

Processing options enable you to specify the default processing for programs and reports.

Defaults

1. Enter the default Unit of Measure. and 2. Enter the default Currency Code.

Specify the default unit of measure or the default currency code.

3. Enter the default Due To for the selection criteria.

Specify the default value that the system displays for the Due To field in the selection criteria.

Versions

5. Agreement Master (P38010)

Specify a program version for the Agreement Master program.

6. Agreement Quantities (P38011)

Specify a program version for the Agreement Quantities program.

7. Agreement Source/Destination (P38012)

Specify a program version for the Agreement Source/Destination program.

8. Agreement Quantities Schedule

Specify a program version for the Agreement Quantities Schedule program.

9. Agreement Adjustments

Specify a program version for the Agreement Adjustments program.

Processing

10. Enter a '1' to display Due To partner transactions as positive. Any other value will display Due To partner transactions as negative.

Specify whether the system displays Due To partner transactions as positive. Values are:

0 or Blank: Displays Due To partner transactions as negative.

1: Displays Due To partner transactions as positive.

Setting Processing Options for Transaction Ledger (P38350)

Processing options enable you to specify the default processing for programs and reports.

Defaults

1. Enter the default Unit of Measure, 2. Enter the default Currency Code, and 3. Enter the default Agreement Type

Specify the default unit of measure, the default currency code, or the default agreement type.

Display

1. Display Thru Level (if left blank, the default is 9)

Specify whether the system automatically displays the Thru Level. Values are:

0 or Blank: The system uses a display level of 9.

Enter a value.

Versions

4. Agreement Master (P38010)

Specify the program version for the Agreement Master program. If you leave this option blank, the system uses version ZJDE0001.

5. Agreement Quantities (P38011)

Specify the program version for the Agreement Quantities program. If you leave this option blank, the system uses version ZJDE0001.

6. Agreement Source/Destination (P38012)

Specify the program version for the Agreement Source/Destination program. If you leave this option blank, the system uses version ZJDE0001.

7. Agreement Quantities Schedule (P38012) (FUTURE)

This processing option is reserved for future use.

8. Online Statement (P38300)

Specify the program version for the Online Statement program. If you leave this option blank, the system uses version ZJDE0001.

Printing Balance Statements

From the Agreement Reports menu (G382), select Balance Statement.

You might want to print statements that display the current status of one or more agreements that you have with your business partners. You can set the data selection values before running the program. You can also use any of the fields in the Agreement Master table (F38010) to select agreements for printing statements. For example, you can create a statement for a single partner or for an agreement number. You can also produce statements for any of the agreements that match one or more of the reporting codes.

Setting Processing Options for Balance Statement (R38400)

Processing options enable you to specify the default processing for programs and reports.

Report Dates

1. 'As of' Date for Beginning Balances and 2. 'As of' Date for Ending Balances

Specify the date that the system uses for the as of date for beginning balances or the as of date for ending balances. Do not leave this processing option blank.

3. 'Prepared' Date

Specify the date to be printed at the top of the statement in the Prepared Date field. If you leave this processing option blank, the system uses today's date.

Return Address

1. Return Address

Specify the address book number that the system uses to locate the return address in the address book. If you leave this processing option blank, the system uses zero.

Unit of Measure

1. Unit of Measure for Statement Balances

Specify the user-defined code for the unit of measure that the system uses for statement balances on quantity type agreements. If you leave this processing option blank, the system uses the agreement information.

Currency

1. Currency Code for Statement Balances

Specify the currency code for statement balances on amount-type agreements if you are using multicurrency. If you leave this processing option blank, the system uses the agreement information.

Creating Adjustments

Access the Agreement Adjustment form.

To create an adjustment:

1. Enter the adjustment type and reason.
2. Accept the defaults, or complete these fields:
 - o Document Number
 - o G/L Date
 - o Adj Date
 - o Explanation
3. Click the Agreement Information tab and complete these fields:
 - o Agreement Nbr
 - o Product Source
 - o Destination
 - o Product
 - o Due To
4. Click the Bulk Information tab and enter the transaction quantity.
5. To close the agreement, click the Agreement Information tab and select the Close Agreement option.
6. Enter the cancellation date and reason, and click OK:

Setting Processing Options for Agreement Adjustments (P38020)

Processing options enable you to specify the default processing for programs and reports.

Defaults

1. Enter the default Document Type. (Required) and 2. Enter the default Adjustment Type.

Specify the default document type or the default adjustment type.

Process

Enter the version for each application. If you leave this processing option blank, the system uses ZJDE0001 except for the Online Balance program.

1. Enter the Agreement Status to use when canceling a contract.

Specify the agreement status to use when canceling a contract.

Versions

1. Agreement Master (P38010)

Specify the program version for the Agreement Master program. If you leave this option blank, the system uses version ZJDE0001.

2. Agreement Quantities (P38011)

Specify the program version for the Agreement Quantities program. If you leave this option blank, the system uses version ZJDE0001.

3. Product/Source Destination (P38012)

Specify the program version for the Product/Source Destination program. If you leave this option blank, the system uses version ZJDE0001.

4. Online Statement (P38300)

Specify the program version for the Online Statement program. If you leave this option blank, the system uses version ZJDE0001.

5. Online Balance (P38300), defaults ZJDE0002

Specify the program version for the Online Balance program. If this processing option is left blank, the system uses ZJDE0002.

6. Sales Order Entry (P4210)

This processing option is reserved for future use.

Transaction Processing Tables

This table lists the transaction processing tables.

Table	Description
Agreements Transaction Ledger (F38111)	Contains quantity and amount information for all agreement transactions and adjustments.
Agreements Committed Quantities (F38112)	Holds temporarily the quantities that are committed on transactions until the processing moves them to actual quantities.

Table	Description
Sales Order Detail File (F4211)	Contains detail information for each sales order line.
Purchase Order Detail File (F4311)	Contains detail information for each purchase order line.
Item Ledger File (F4111)	Contains history information for all inventory transactions. The system records any changes to the inventory in this table.
Tank Master File (F41500)	Contains supplemental information pertaining to bulk transactions only.

5 Appendix A - Using Agreement Management Reports

Reviewing Penalties

This section provides an overview of the Agreement Penalties report and discusses how to:

- Set processing options for the Agreement Penalties report (R38450).
- Run the Agreement Penalties report.

Note:

- *Setting Up Integration with Other Systems.*

Understanding the Agreement Penalties Report

You can print a report that includes one, several, or all customers whose agreements have incurred a penalty status. This report identifies any of the business partners who have not met the terms of the agreement or have exceeded them. In addition, the report specifies the penalty schedule that applies to each agreement or transaction with a penalty status.

Setting Processing Options for the Agreement Penalties Report (R38450)

Processing options enable you to specify the default processing for programs and reports.

Report Dates

1. Enter the date which will be the 'From' Date for Calculated Penalties. (THIS DATE IS REQUIRED)

Specify the date that is the from date for calculated penalties. The first two report dates are required. This option identifies which transactions to select.

2. Enter the date which will be the 'Thru' Date for Calculated Penalties. (THIS DATE IS REQUIRED)

Specify the date that is the thru date for calculated penalties. The first two report dates are required. This option identifies which transactions to select.

3. Enter the date which will be used to calculate penalties when not at the transaction level. If left blank, the 'Thru' Date will be used.

Specify the date that is used to calculate penalties when not at the transaction level.

The third report date is the penalty calculation date. This date establishes the cutoff for the over-commitment or under-commitment penalties. The system compares this date with the dates in the Agreement Quantities program (P38011) and the date that you included in the penalty schedule.

Penalty Calcs

The schedule names that you enter in the penalty calculation options must be the same user-defined codes that you set up in the Price Adjustment Schedule program (P4070).

1. To calculate 'Trans Qty < Minimum' Penalties, enter the Adjustment Schedule Name here:

Specify a name for the adjustment schedule. The system performs the calculation only when a name is provided.

2. To calculate 'Trans Qty > Maximum' Penalties, enter Adjustment Schedule Name here:

Specify a name for the adjustment schedule. The system performs the calculation only when a name is provided.

3. To calculate 'Agreement Over Committed' Penalties, enter the Adjustment Schedule Name here:

Specify a name for the adjustment schedule. The system performs the calculation only when a name is provided.

4. To calculate 'Agreement Under Committed' Penalties, enter Adjustment Schedule Name here:

Specify a name for the adjustment schedule. The system performs the calculation only when a name is provided.

Currency

1. If you are using Multi-Currency, enter the Currency Code for calculated penalties. If left blank, the company Currency Code will be used.

Specify the currency code for calculated penalties. If you leave this processing option blank, the system uses the currency code that is set up for the company.

Running the Agreement Penalties Report

From the Agreement Reports menu (G382), select Agreement Penalties Report.

6 Glossary

Due To

Enter a code that identifies which partner is due to receive the listed item. Values are:

C: Company. Your company expects to receive product from the partner.

P: Partner. Your partner expects to receive product from the company.

Destination

Enter a value that identifies where an item on the agreement is delivered. This required field must match these Destination Type codes:

If the destination type is AB, the destination must be an address book number in the Address Book Master table (F0101).

If the destination type is CC, the destination must be a business unit in the Business Unit Master table (F0006).

If the destination type is *A, the destination must be *ANY.

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