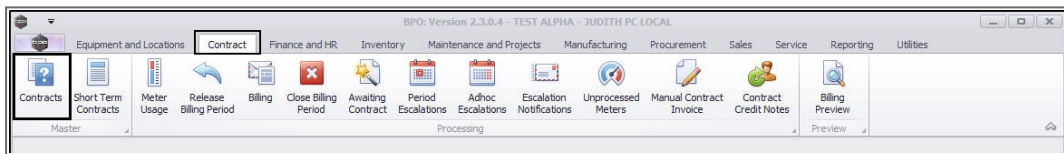# CONTRACT

## BACK TO BACK CONTRACT FOR AGGREGATE OR PREPAID CONTRACT SETUP (POST V2.3.0.0)

A back to back contract set up is a contract where you bill a customer and pay part of the amount to a supplier / third party.
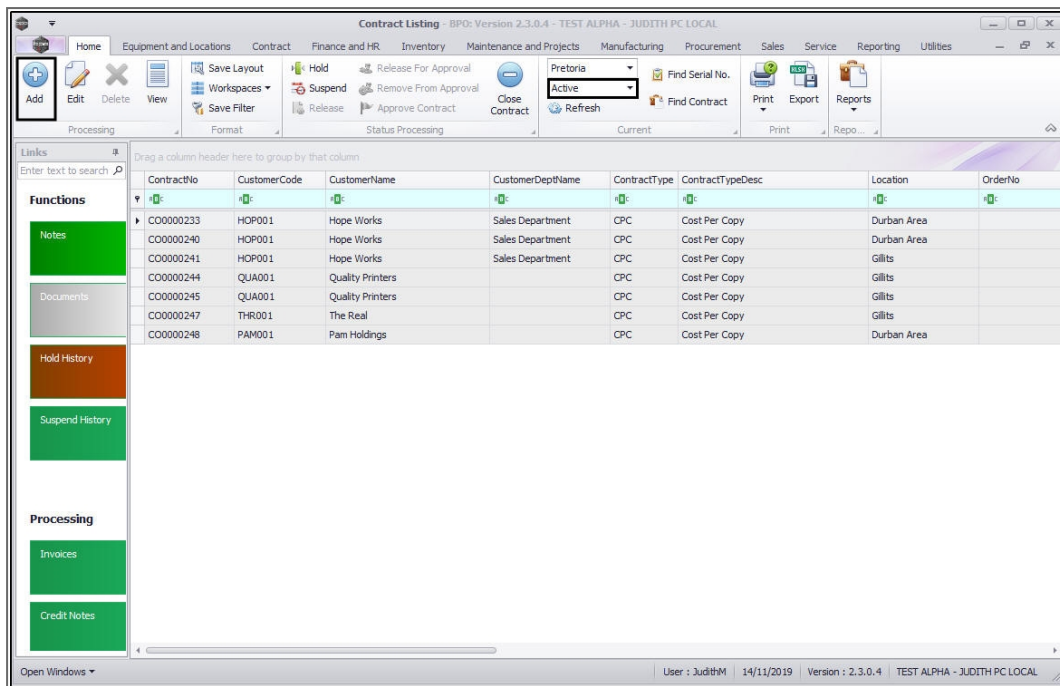
**Ribbon Access:**  *Contract  >  Contracts*



The  *Contract Listing*  screen will be displayed.

- To select the  *site*  that you wish to work in, click on the  *drop-down arrow*  and click on the relevant site in the menu.
    - In this image  *Pretoria*  has been selected.

- By default, this screen will list all the *Active* contracts for the selected site.
- You do not need to change this status to create / add a new contract.
- Click on *Add*.

# INFORMATION PANELS

Populate the following information frames with the relevant details. Click on the relevant link for a more detailed explanation of the process.

1. Contract Info
2. Customer Info
3. Billing Info
4. Life Based Billing if applicable
5. Aggregate
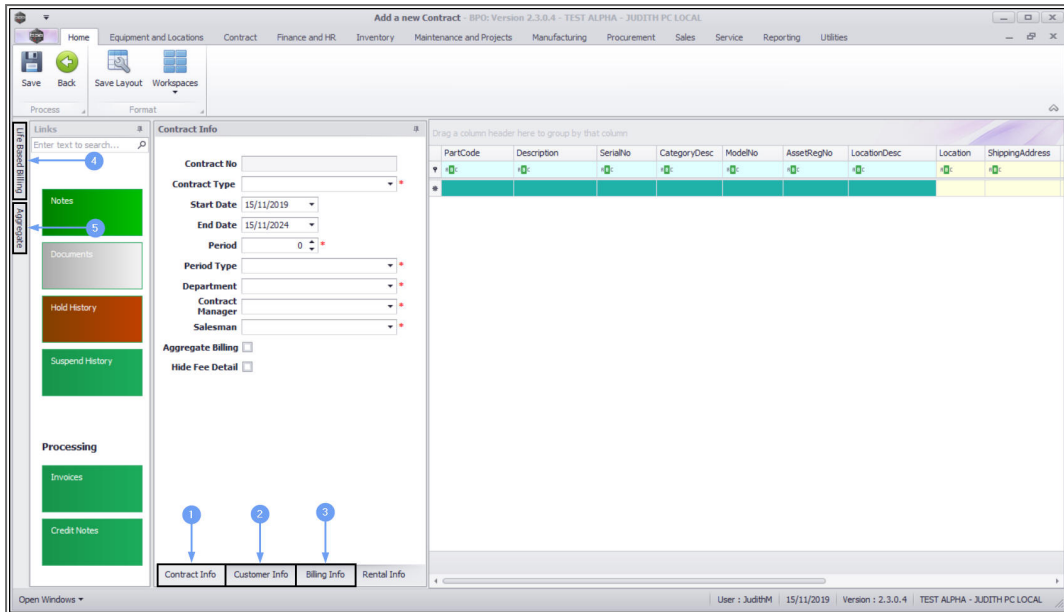
# CONTRACT PARTS FRAME

- *Right click* anywhere in the *row* of the *Parts* frame.
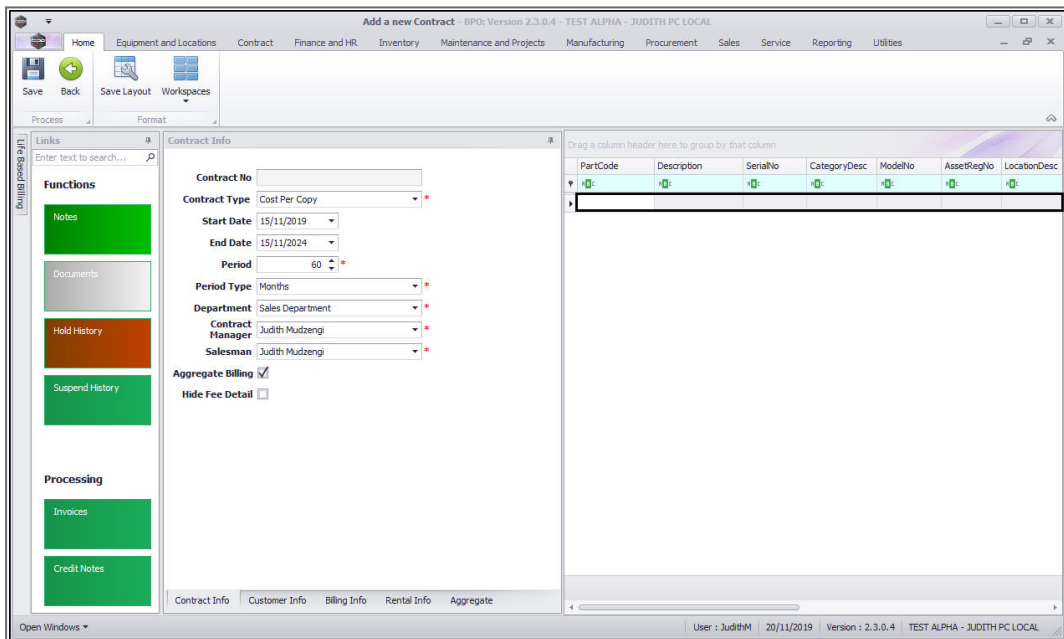


- A *Process* menu will pop up.
- From this menu, you can;

- Add new machine item
- Add new location item
- Delete a contract item
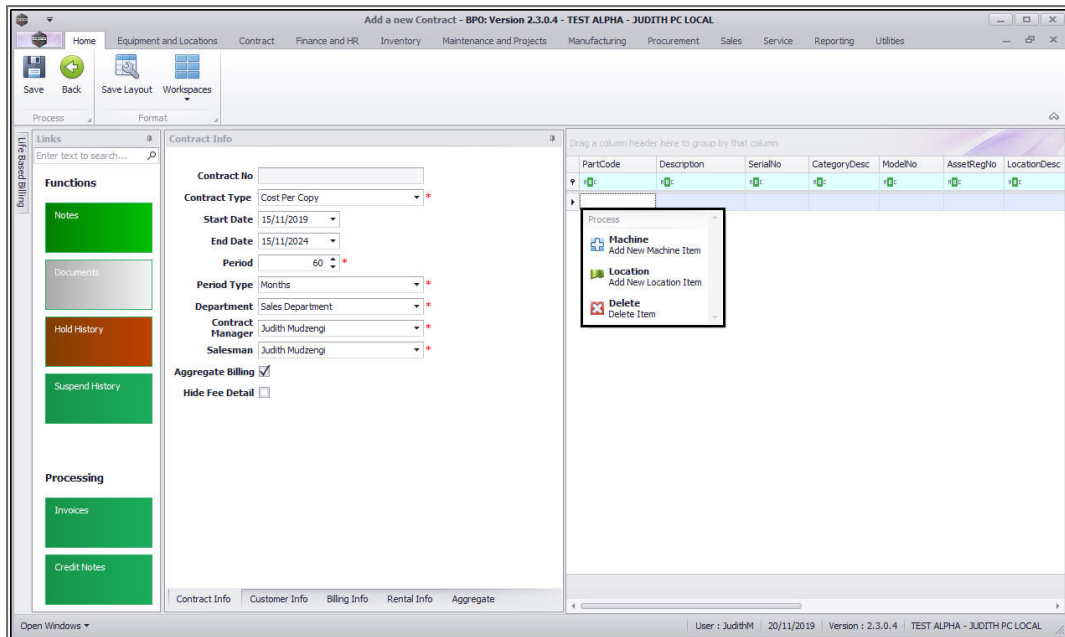


## ADD MACHINE ITEM

- Click on *Machine* - Add New Machine Item.
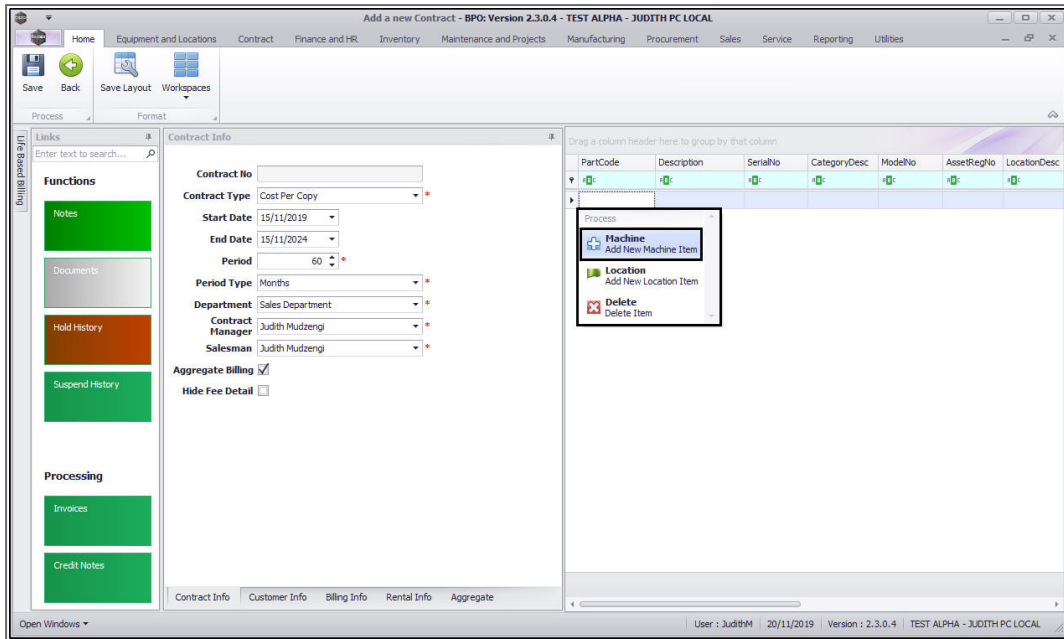
- The *Select a new item* pop up screen will appear.
- Select the *row* of the *machine* that you wish to link to this contract.
- Click on *Ok*.
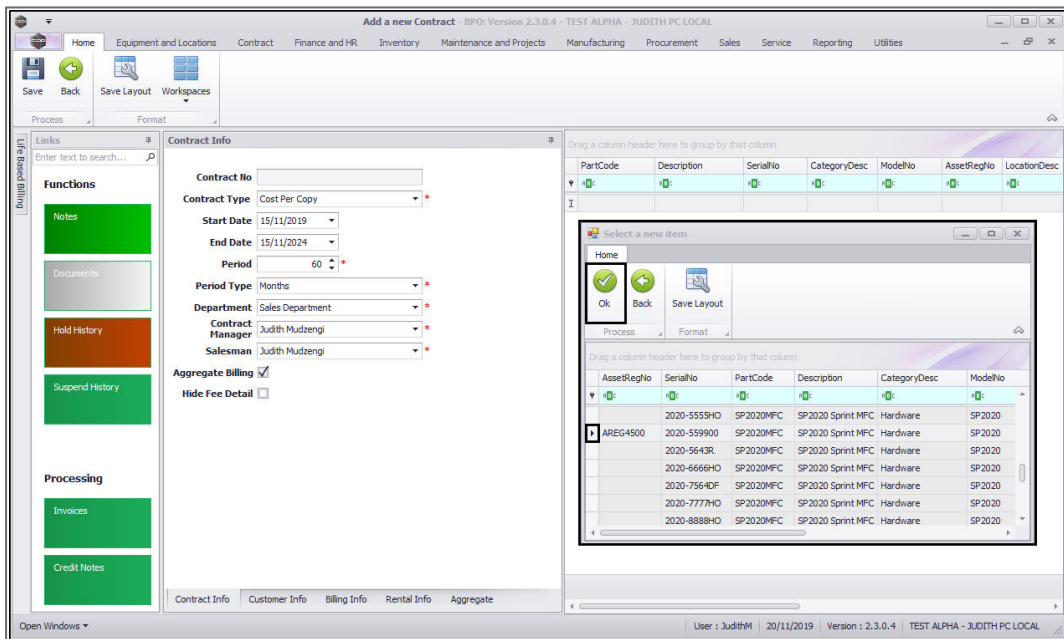
- The following columns will auto populate according to your item selection:
    - **Part Code**
    - **Description**
    - **Category Description**
    - **Model No**
    - **Serial No**
    - **Asset Register No**
- The *Location Desc* field is only used when adding a new location item.
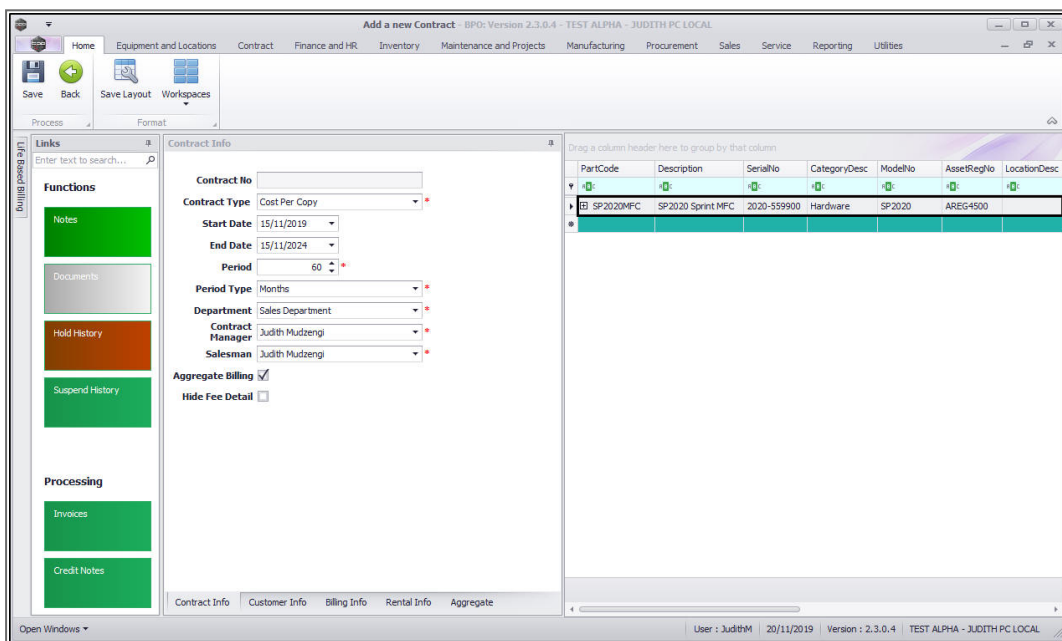


- Link the following to the contract item;
    - Location
    - Shipping Address
    - COS Account Code
    - SLA Hours if applicable
    - Travel Radius if applicable
    - Travel Charge if applicable
- The *Is Extra* and *Status* fields are static.
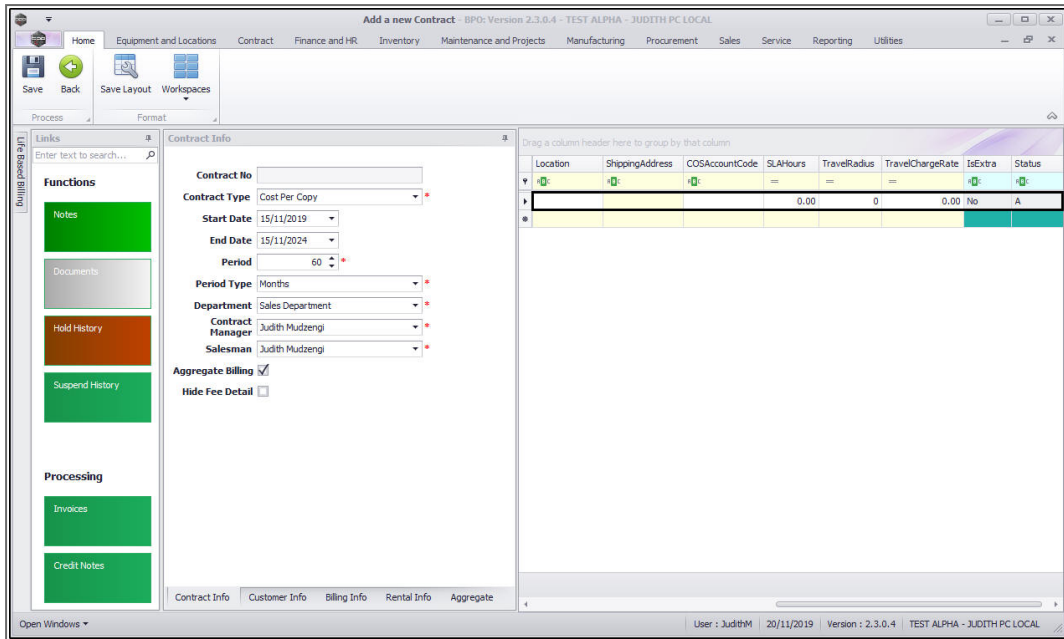
- Follow the steps above to add additional contract items, if required.
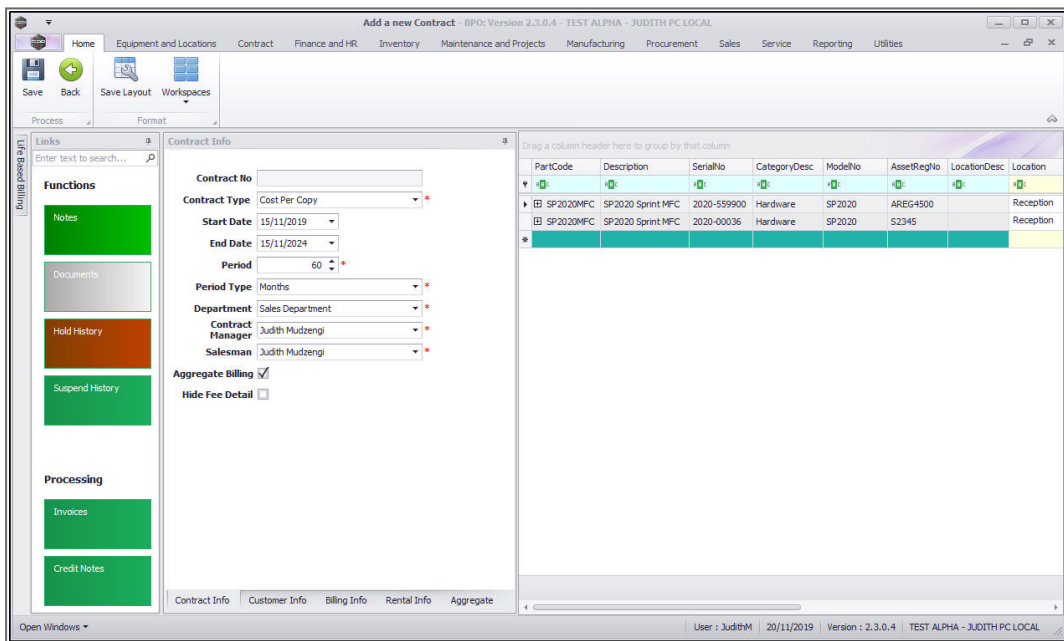
# PART ITEMS FRAMES

- Click on the *expand* button in the *Part Code* text box.
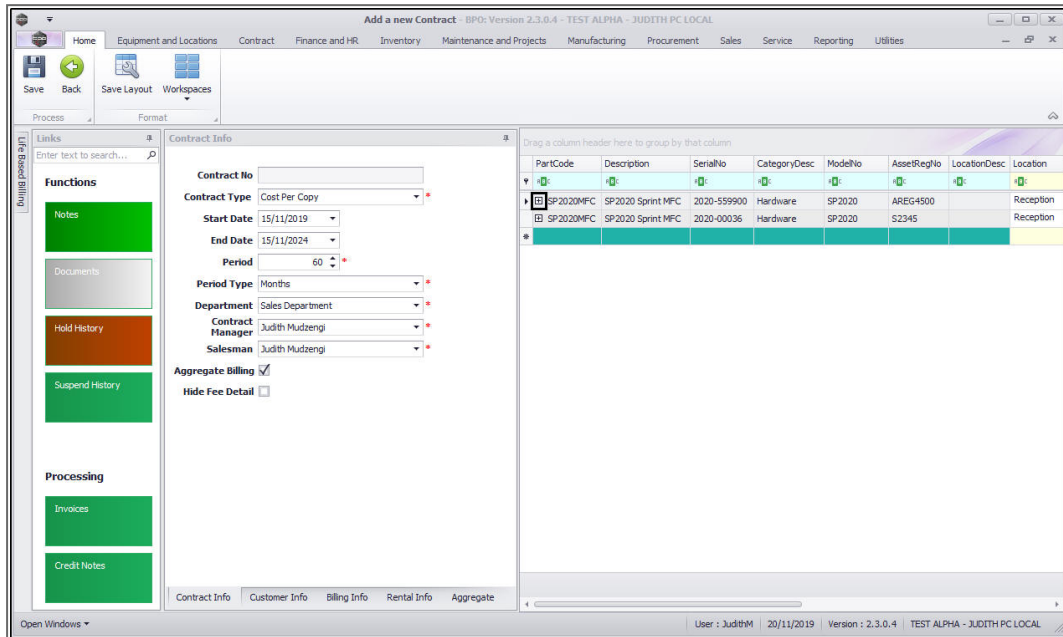


The *Item* frames for the selected machine will be expanded. Here you can click on **4** different tabs to add or edit the frame information:

- **Item Fees**: These are periodic charges e.g., a monthly service fee.
- **Item Meters**: These are meter usage charges.
- **Item Inclusions**: These are non billable items that are included in the contract.
- **Item Contacts**: This the contact person - per machine.
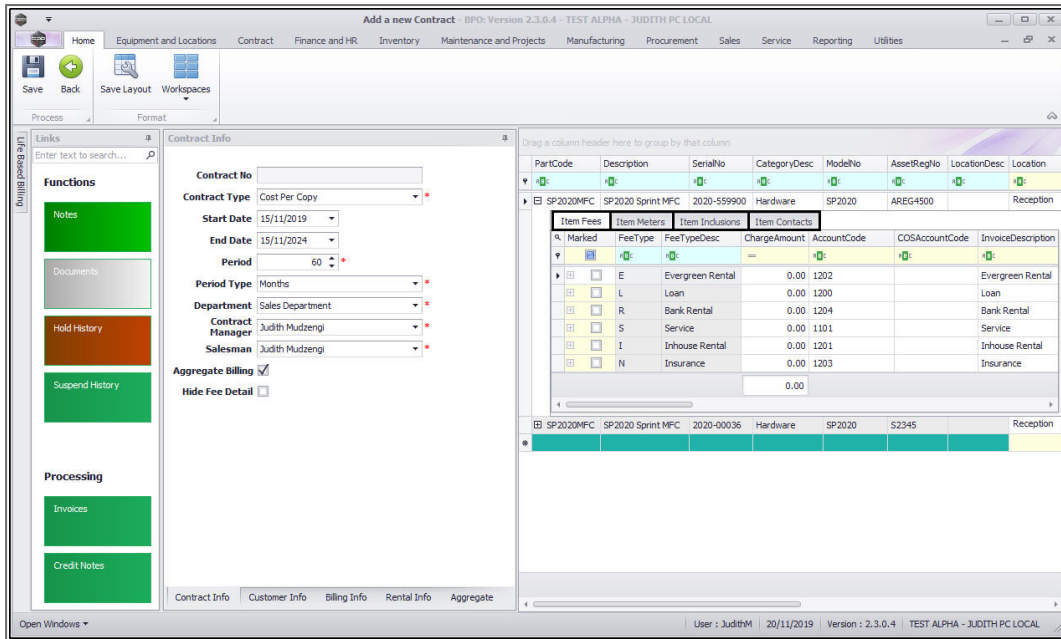
## ADD ITEM FEES

The *Item Fees* frame displays *Contract Item Fees* that can be linked or are linked to a contract item e.g., a machine. *Item Fees* linked to a contract item will appear on the contract invoice when billing.
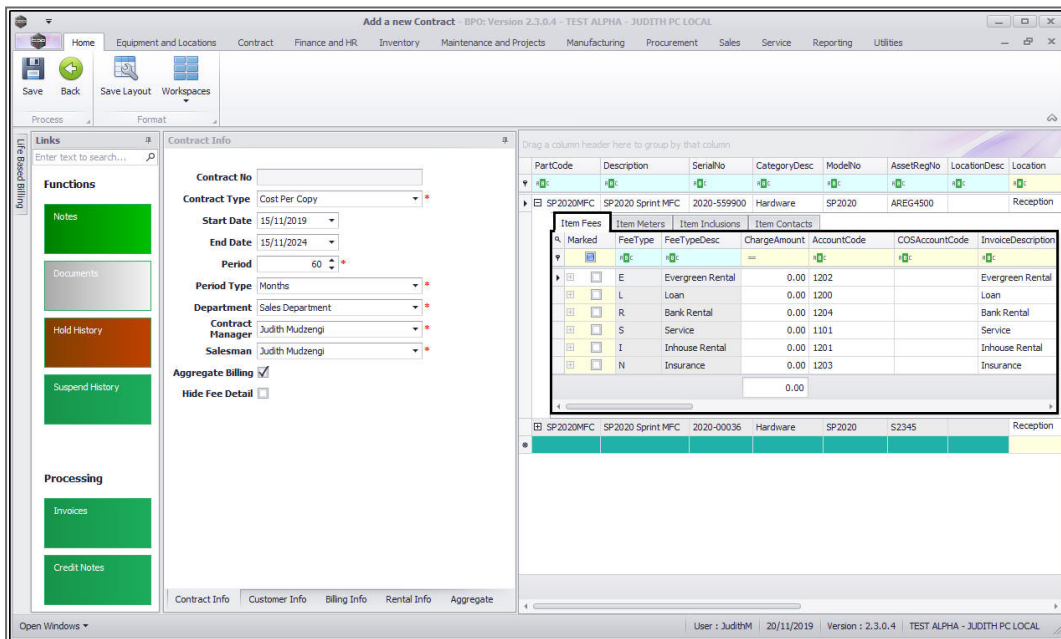
In the *Item Fees* frame,

1. Do not select any *Item Fee* in this frame, if the fees need to be aggregate.

## SET UP AGGREGATE FEES

2. Click on the *Aggregate* tab.
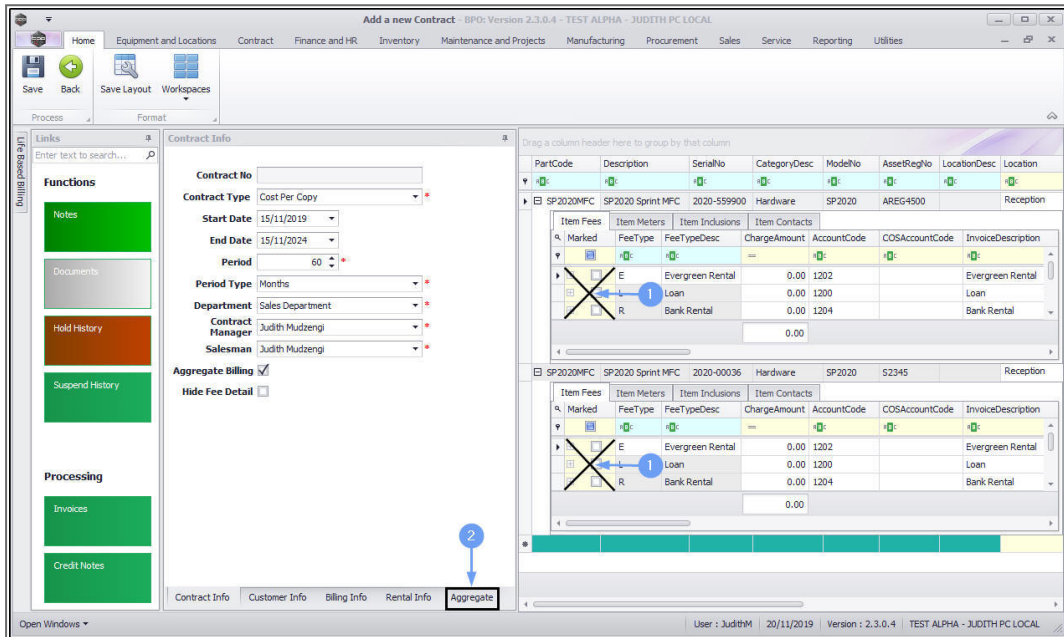


1. The *Aggregate* frame will be expanded and is divided into the following sections;
    1. Aggregate **Fees**
    2. Aggregate **Meters**
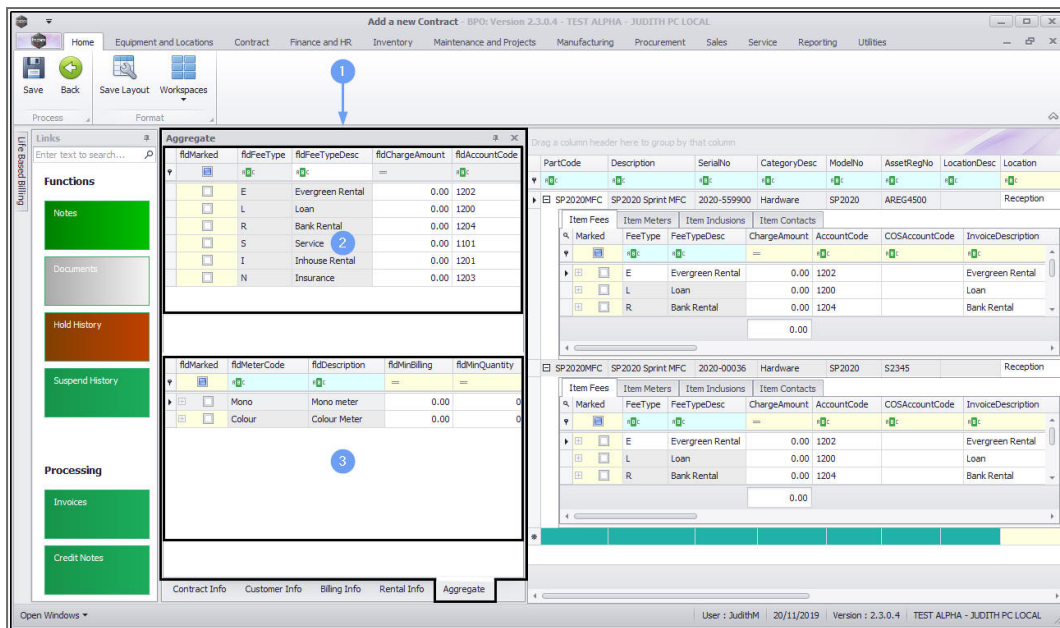
Set up the fees that need to be aggregate in the *Aggregate Fees* section:

- **Marked:** Click on the check box in front of the aggregate *Fee Type* to be charged.
  - In this image **N** - Insurance has been selected as an example.
- **Charge Amount:** Type in or use the arrow indicators to select the fee amount to be charged.
- **Account Code:** This will auto populate with the account code linked to this fee item.
- **COS Account Code:** Type in the cost of sale account code where this fee should be posted to.
- **Invoice Description:** This will auto populate but you can type in an alternative description to be used for this fee on the invoice. The description will reflect on the contract invoice.
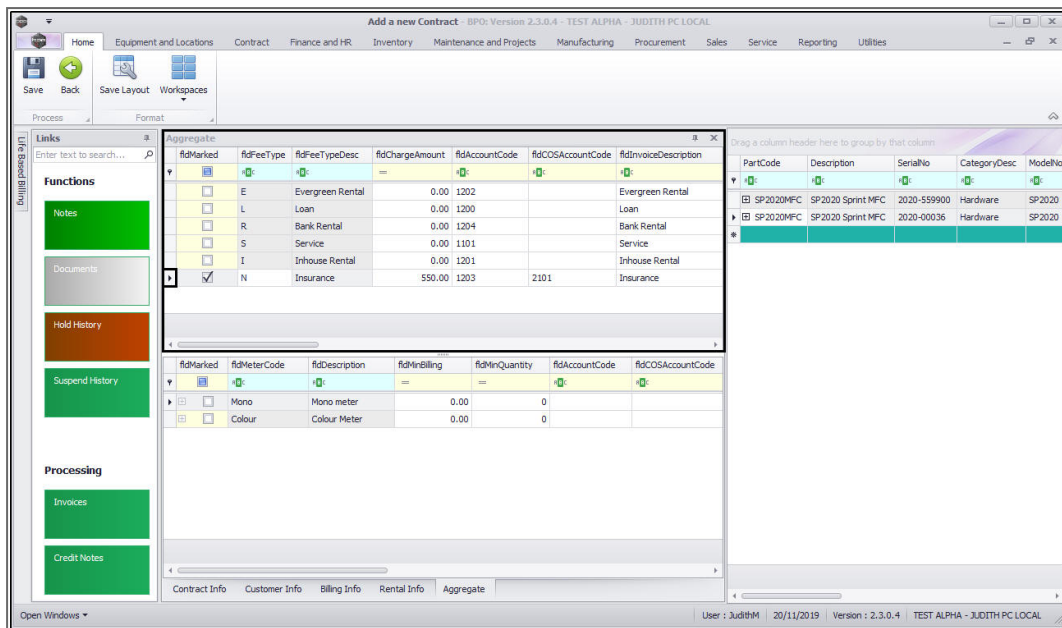
*Scroll right* to view the next columns in this frame.

- **Start Date and End Date:** These will auto populate according to the contract start date and end date selected in the Contract Info panel. You can click on the drop-down arrow and use the calendar function to select an alternative start and end date if required.
    - **Note**: Take note that the contract fee will only bill from the <u>start</u> date, and will stop billing at the <u>end</u> date.
- **Period & Period Type:** These fields will auto populate according to the contract start and end date recorded in the Contract Info panel. You can click on the text boxes and either type in or use the drop-down arrows to select an alternative period and period type if required.
- **Billing Cycle:** This will auto populate according to the contract billing cycle recorded in the Billing Info panel. You can click on the text boxes and either type in or use the drop-down arrow to select an alternative billing cycle if required.

- **Billing Period:** This will auto populate according to the contract billing period recorded in the <span style="color:red">Billing Info panel</span>. You can click on the text boxes and either type in or use the drop-down arrow to select an alternative billing period if required.
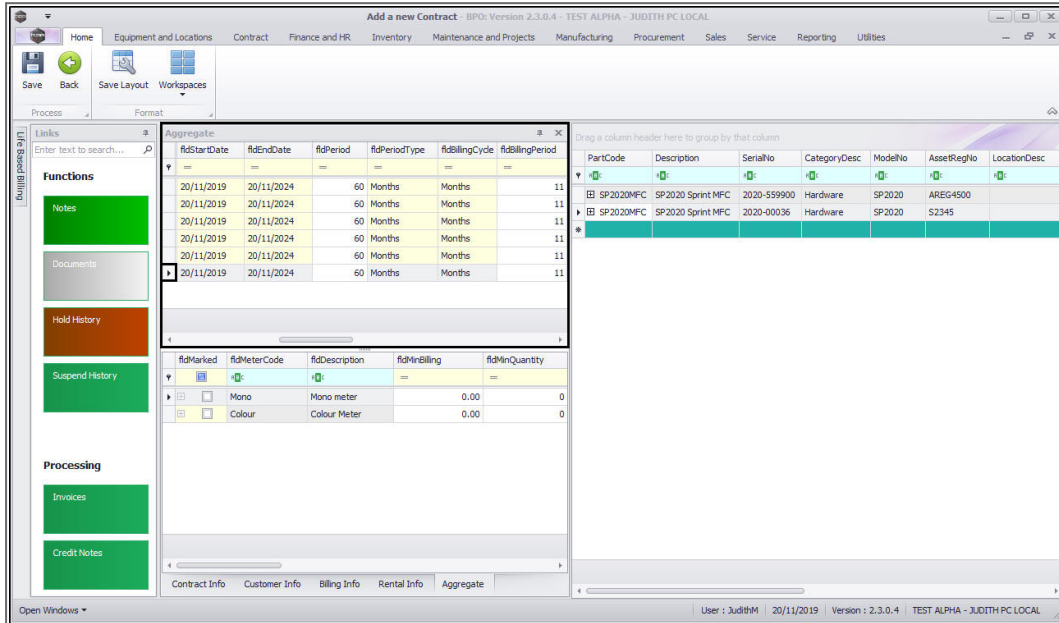


*Scroll right* to view the remaining columns in this frame.

- **Escalation Period:** This field will auto populate, click on the text boxes and either type in or use the drop-down arrow to select the correct escalation period if applicable.

- **Escalation Type:** This field will auto populate, click on the drop-down arrow in the text box to select the correct escalation type if applicable.

- **Escalation Amount:** Click on the text box and either type in or use the arrow indicators to select the escalation amount if required.
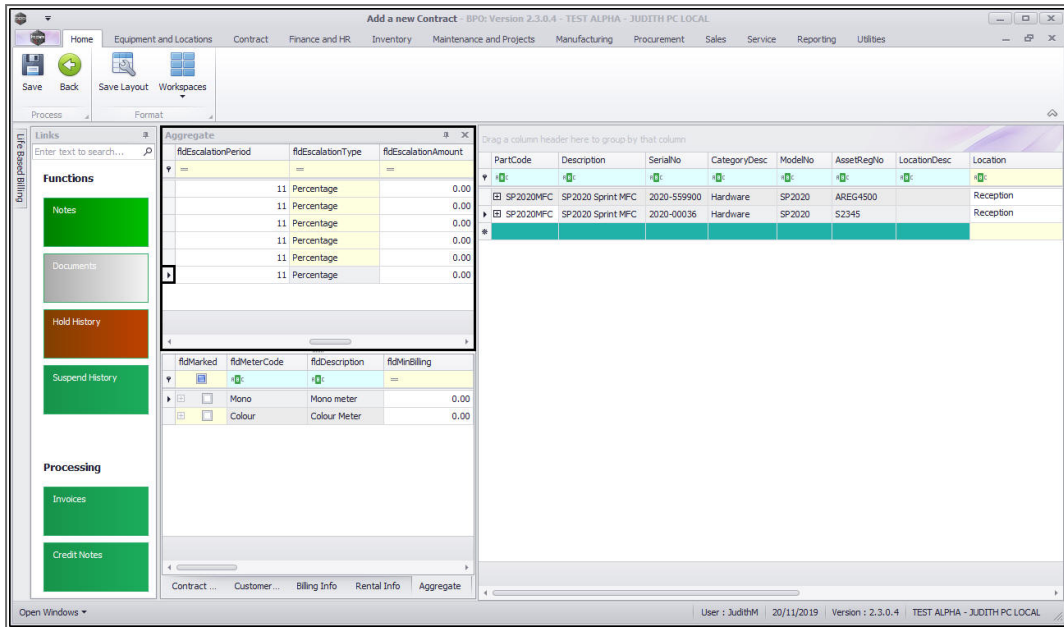
## ALTERNATIVE BILLING CUSTOMER – FEES

Customer Code and Customer Name:

- Only populate these 2 fields if <u>another</u> party (a separate billing customer) is going to pay the *Item Fees* on behalf of the customer.
- If these fields are left blank, *BPO* will bill the customer linked to the contract.
  - **Note**: BPO only supports different billing customers on an aggregate contract from **BPO v2.3.0.4**.

Follow the next **4** screen shots <u>only</u> if you wish to link <u>another</u> party as the billing customer.
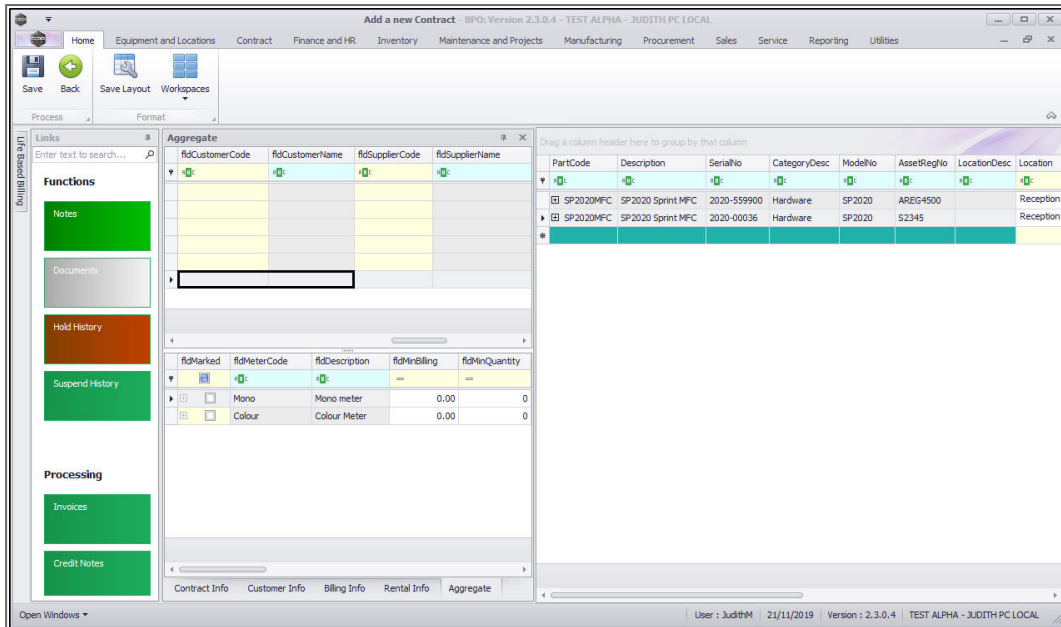
- **Customer Code**: Click in the *Customer Code* text box.
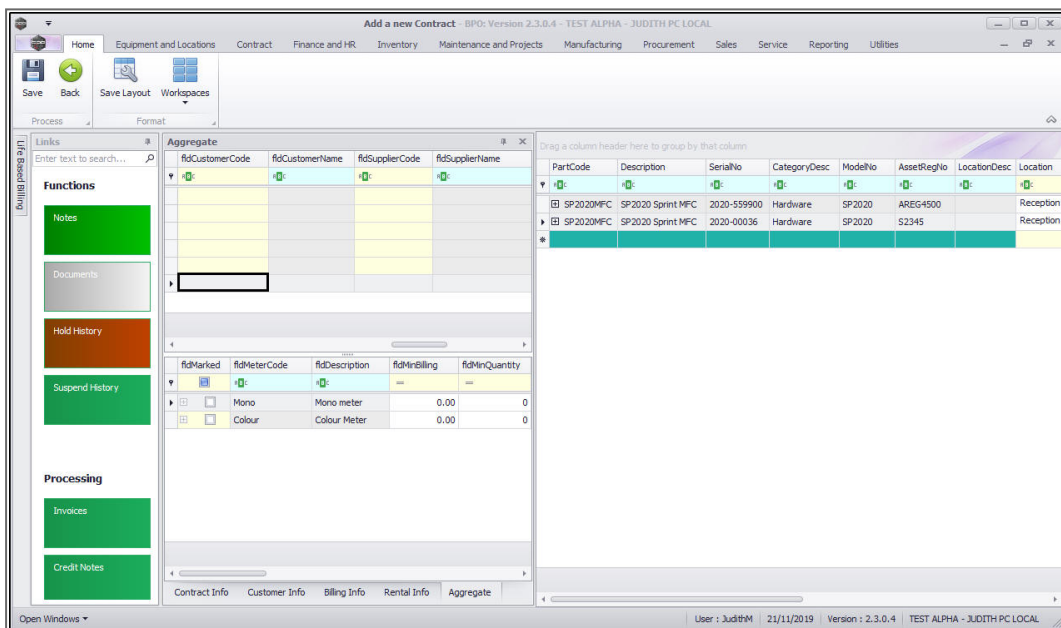


- An *ellipsis* button will be revealed.
- Click on this button to display the *Select a billing customer* pop up screen.
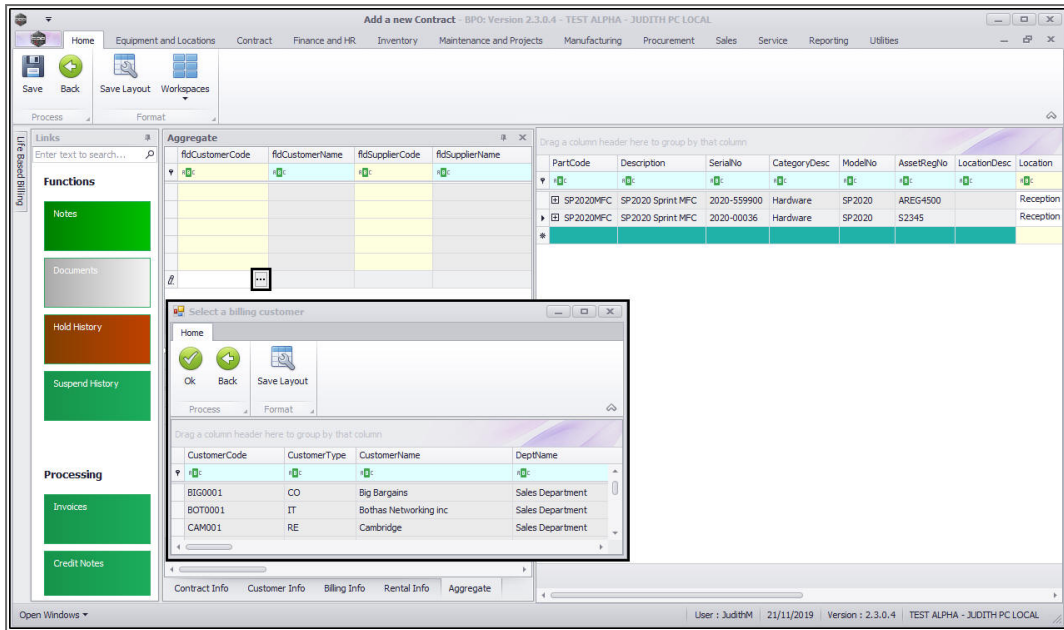
- Select the *row* of the *Billing customer* that you wish to *link* to this *contract*.
- Click on *Ok*.
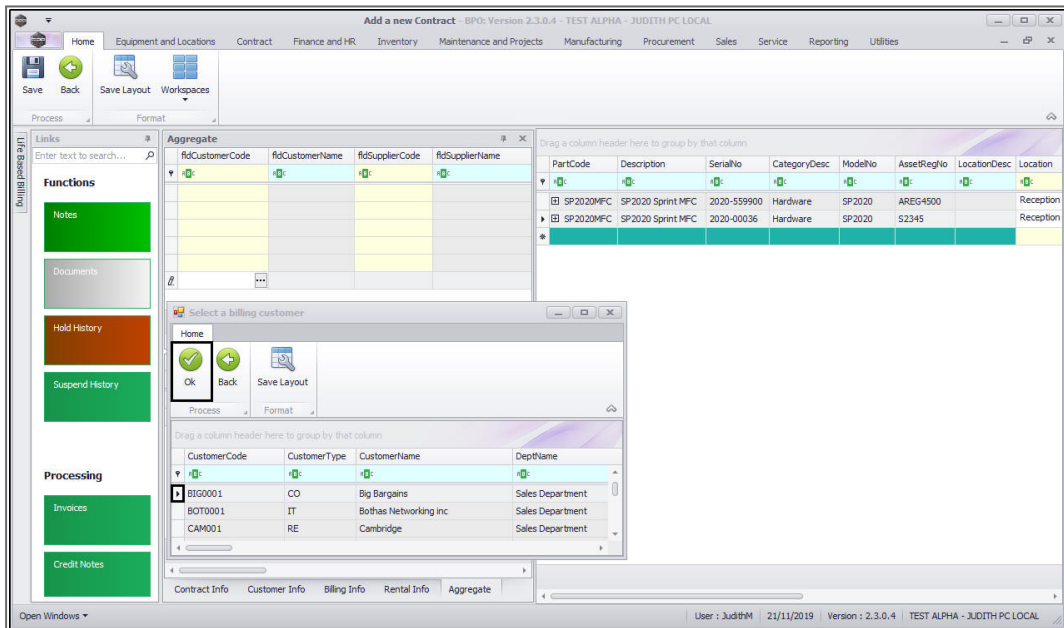


- **Customer Name:** Once you have selected the customer code, the customer name will auto populate with the customer name

linked to that code on the system.
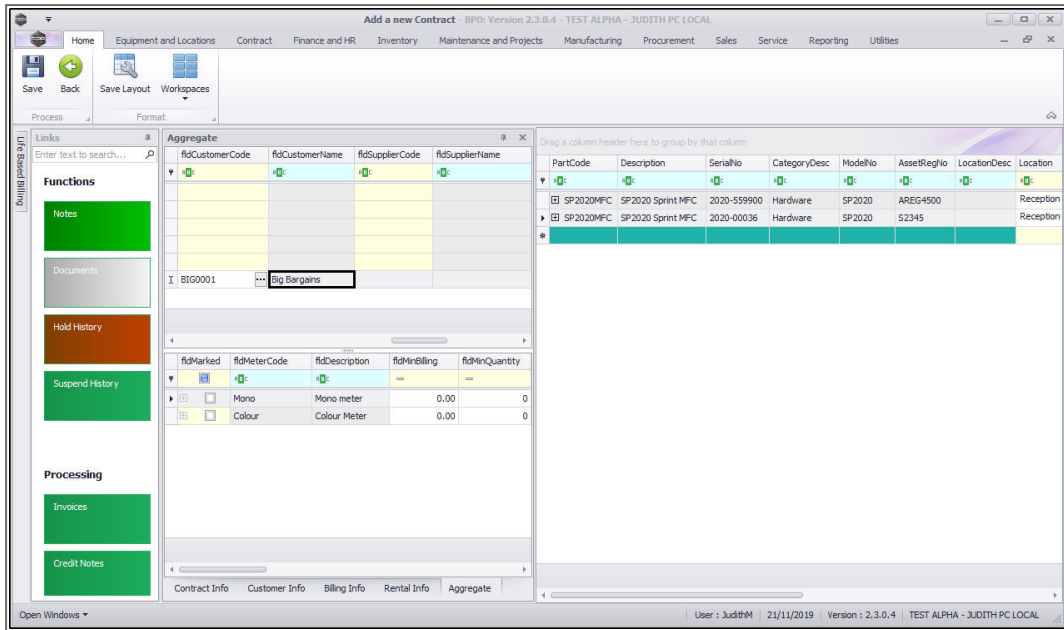


# BACK TO BACK ITEM FEES SET UP

For a **Back to Back** contract to work, the following fields must be populated:

- **Supplier Code**
- **Supplier Name**
- **Finance Amount**
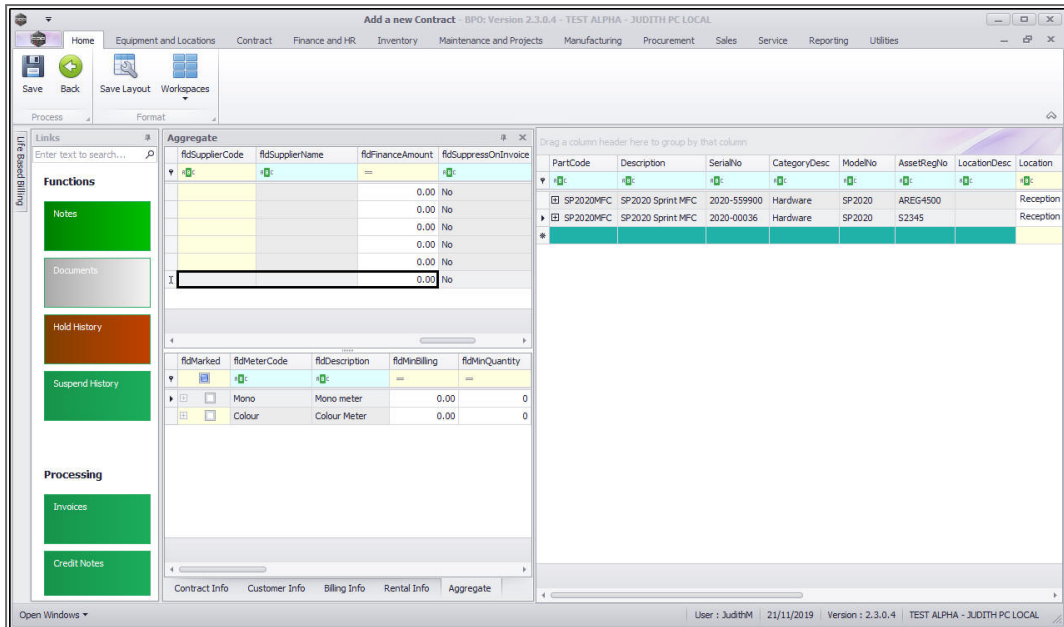
## Supplier Code

- Click on the  *Supplier Code*  text box to reveal an  *ellipsis*  button.
- Click on this button to display the  *Select a finance party*  pop up screen.
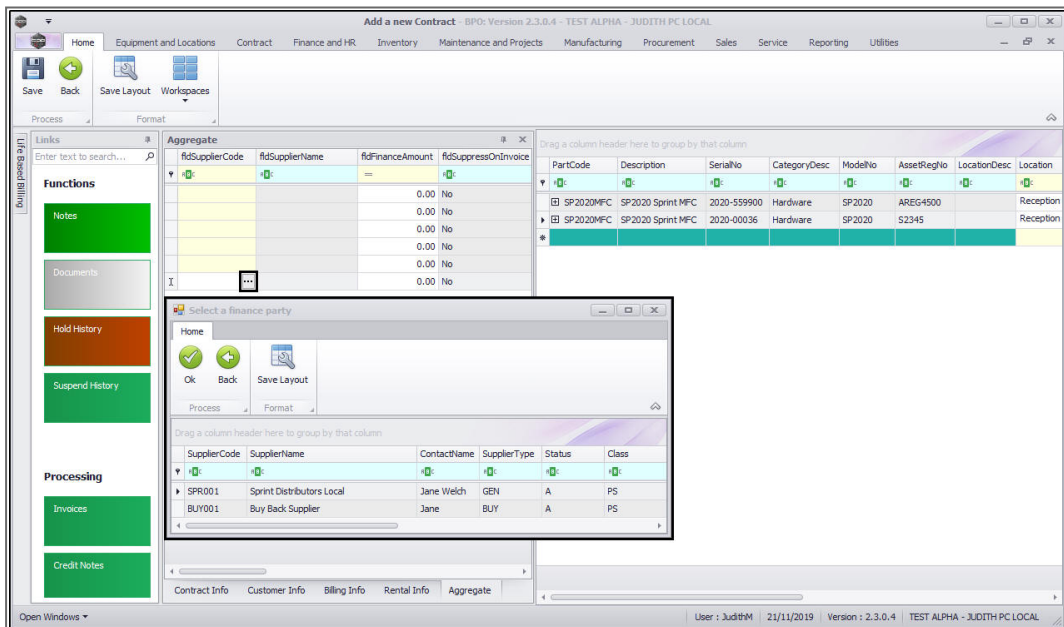
- Select the *row* of the *Supplier* that you wish to *link* to this *item*.
- Click on *Ok*.
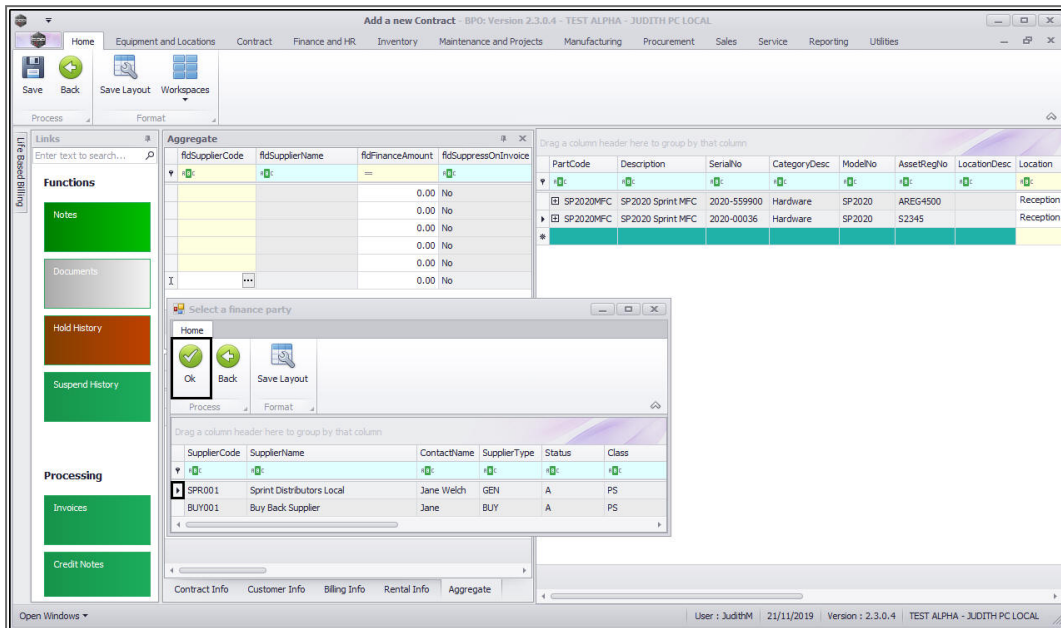


## Supplier Name
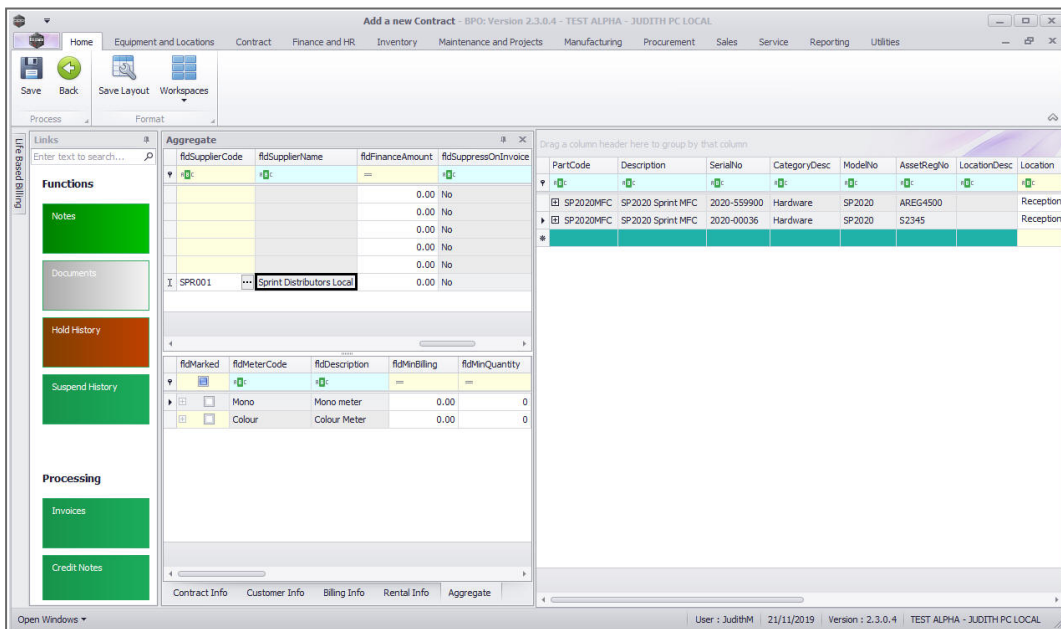
- This will auto populate once the supplier code has been selected.

## Finance Amount

- Click in this text box and either type in or use the arrow indicators to select the finance amount. This amount will be collected from the billing customer and will be  paid to the linked supplier.
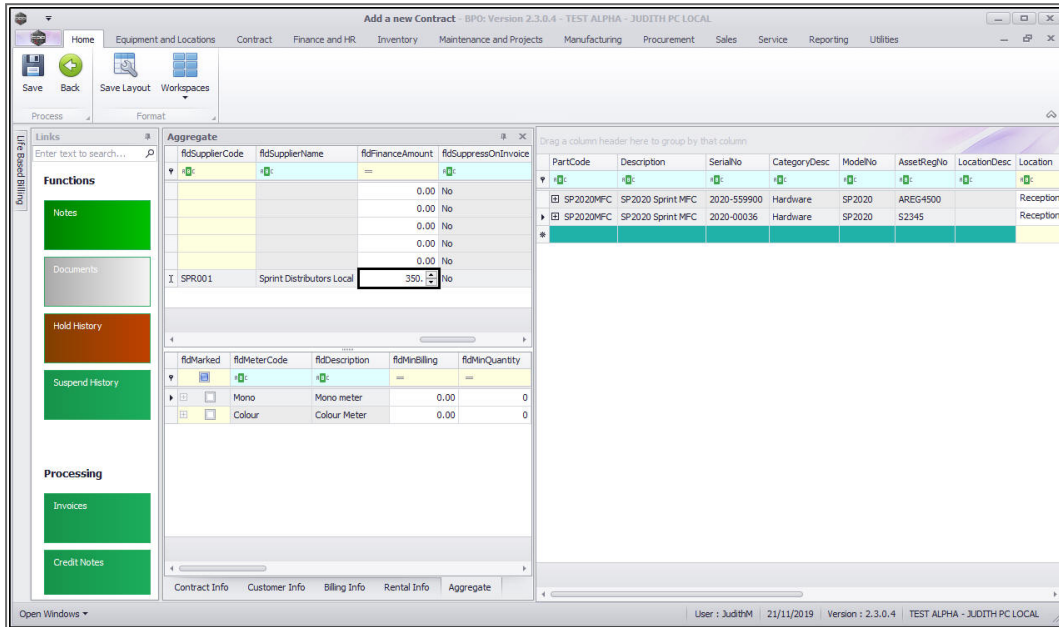


- **Suppress on Invoice:**  This is set to 'No' and cannot be changed. This means you <u>cannot</u> hide the aggregate fee information on the invoice.
- **Comment:**  Click in this text box and type in a comment regarding this aggregate fee, if required.
- **Order No:**  Type in a customer order number relevant to this item, if required.
- **Status:**  This field defaults as  **A**  (Active).
- **Amend Date:**  This field is static.

The **Add an Item Fee** process is now <u>complete</u>.
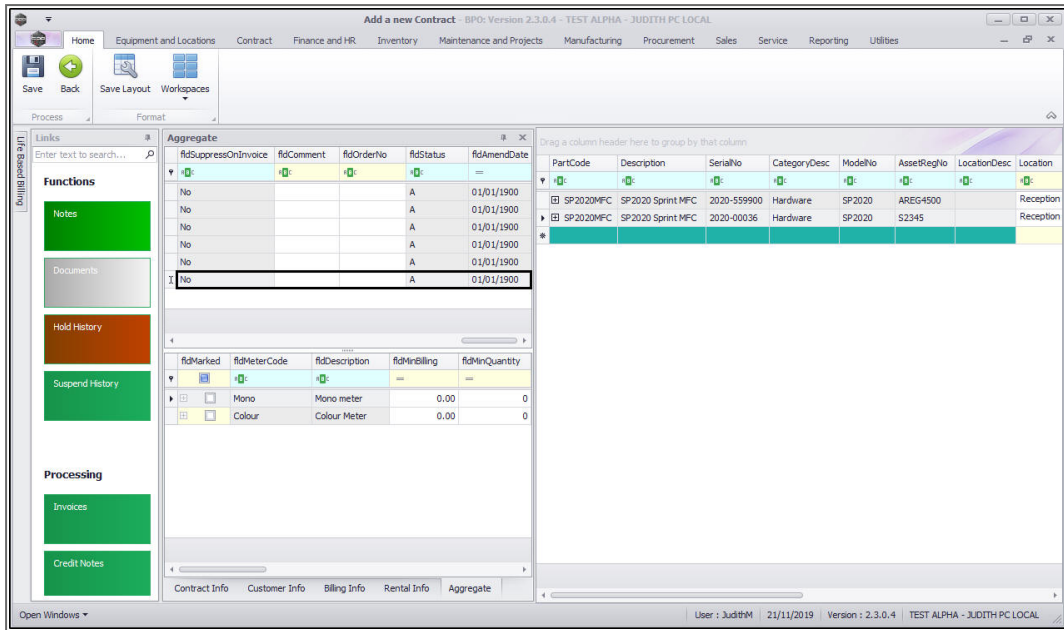
## LINK ADDITIONAL ITEM FEES

*Scroll back* to the *Marked* column

- You can now set up *additional fees* for this machine by following the above process if required, before moving on to the next frame.
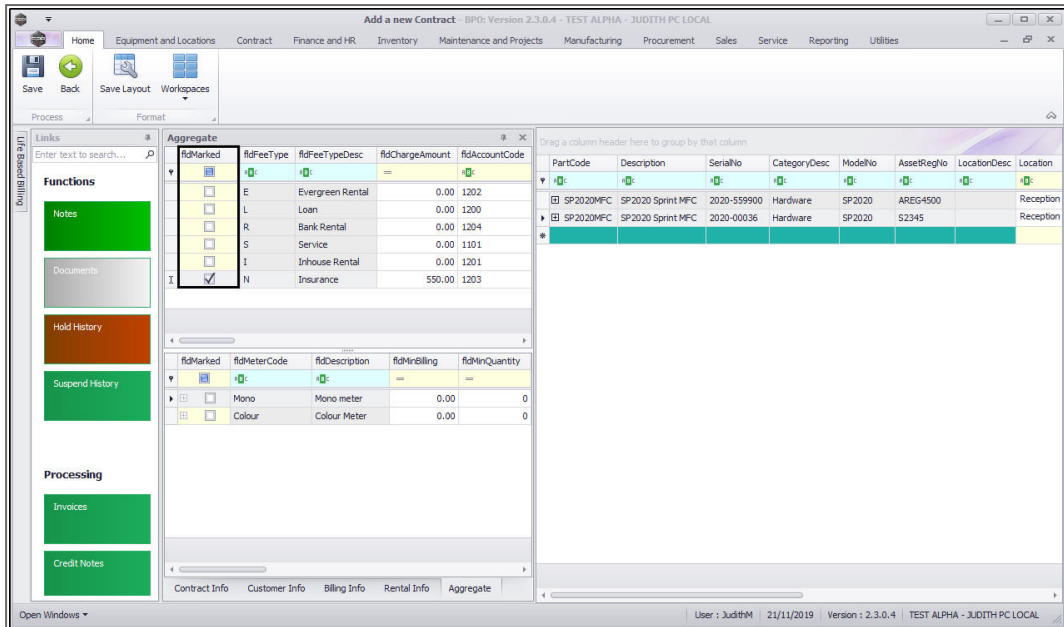
## ADD METER CHARGES

- When you have finished working in the *Item Fees* frame, click on the *Item Meters* tab if you are going to bill meters.
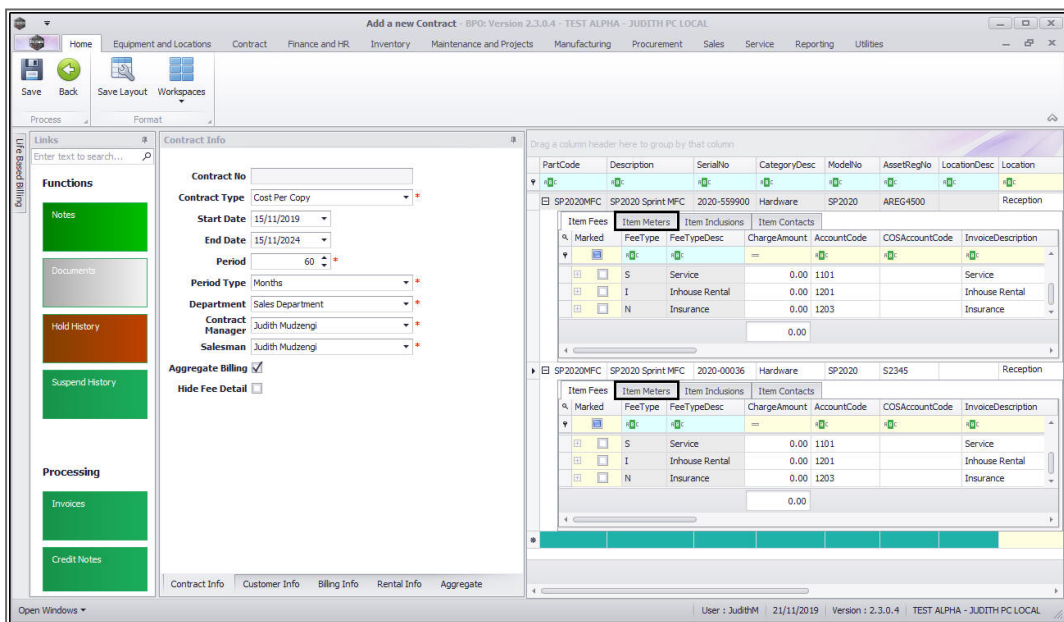


The *Item Meters* frame displays all linked meters on the contract item

- **Note 1**: If there are no meters linked to the contract item, you can complete setting up the contract and link the meters and meter charges afterwards by following these 2 steps:
    1. Assign meters to the contract item
    2. Add the meter charges to the contract item
- **Note 2**: To avoid linking up meters to items every time you want to add items on a contract, link meters to the part codes of the items. This way, when new items are received / adjusted into stores, they will already have meters linked to them. (This will not apply to items that are already in stores prior to this step.)
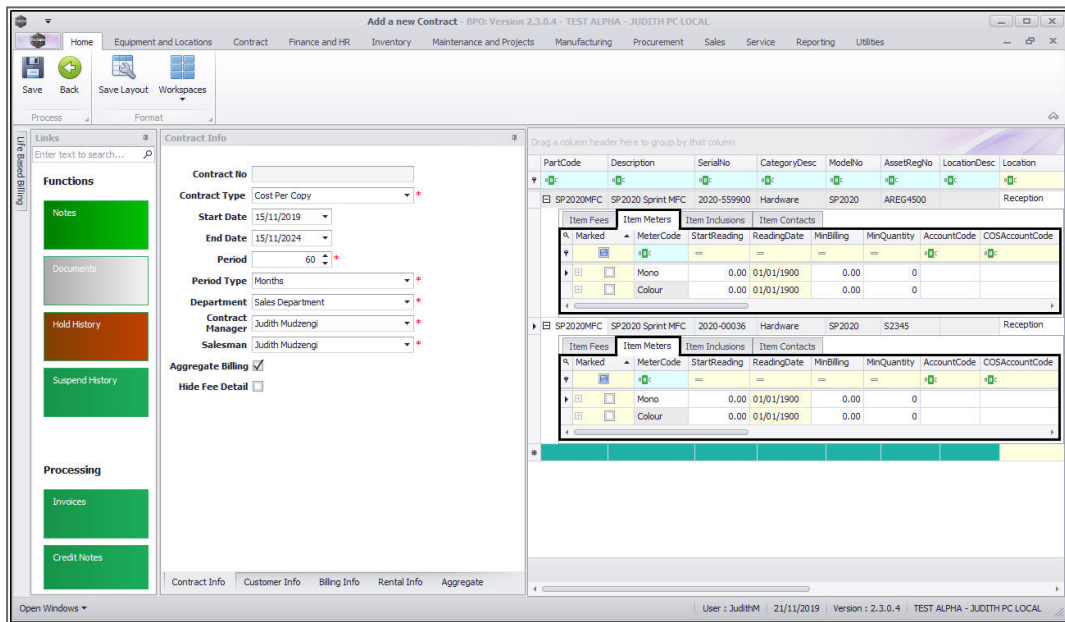


In the *Item Meters* frame, only populate the following fields for the meters that need to be aggregate:

- **Marked:** Select the item meters on all contract items included in aggregate / prepaid billing e.g., if the Mono meter is included,

select the Mono meter type on all contract items included in aggregate / prepaid billing.

- **Start Reading:** Type in the start reading of the meter.
- **Reading Date:** Click in this text box to display the calendar function, use this to select the reading date.
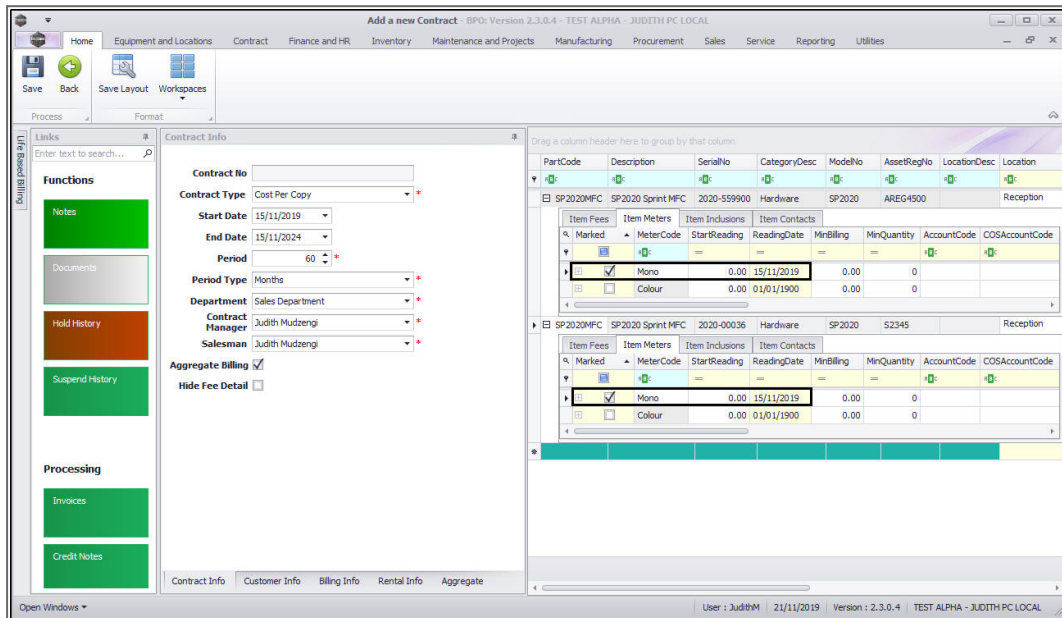


# SET UP AGGREGATE METERS

- Click on the  *Aggregate*  tab if this tab is closed.
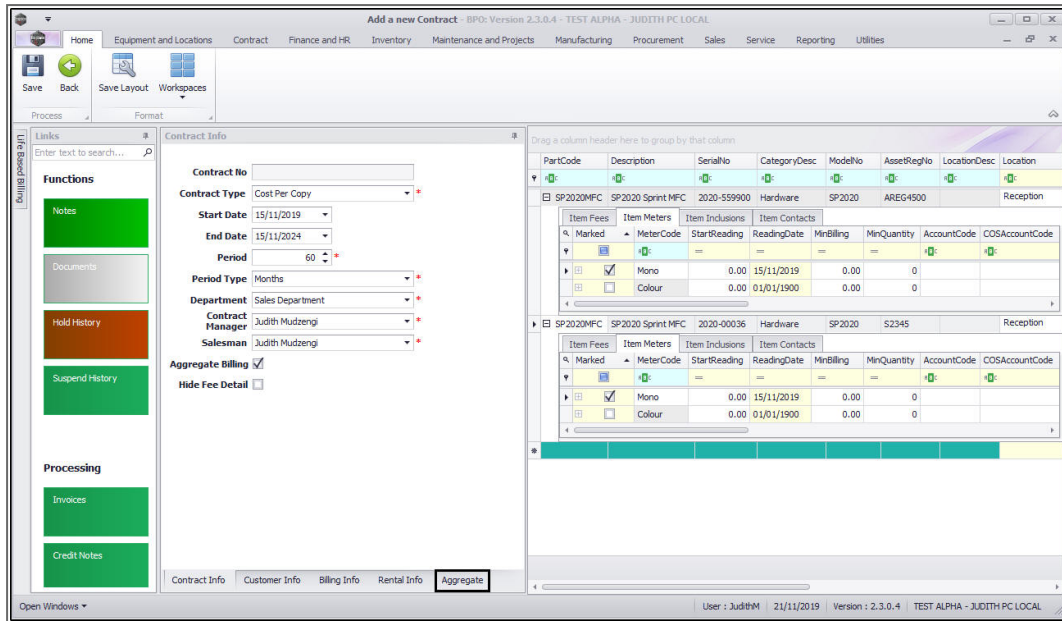
1. The *Aggregate* frame will be expanded and is divided into the following sections;
    2. Aggregate **Fees**
    3. Aggregate **Meters**
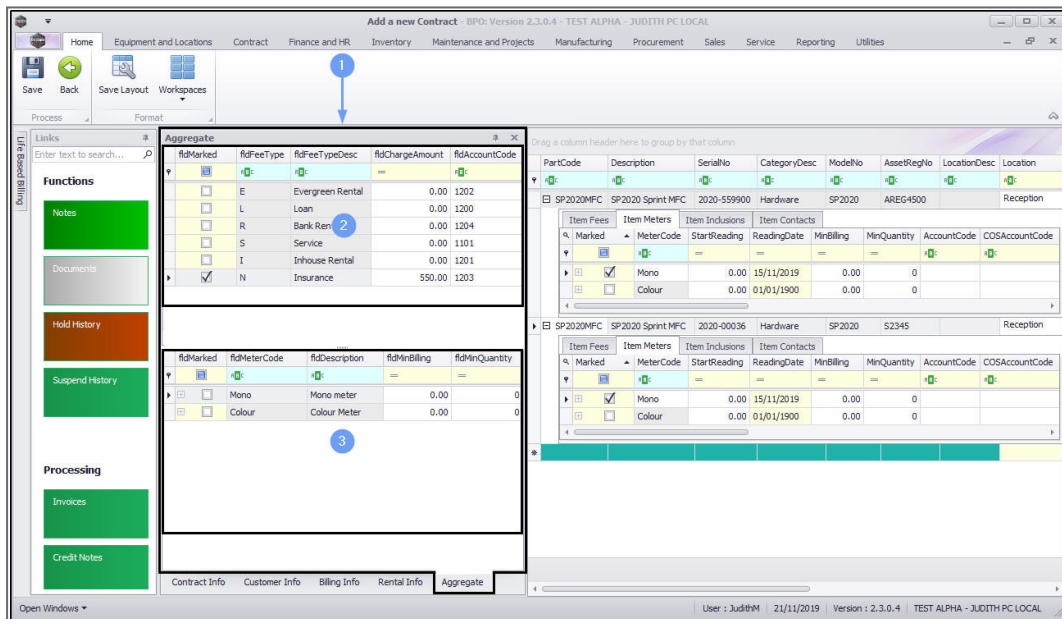


- Go to the *Aggregate Meters* section.
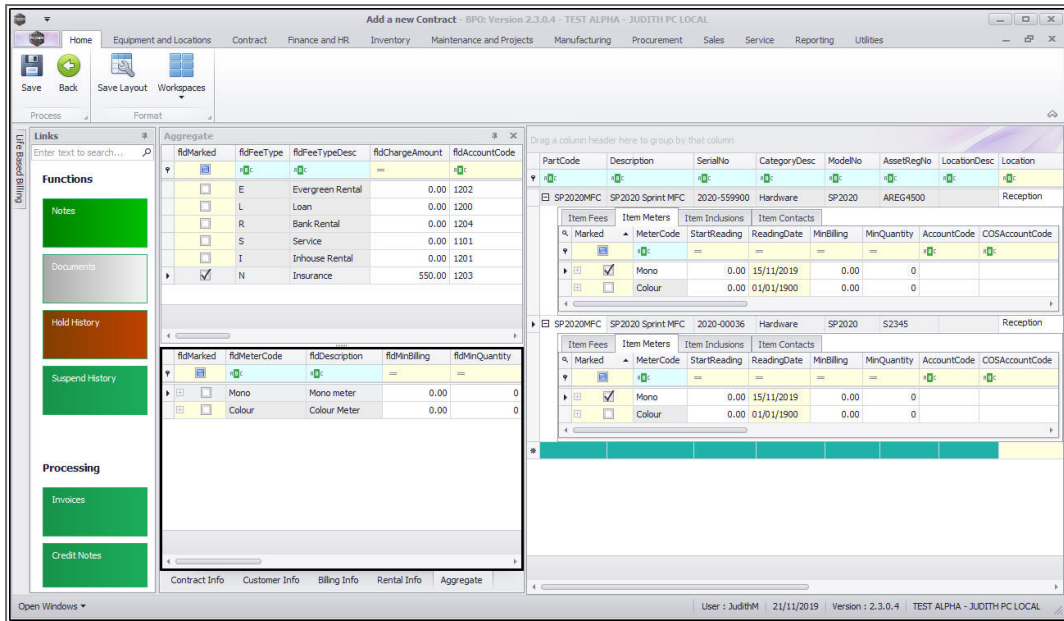
Populate the following fields:

- **Marked:**
    1. Select the <u>same</u> meter type
    2. as you selected in the *Item Meters* frame.
        - In this image the **Mono** meter has been selected.
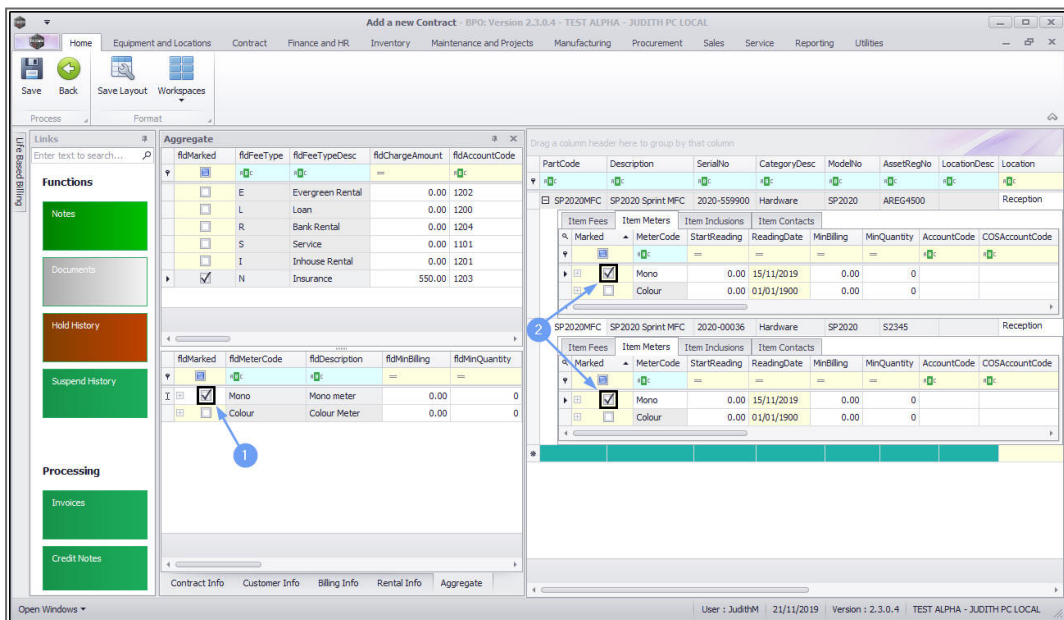
- **Min Billing:**  Type in the minimum billing amount (in Rand value).
    - In this case, minimum billing is global per meter type. This means a fixed price is charged on the sum of all copies made (up to and including the Minimum Quantity) per meter type on all contract items included in aggregate / prepaid billing.
    - For example - in this image, a minimum billing fee of R250 for a minimum quantity of 1000 copies on a mono meter means R250 will be charged if the sum of mono meter copies made on serial numbers -  **2020-559900**  and  **2020-00024**  is any value from 0 up to and including 1000.
    - If no minimum billing should be applied, leave the **MinBilling** and **MinQuantity** fields as **0**.
    - For a more detailed explanation, read this  <u>important note on Minimum Billing and Meter Charge Setup.</u>
- **Min Quantity:**  Type in the minimum quantity (the copies that are included in the minimum billing amount).
- **Account Code:**  Type in the sales account code for these meter charges to post to.
- **COS Account Code:**  Type in the cost of sale account code where this fee should be posted to.
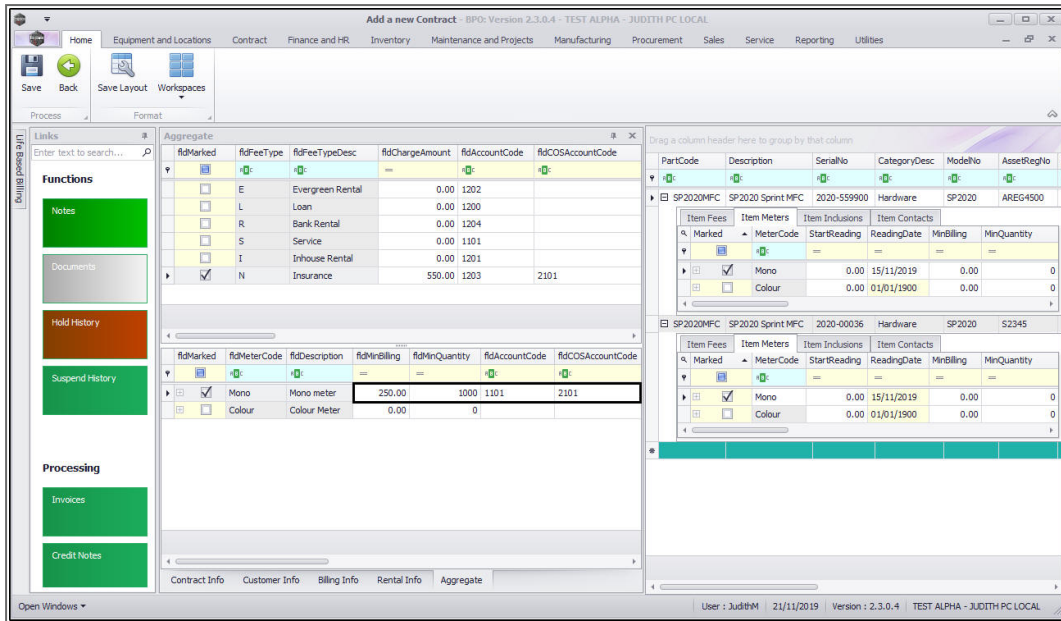
- **Escalation Period, Escalation Type and Escalation Amount:**
  These will auto populate, click in the text boxes and amend the details if required.
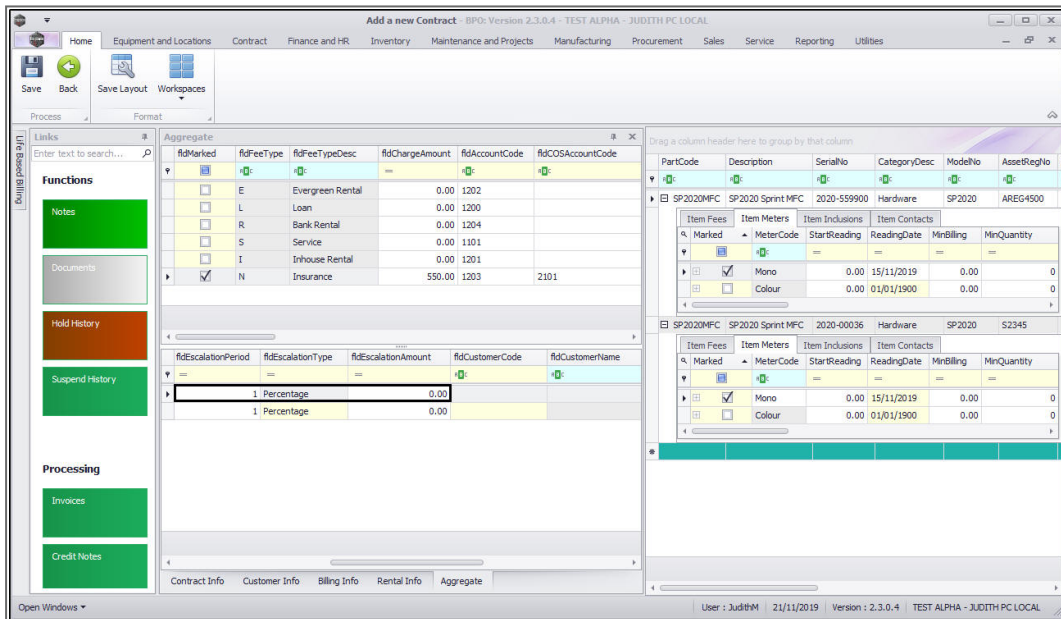


## ALTERNATIVE BILLING CUSTOMER - METERS

*Scroll right* to view the next columns in this frame.

- **Customer Code and Customer Name:**
  - Only populate these 2 fields if another party (a separate billing customer) is going to pay for the charges on behalf of the customer.
  - If these fields are left blank, **BPO** will bill the customer linked to the contract.
    - **Note**: **BPO** only supports different billing customers on an aggregate contract from **BPO v2.3.0.4**.

Follow the next **4** screenshots <u>only</u> if you wish to link another party as the billing customer.
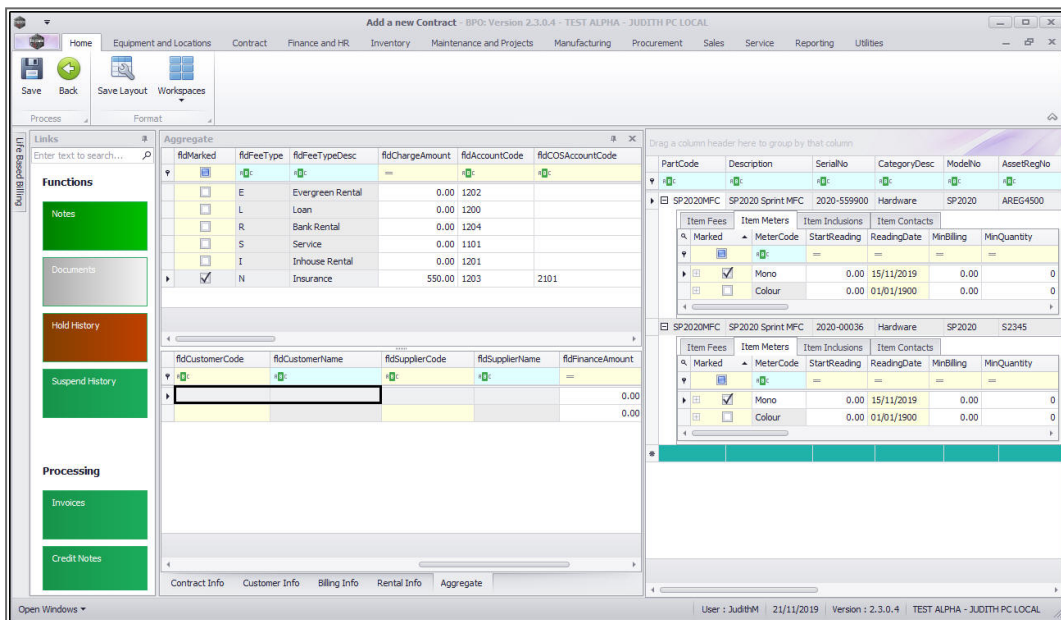


- **Customer Code**: Click in this field.
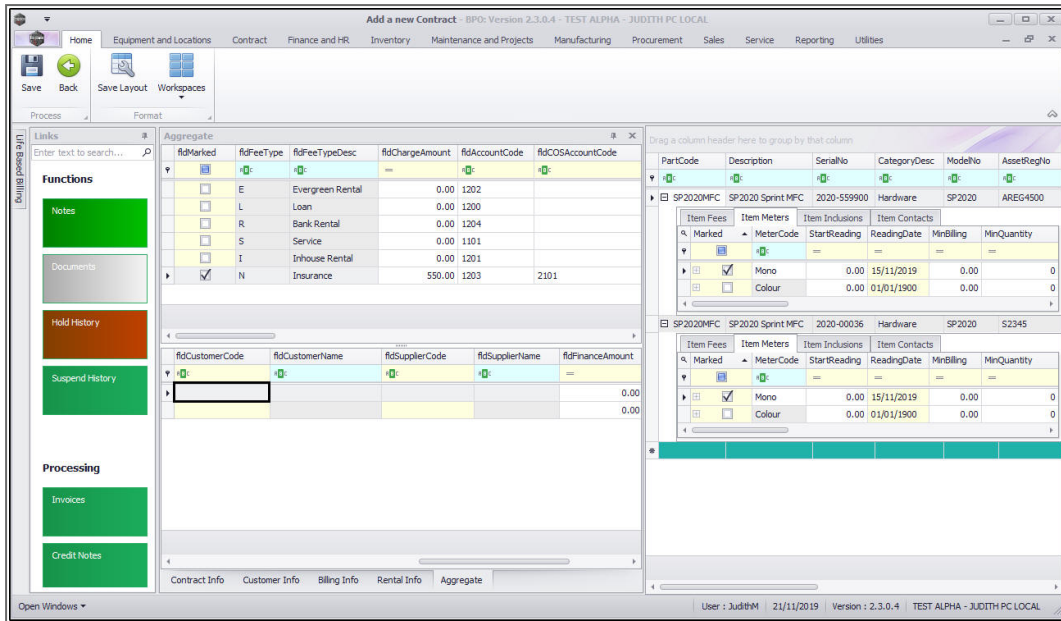
- An *ellipsis* button will be revealed.
- Click on this button to display the *Select a billing customer* pop up screen.
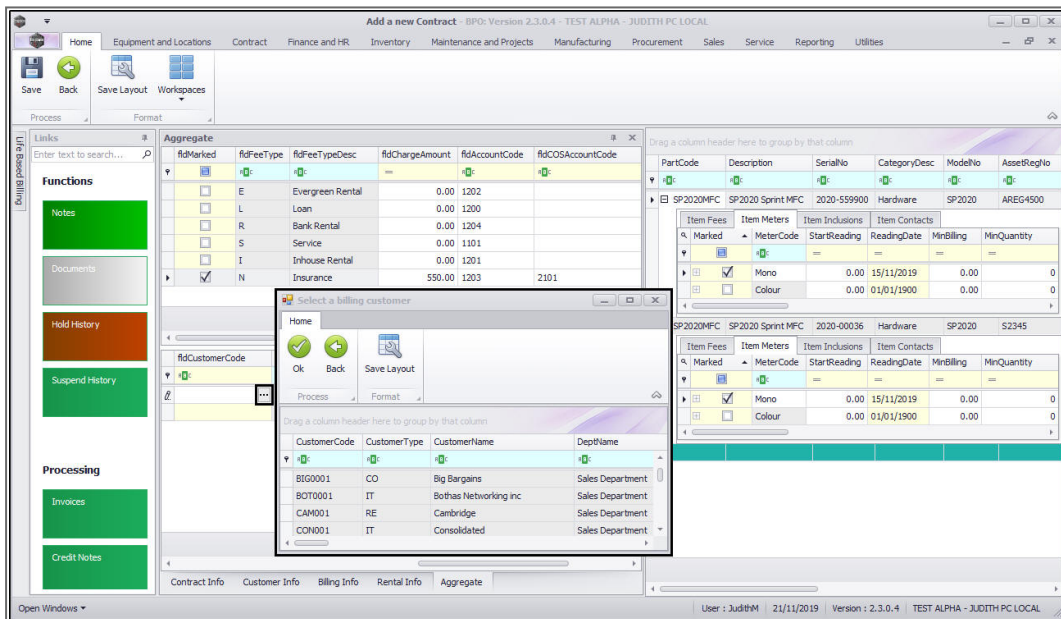


- Select the *row* of the *Billing customer* that you wish to *link* to this *contract*.

- Click on *Ok*.
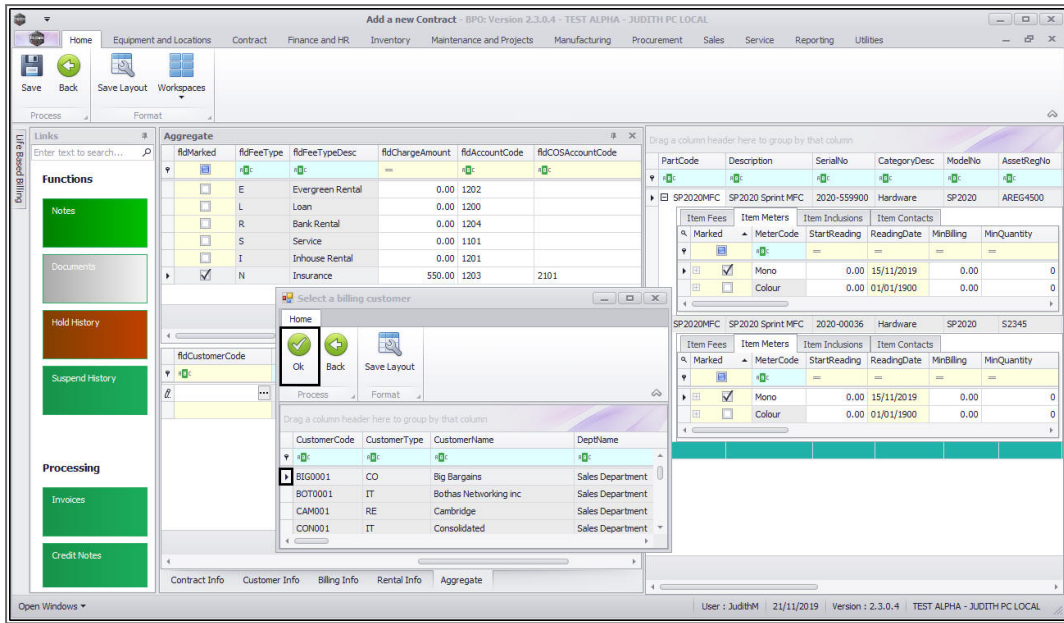


- **Customer Name:** Once you have selected the customer code, the customer name will auto populate with the customer name linked to that code on the system.
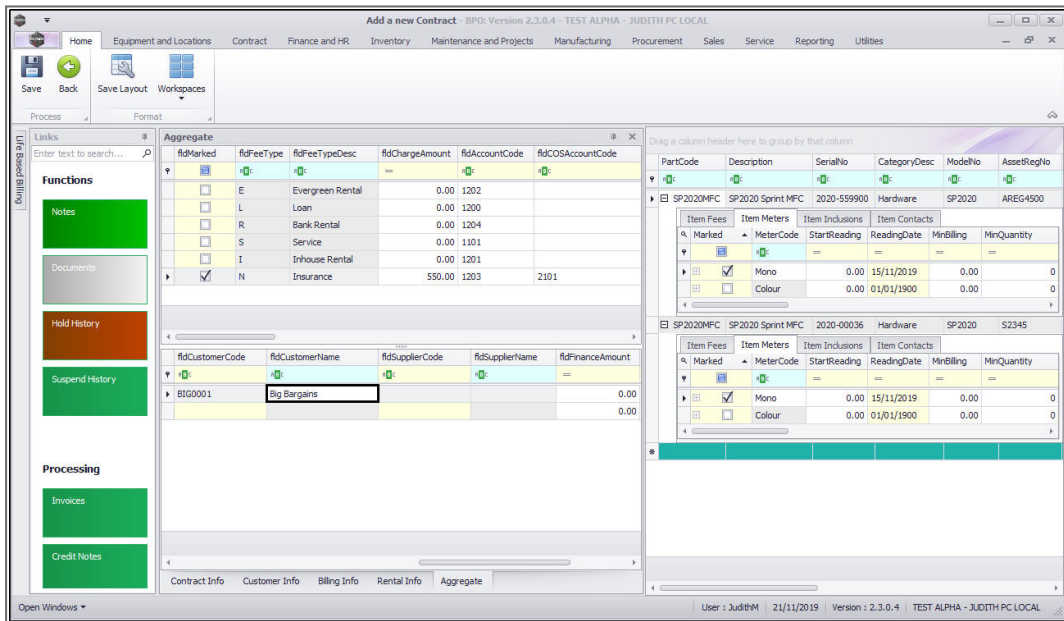
# BACK TO BACK ITEM METERS SET UP

- **Supplier Code, Supplier Name and Finance Amount:** For the back to back functionality to work on meters, these fields must be populated.
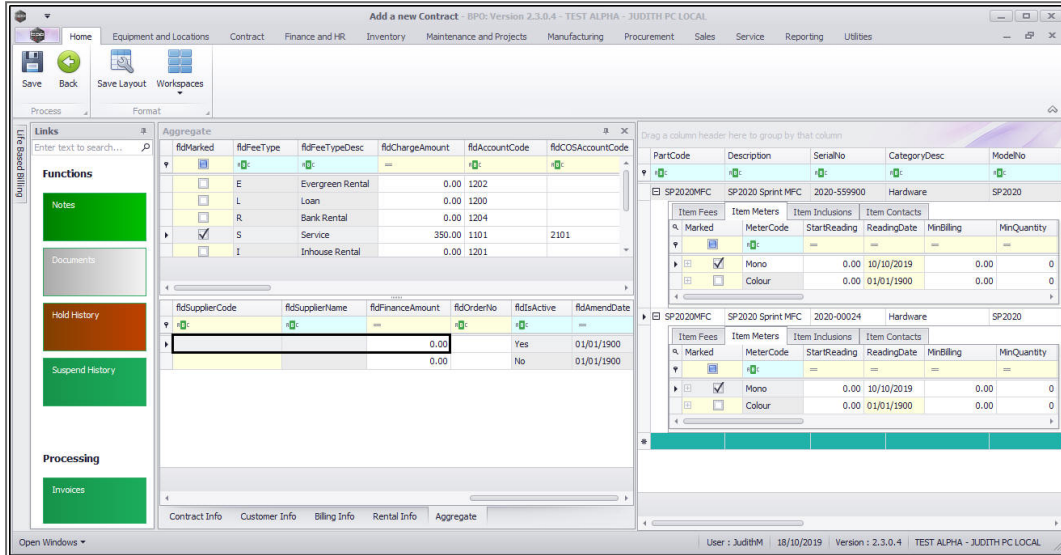


# BACK TO BACK SET UP – METERS WITH MINIMUM BILLING

- **Supplier Code:**
  - Click on the *Supplier Code* text box to reveal an *ellipsis* button.
  - Click on this button to display the *Select a finance party* pop up screen.
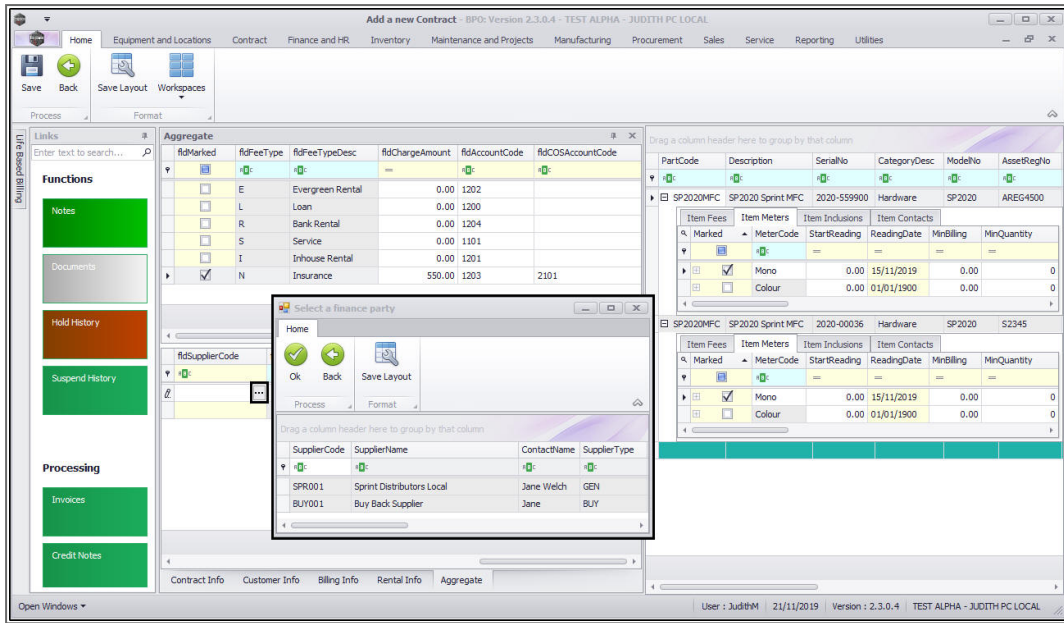
- Select the  *row* of the  *Supplier*  that you wish to  *link*  to this *item meter*.
- Click on  *Ok*.
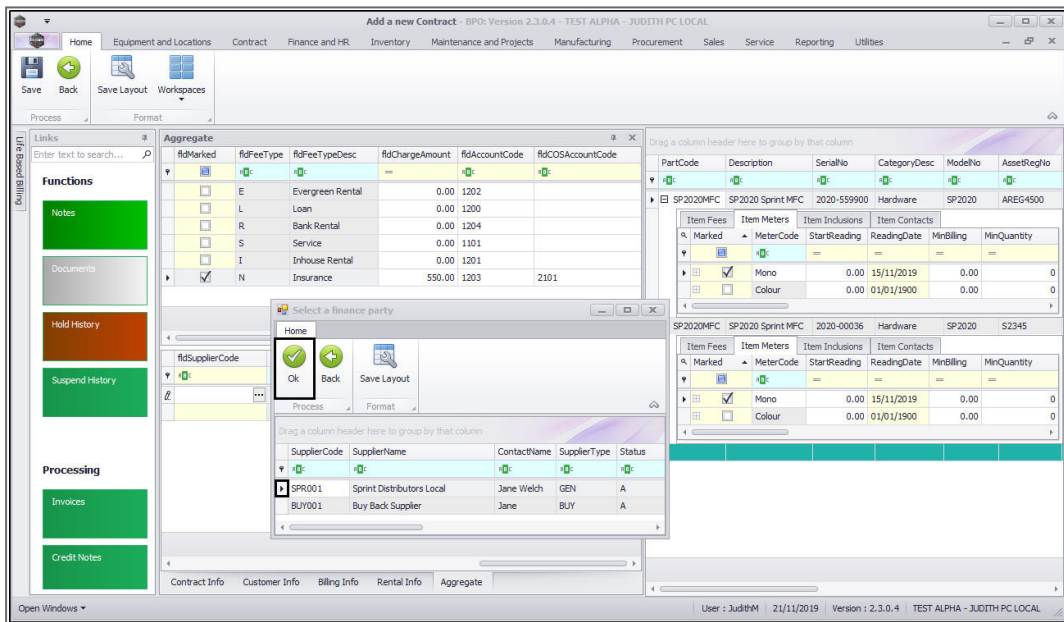


- **Supplier Name:**  This will auto populate once the supplier code has been selected.
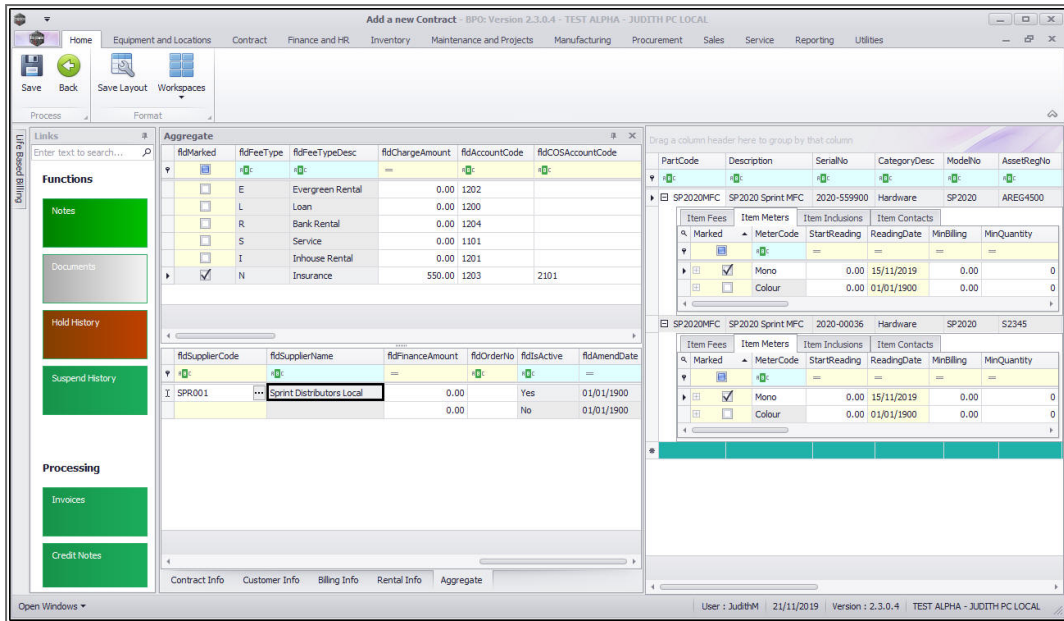
- **Finance Amount:** Click in this text box and either type in or use the arrow indicators to select the finance amount. This amount will be collected from the billing customer and will be **paid to the linked supplier**.

  - In this example, a fixed finance amount of R150 will be charged if the total number of copies made on the selected meter type is any value from 0 up to and including the minimum quantity (in this case from 0 up to and including 1000 mono copies) across all machines included in aggregate / prepaid billing.

  - In this image, R150 will be collected from the billing customer and will be paid to *Sprint Distributors Local*
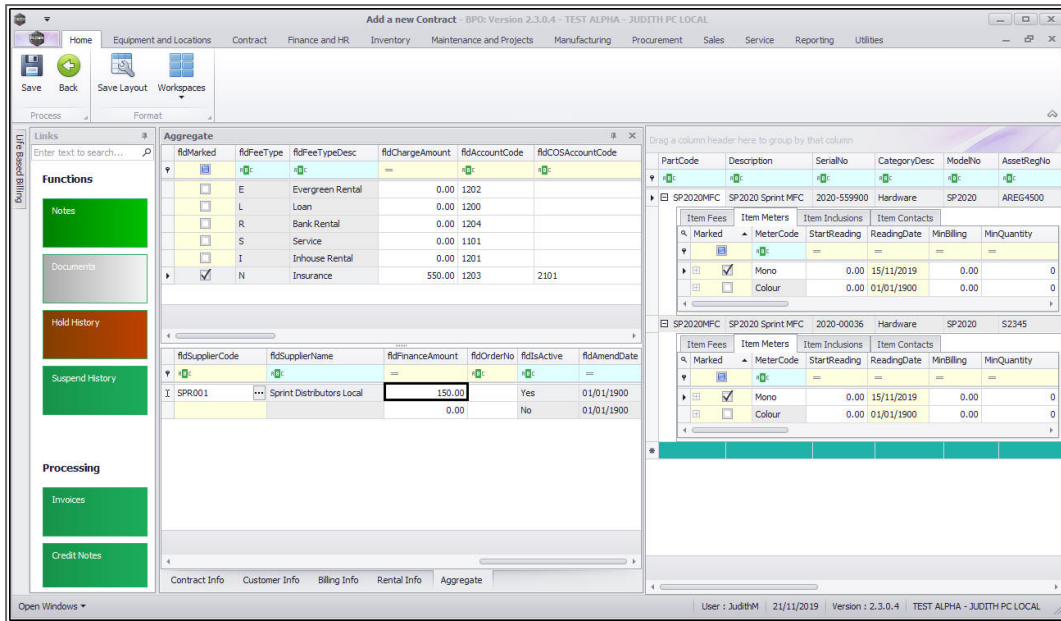
- **Order No:** Type in a customer order number relevant to this item, if required.
- **Is Active:** This field is set to *Yes* (Active) once you have clicked on the Marked checkbox.
- **Amend Date:** This field is static.
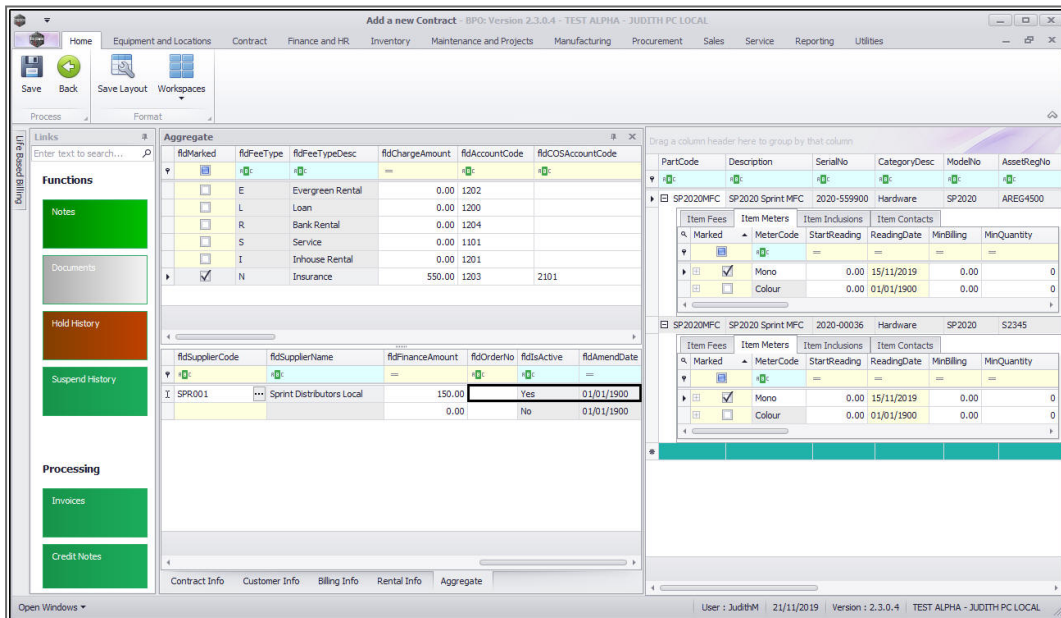
## Add Meter Levels

- *Scroll left* to return to the *Marked* column.
- *Right click* in the *row* of the *item* you wish to *add* a *meter level* to. The item should be active (marked).
  - In this image, the *Mono* meter has been selected.
- A *Process* menu will pop up.
- Click on *Add* - Add a level.

You can add a meter level for either a <span style="color:red">meter with minimum billing</span> or for a <span style="color:red">meter with no minimum billing</span>.
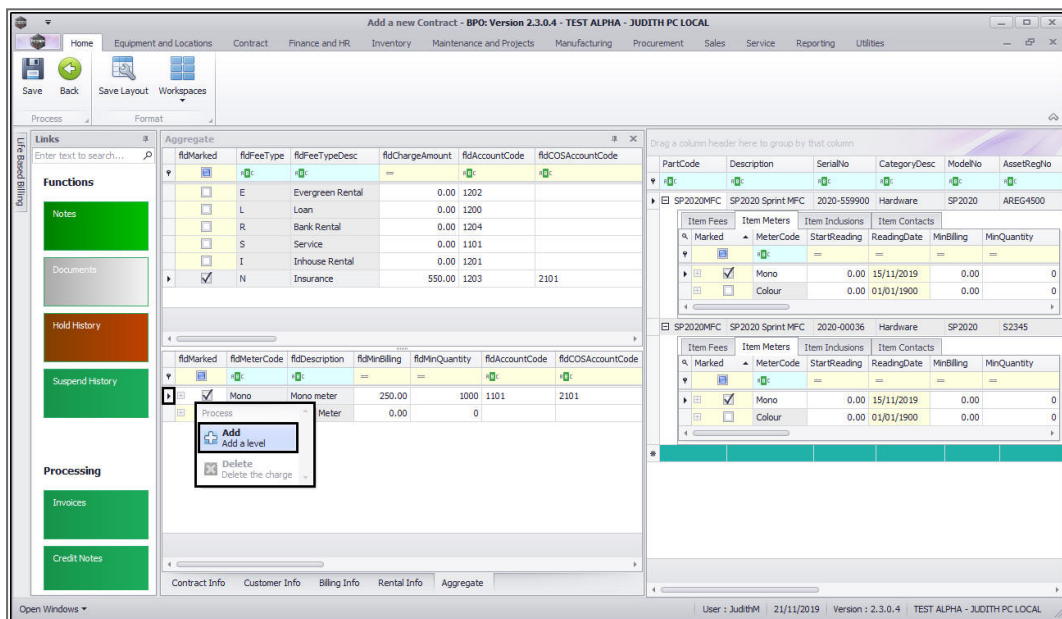


## Meters With Minimum Billing

- The *Meter Charges* frame will be expanded.
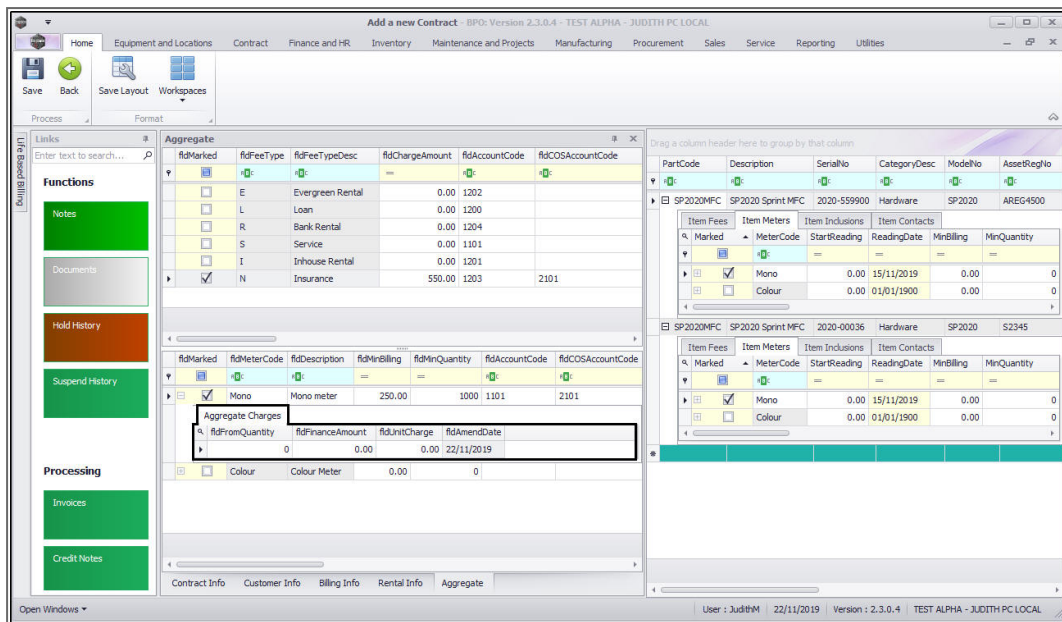
1. For this mono meter, there is a minimum billing set up of a R250 charge for the first combined 1000 copies (Minimum Quantity) made on all contract items included in aggregate / prepaid billing. **BPO** calculates the usage charges by first calculating the minimum billing set up.

   - In this example, it means in **BPO**, a fixed charge of R250 will be charged for any number of mono copies made across all machines (total usage) included in aggregate / prepaid billing from 0 up to and including 1000, thereafter a unit charge per copy will be applied ie from 1001.

2. **From Quantity:** This is the number from which the unit charge will be effective.

   - The first row in the *Meter Charges matrix*, is static at 0. This means if there is minimum billing set up on the meter, the *first* row looks incorrect as the *From Quantity* field is static at 0.

   - If there is minimum billing set up on the meter, **BPO** does not read the *From*

*Quantity* in the first row as 0 (although it displays as 0) but starts counting from ( *Minimum Quantity + 1*). In this case, since (minimum billing level) is up to and including 1000, *BPO* will start counting from 1001.

- For a more detailed explanation, read this important note on Minimum Billing and Meter Charge Setup.

3. **Finance Amount:** Type in the finance amount for the meter (finance charge per copy when minimum billing quantity is exceeded). This amount will be collected from the billing customer and will be paid to the linked supplier.

- *Note:* Refer to Back To Back Meter Level Set Up For A Meter With Minimum Billing for a detailed explanation.

4. **Unit Charge:** Type in the unit charge for the meter type (charge per copy when Minimum Quantity is exceeded).

5. **Amend Date:** This is a static field.
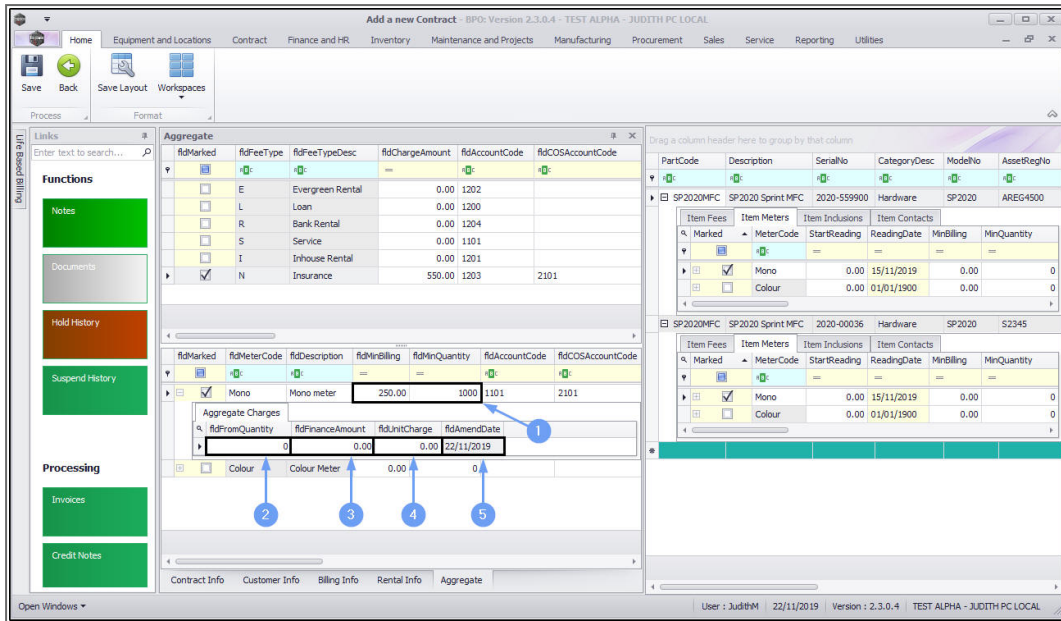
# BACK TO BACK METER LEVEL SET UP

(For a Meter With Minimum Billing)

1. If a meter has minimum billing and...

2.  ... a finance amount set up on the minimum billing level, this means a fixed finance amount will be charged for the total number of copies mad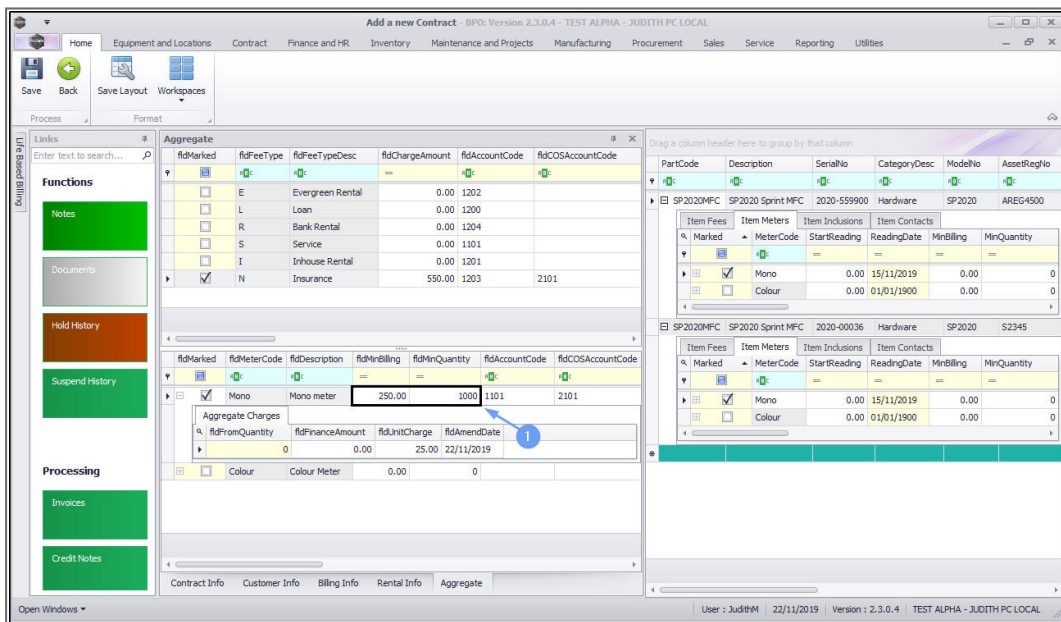e on the selected meter type across all machines included in aggregate / prepaid billing from **0** up to and including the minimum billing quantity.

    - In this example, it means a fixed finance amount of R150 will be charged for any number of mono copies (i.e. from **0** up to and including **1000**) made across all machines included in **aggregate** / **prepaid** billing.

3.  Setting up a finance amount at the meter level means once the minimum billing quantity is exceeded, a finance amount will be charged per copy made across all machines included in aggregate / prepaid billing. This amount will be collected from the billing customer and will be <span style="color:red">paid to the linked supplier</span>.

    - In this example, **15c** will be charged per mono copy made across all machines included in aggregate / prepaid billing once the minimum billing quantity is exceeded i.e. from **1001**.

        - ▪ **Note**: *Scroll right* if you cannot view the *Finance Amount* column in this frame.
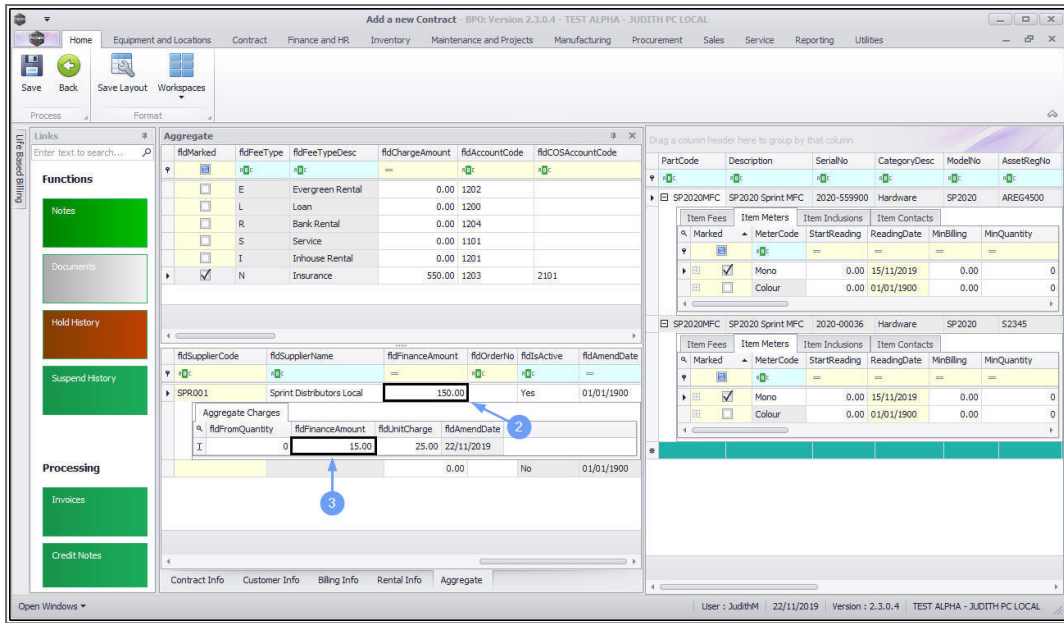
- *Scroll left* until you can view the *Marked* column in this frame. Click on the *hide* button to close the Meter Charges matrix.
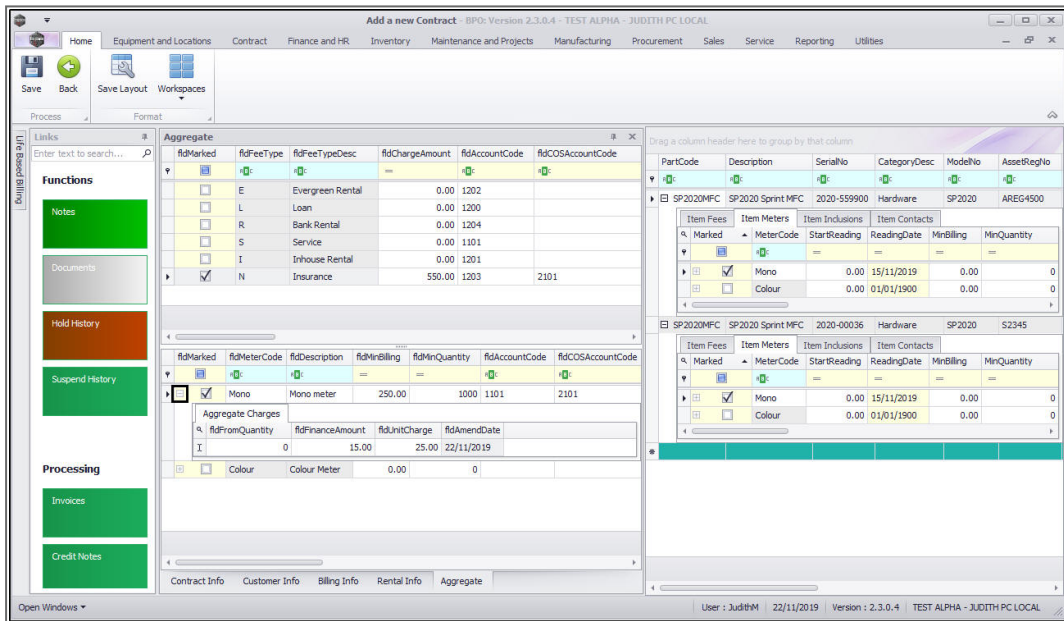


- You can add  additional charge levels.

## ii. For Meters with No Minimum Billing

- The *Aggregate Charges* frame will be expanded.
  - ■ **Note**: The *Colour* meter will be used as an example.
    1. There is no minimum billing set up on this meter. This means the usage calculation will only be based on what's set up in the *Aggregate Charges* matrix.
    2. **From Quantity:** This is the number from which the unit charge will be effective.
       - ○ The first row in the *Meter Charges* matrix, is static at **0**.
       - ○ For a more detailed explanation, read this important note on Minimum Billing and Meter Charge Setup.
    3. **Finance Amount:** Refer to Back To Back Meter Level Set Up For A Meter With No Minimum Billing.
    4. **Unit Charge:** Type in the unit charge for the meter (charge per copy).
    5. **Amend Date:** This field cannot be edited.
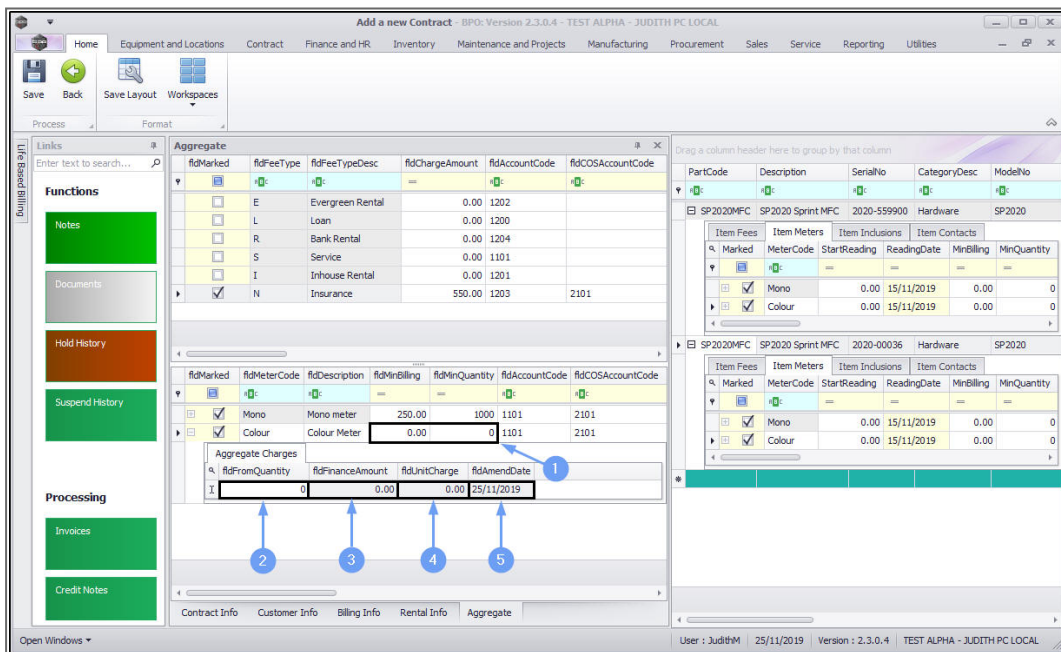
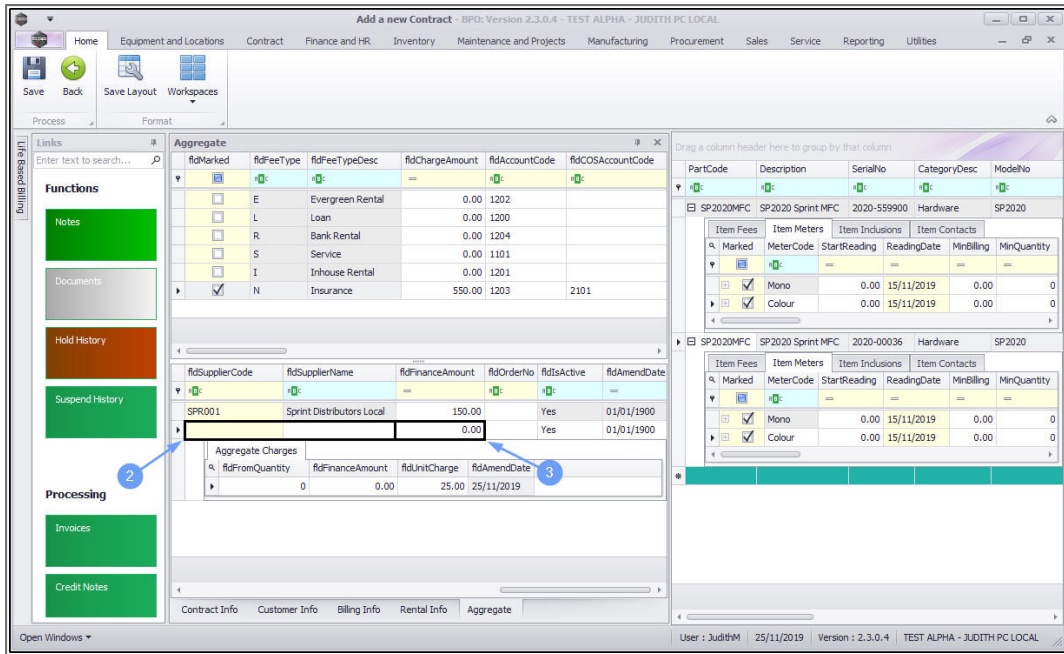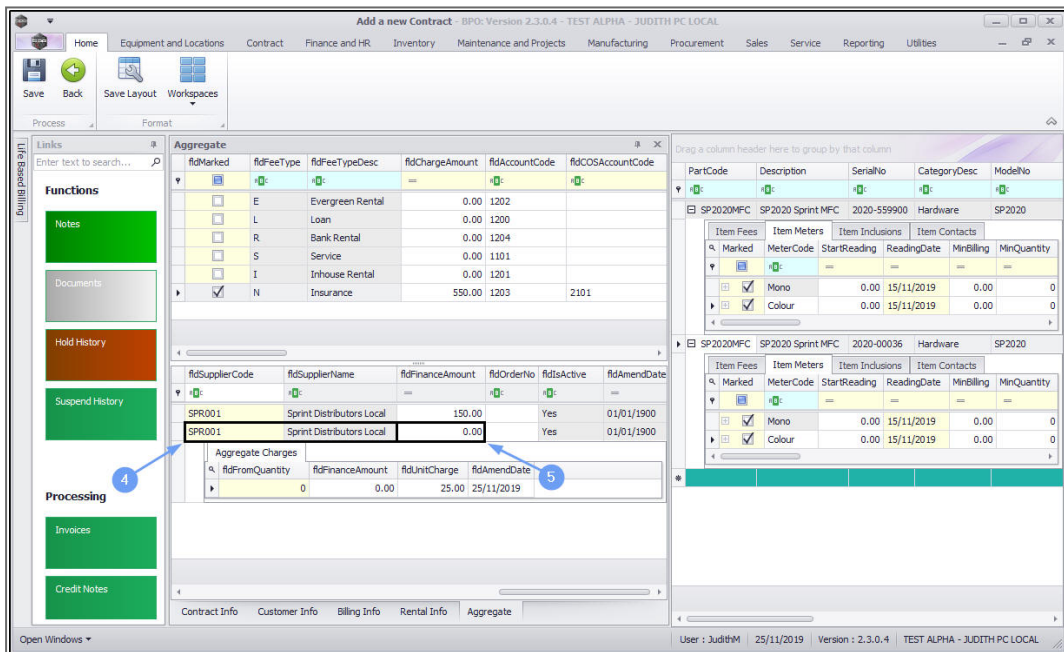1. For a meter with no minimum billing,
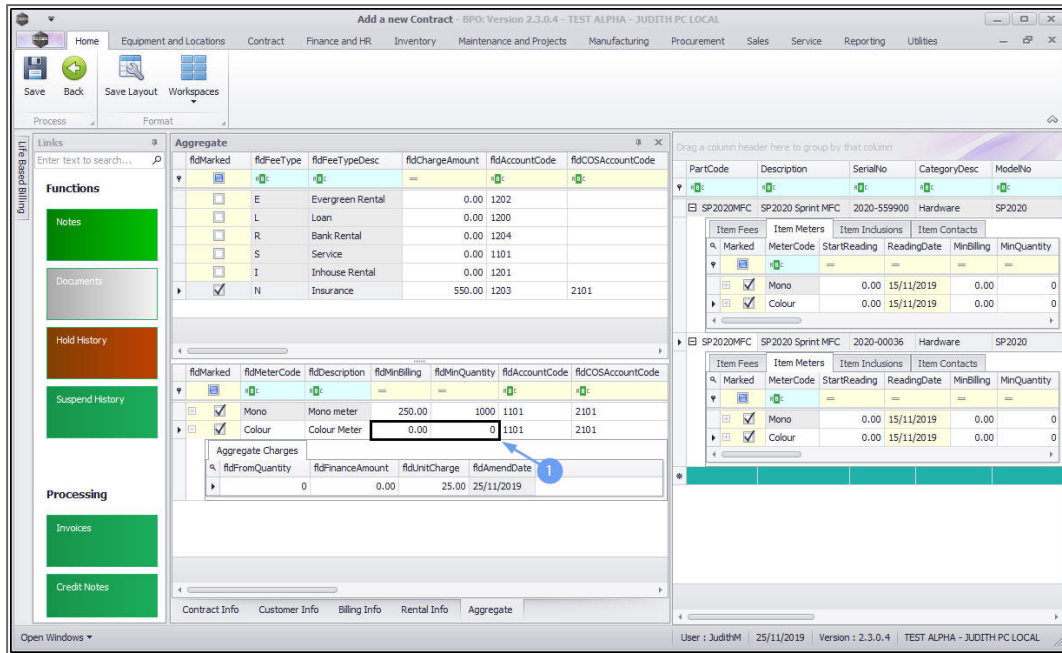


2. **link the required Supplier** and
3. leave the _Finance Amount_ as **0**, at the minimum billing level.
   - **Note**: You may need to _scroll right_ to view the _Finance Amount_ column in this frame.

4. In this image, *Sprint Distributors Local* has been linked as the supplier and

5. the *Finance Amount* has been left as **0** at the minimum billing level

- After linking the Supplier, go to the *Meter Charges* matrix and set up the finance amount per copy.

6. **Finance Amount:** Type in the finance amount for the meter type (finance charge per copy). This amount will be collected from the billing customer and will be  paid to the linked supplier.
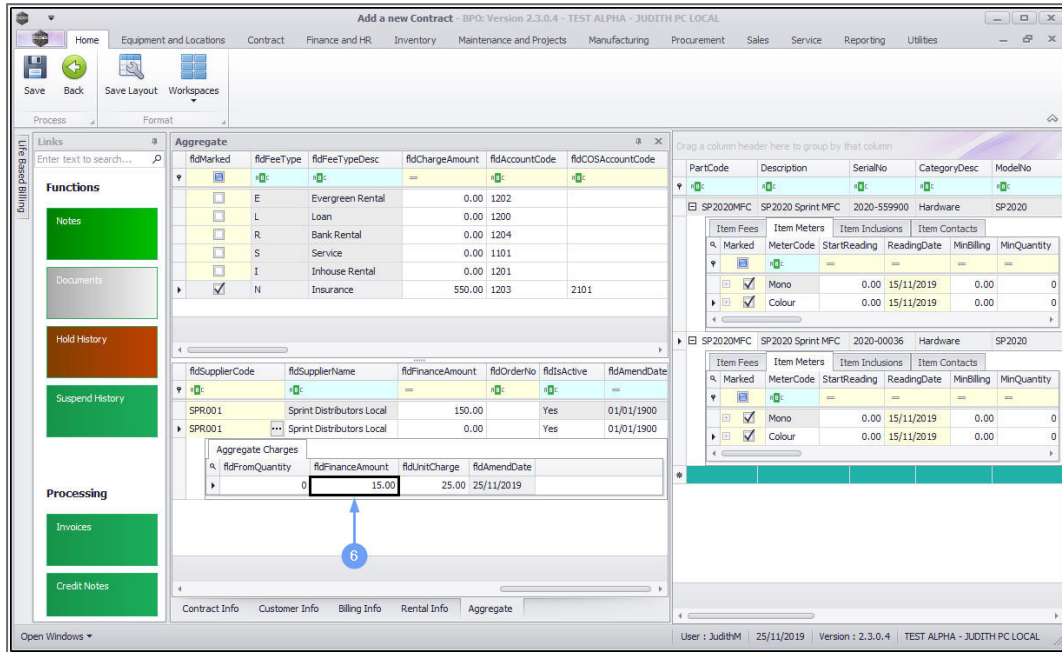


- *Scroll left* until you can view the *Marked* column in this frame. Click on the *hide* button to close the *Meter Charges* matrix.
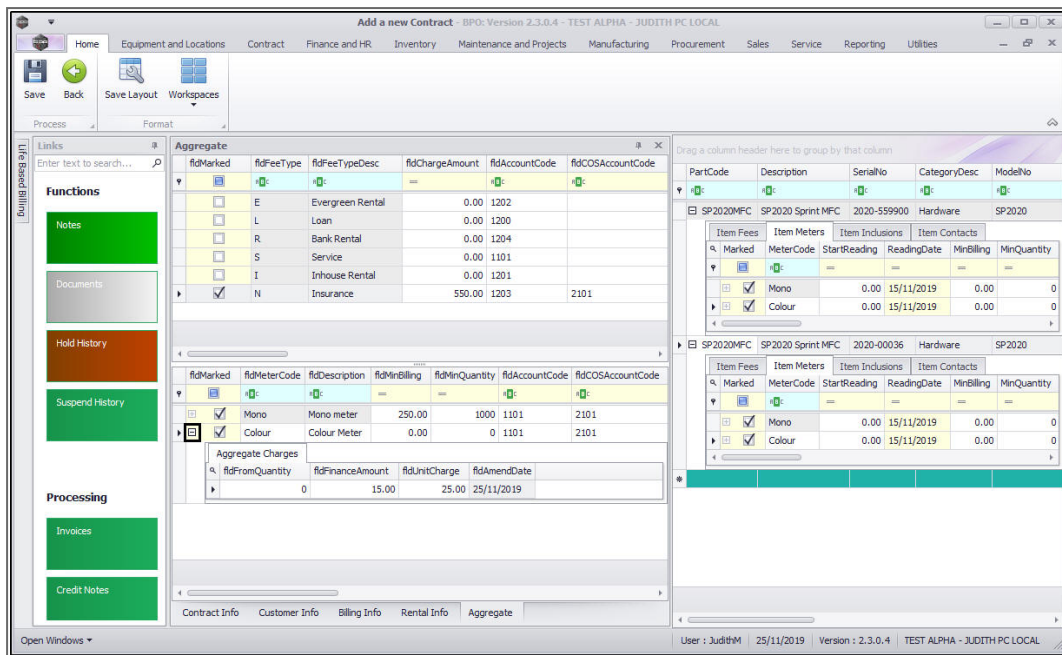
- You can add additional charge levels.

# ADD ADDITIONAL CHARGE LEVELS

- *Right click* anywhere in the *row* of the *item* that you wish to add *another meter level* to. (You can do this whilst the aggregate charges matrix is open / closed).
  - **Note** : The *Mono* meter will be used as an example.
- The *Process* menu will pop up again.
- Click on *Add* - Add a level.
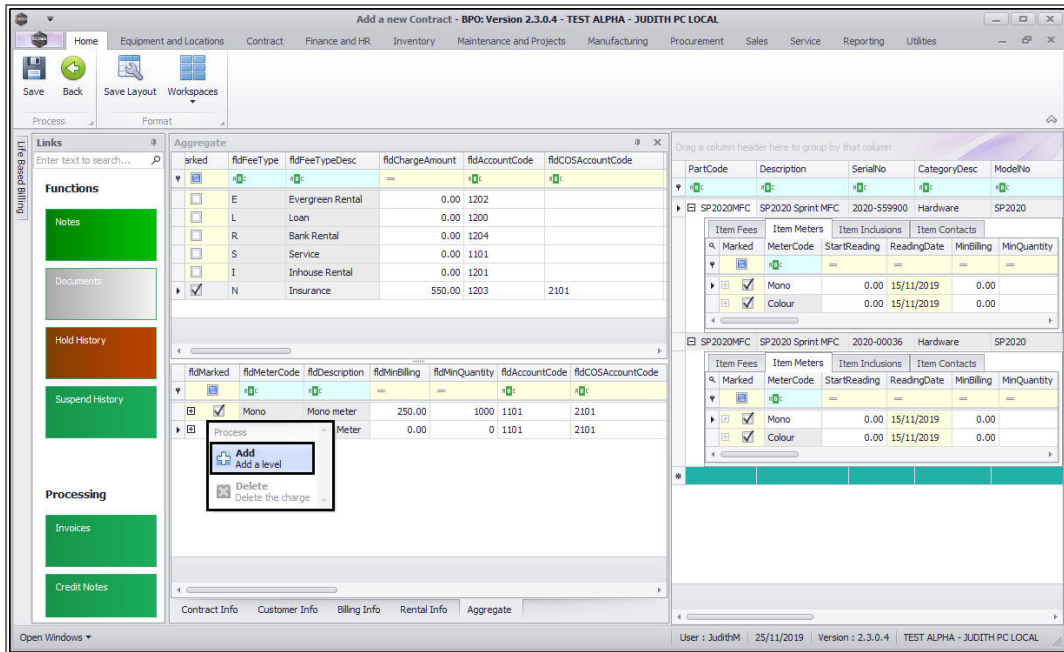
- A  *second level*  has now been added to the  *Aggregate Charges*
matrix.

    - **From Quantity:**  Type in or use the arrow indicators
      to select the number of copies from which this charge
      will be effective.

        - For a more detailed explanation, read this
          important note on Minimum Billing and
          Meter Charge Setup.

    - **Finance Amount:**  Type in or use the arrow indicators
      to select the finance amount for this additional meter
      level (finance amount per copy). This amount will be
      collected from the billing customer and will be  paid to
      the linked supplier.

        - *Note:*  This charge will usually increase
          with each new level.

    - **Unit Charge:**  Type in or use the arrow indicators to
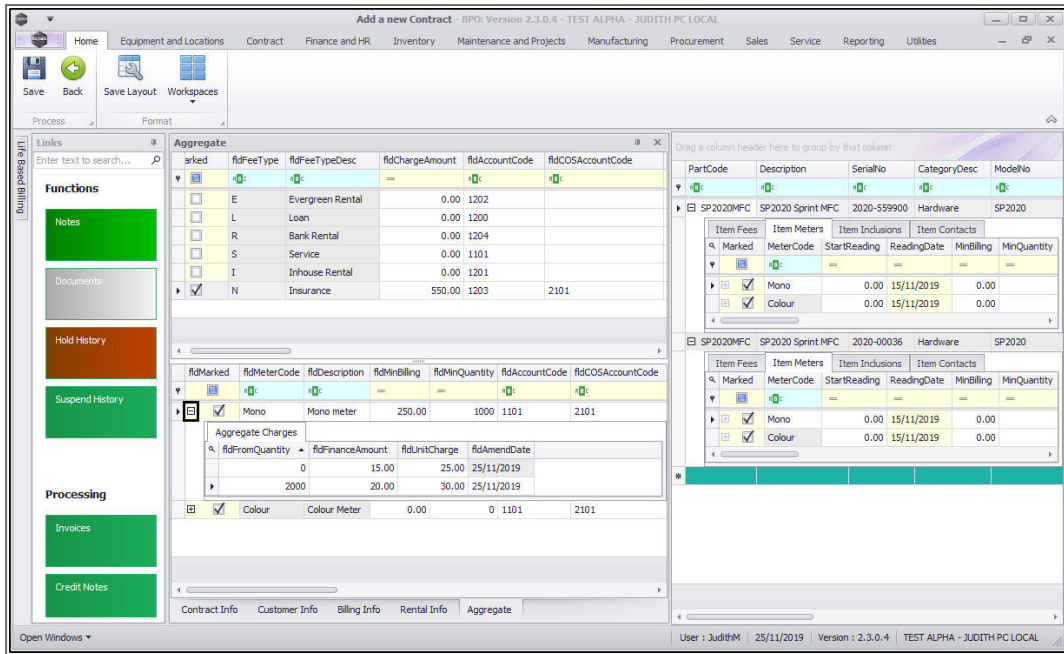      select the unit charge for this additional meter type

(charge per copy). This charge will usually increase with each new level.

- **Amend Date:** This field cannot be edited.

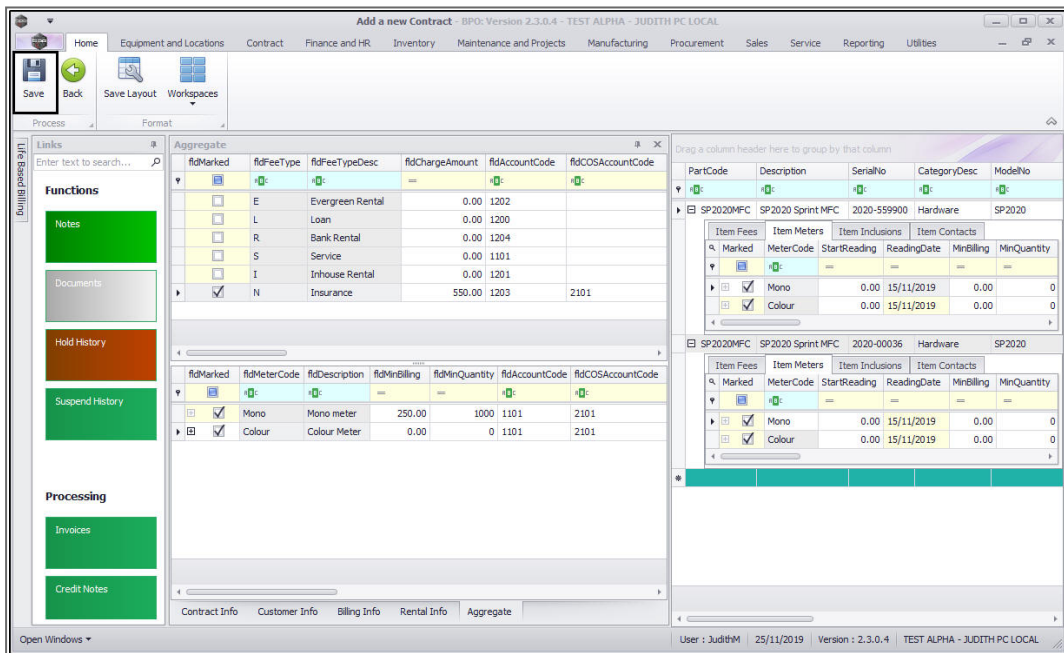Repeat this process to add more meter charges levels, as required.
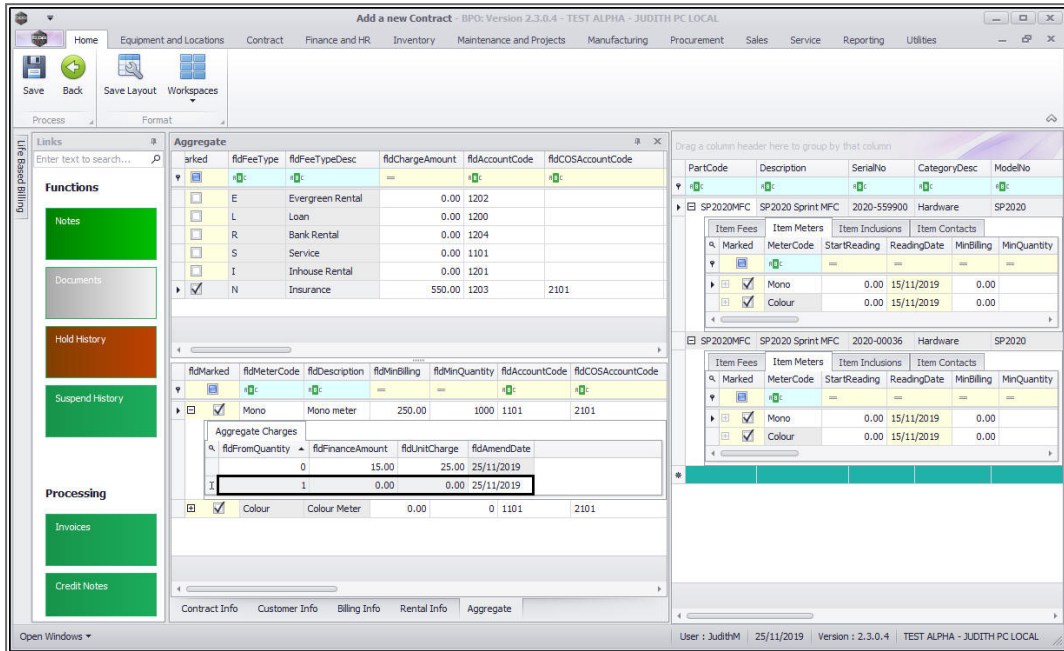


- When you have finished working in the *Aggregate Charges* frame, click on the *Hide* button to *close* the frame.
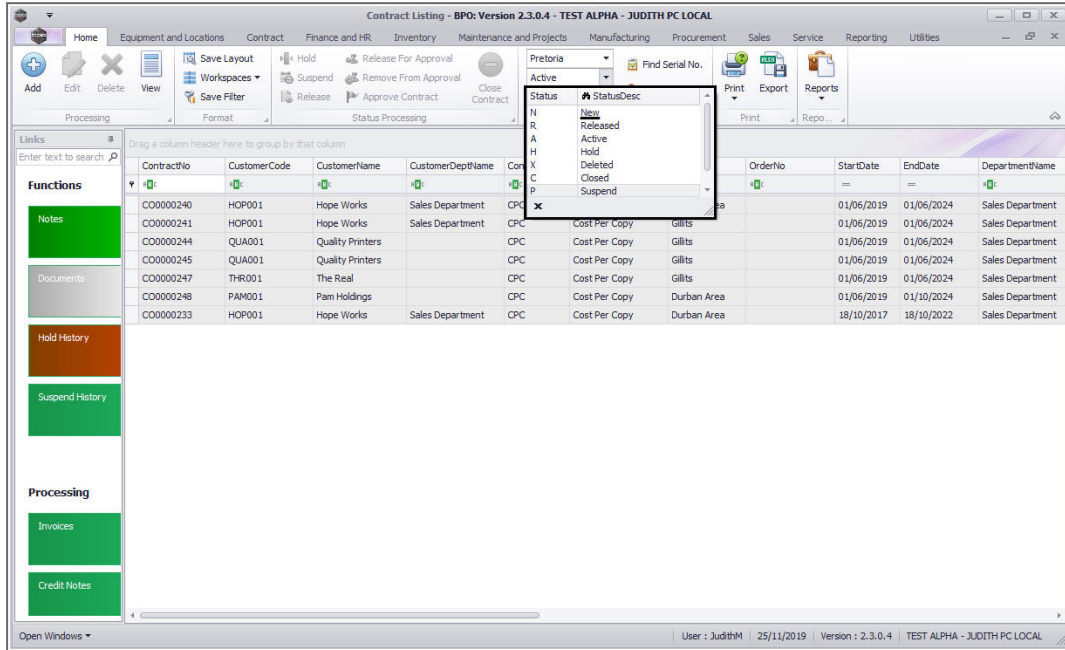
# SAVE THE CONTRACT

- Add  contract inclusions if applicable and  item contacts.
- When you are finished, click on  *Save*.

- The new contract will be *saved* and you will return to the *Contract Listing* screen where the status defaults to *Active*.
- Click on the *drop-down arrow* in the *Status* field and select status - *New*.



- The new contract can be found within the *New* contract status listing screen.
- From here the contract will need to be <u>Released</u> and then <u>Approved</u> before it becomes active.
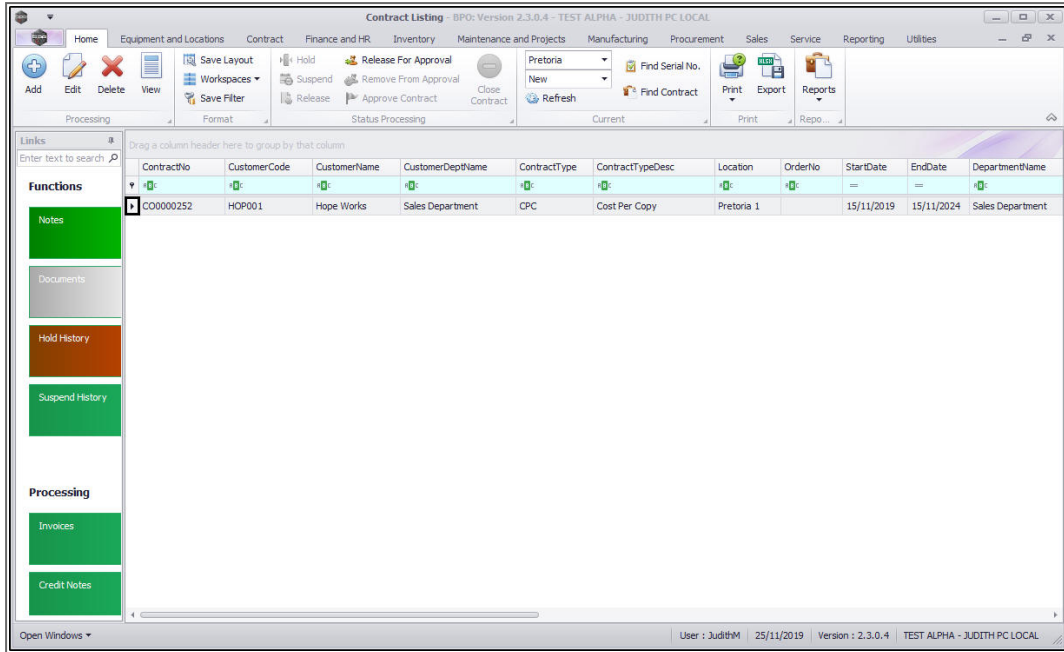
## IMPORTANT NOTE

### CREATE BACK TO BACK SUPPLIER INVOICES

- After billing back to back contracts, remember to create back to back supplier invoices for the suppliers linked to the back to back contracts.

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