



# Asset Manager

Software Version: 9.60

Windows® and Linux® operating systems

# Contracts

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# Part I: Introduction

# Chapter 1: Introduction

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## Who is the Contracts module intended for?

The **Contracts** module is intended for companies with assets under contract:

- Insurance
- Leasing
- Maintenance
- Licenses
- Application services
- Service level agreements
- Blanket purchase orders

The **Contracts** module is generally used by the following people:

- Financial managers
- Purchase managers
- Purchasers
- Portfolio managers
- Lawyers
- Persons in charge of tracking assets for administrative purposes
- Persons in charge of service level agreements

## What does the Contracts module do?

The **Contracts** module describes and manages contracts:

- Contractual conditions
- Stakeholders
- Rent, loans and taxes
- Expenses
- Assets and personal charges
- Lessor-Lessee procedures
- Leasing contract terminations
- Reports
- Service level objectives

The **leasing** part of the Contract module is particularly important, since leasing has a large effect on the Total Cost of Ownership (TCO) of assets. Gartner Group believes that proper management of leasing agreements is one of the main sources of possible savings in IT asset management and that it is necessary, in order to achieve this, to use an appropriate software package.

## Chapter 2: Preliminary steps

### License agreement

In order to use the **Contracts** module, your Asset Manager user license must grant you access to the following modules:

#### Contracts module - required user license

Required functionality	Module to be purchased within the license
Contract management	Contracts
Portfolio management	Portfolio
Cost management	Financials
Procurement management (optional)	Purchases

#### Working in your production database with the Contracts module

In order to work in your own production database, you must:

1. Install Asset Manager
2. Execute Asset Manager Application Designer
3. Create your database and import the **Line-of-business data** specific to contracts (see hereafter),
4. Activate the database using a set of HP AutoPass License Keys that include authorization for the modules given in the table **Contracts module - required user license**.  
See Asset Manager **Administration** guide, chapter **Installing License Keys**.
5. If you are using the Windows client:
  - a. Execute Asset Manager,
  - b. Connect to your database,
  - c. Activate the modules in the table **Contracts module - required user license** using the **File/ Manage modules...** menu.  
For further information on activating modules, refer to the **Tailoring** guide, part 1 **Customizing client computers**, chapter **Customizing a client workstation**, section **Activating the modules**.

#### Importing the Line-of-business data when you create the database

Follow the instructions in the **Administration** guide, chapter **Creating, modifying and deleting an Asset Manager database/ Creating the database structure with Asset Manager Application Designer**.



On the **Data to import** page, select the following options:

- Contracts - Line-of-business data
- Contracts - Line-of-business data (ASP)
- Financials - Line-of-business data (TCO-budgets-chargeback)

### Importing the Line-of-business into an existing database

Proceed in the following manner:

1. Execute Asset Manager Application Designer
2. Select the **File/ Open** menu item.
3. Select the **Open database description file - create new database** option.
4. Select the **gbbase.xml** file which is located in the **config** sub-folder of the Asset Manager installation folder.
5. Start the database creation wizard (**Action/ Create database** menu).
6. Populate the pages of the wizard as follows (navigate through the wizard pages using the **Next** and **Previous** buttons):

**Generate SQL script / Create database** page:

Fields	Value
Database	Select the connection to the database into which you wish to import the line-of-business data.
Create	Import line-of-business data.
Use advanced creation options	Do not select this option

**Creation parameters** page:

Fields	Value
Password	<p>Enter the administrator's password.</p> <p><b>Note:</b> The Asset Manager database administrator is the record in the <b>Employees and departments</b> (amEmplDept) table for which the <b>Name</b> (Name) field is set to <b>Admin..</b></p> <p>The database connection login is stored in the <b>User name</b> (UserLogin) field. The administration name is <b>Admin.</b></p> <p>The password is stored in the <b>Password</b> field (LoginPassword).</p>

**Data to import** page:

Fields	Value
Available data	Select the following options: <ul style="list-style-type: none"><li>○ Contracts - Line-of-business data</li><li>○ Contracts - Line-of-business data (ASP)</li><li>○ Business services management - Line-of-business data</li><li>○ Financials - Line-of-business data (TCO-budgets-chargeback)</li></ul>
Stop import if error	Select this option for the import to stop if a problem is encountered.
Log file	Full name of the file to which all import operations, including errors and warnings, are logged.

7. Execute the options defined using the wizard (**Finish** button).

**To learn more about installing Asset Manager**

Refer to the **Installation and upgrade** guide.

## Part II: Utilization

# Chapter 3: General concepts

This chapter gives a general overview of the **Contracts** module.

Asset Manager helps you manage contracts or agreements signed with your external partners (maintenance contracts, insurance contracts, and so on) and with other departments within your company (service level agreements).

Contracts are organized hierarchically and are managed in a separate table: Each contract may have a parent contract and sub-contracts.

The list of tabs in the contracts screen and their contents depends on the **Type** (seType) and **Nature of payments** (sePayType) fields.

## Leasing contracts

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## Key concepts

Leasing consists of giving a third-party the right to possess and use an asset for a set time period against the payment of rent.

The customer, or lessee, uses the equipment at their disposal without actually owning it. They pay rent to the lessor, who is either the legal owner of the assets or acts on behalf of the legal owner of the assets.

Leasing involves the following concepts:

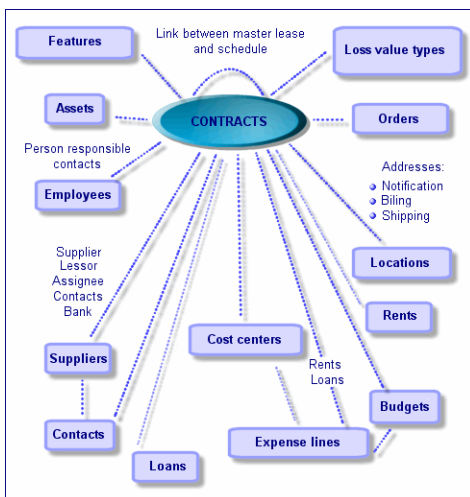
- [Leasing](#)
- [Master lease](#)

- Lease schedule
- Rent
- Acceptance
- Loss value
- Loans
- End of term
- Assignee

For a definition of these concepts, refer to [Glossary](#).

## Simplified data model

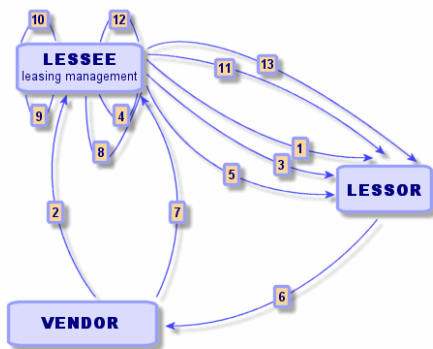
### Contracts - data model



## A typical procedure

Here is an example of a typical leasing procedure:

### Leasing - simplified description of procedure




1. Creating the master lease: This defines the general terms and conditions. It is used as a template for lease schedules.
2. Creating estimates (quotes) for assets to be leased using Asset Manager. This enables you to start evaluating rent amounts.
3. Creating the lease schedule. This can be attached to a master lease or remain autonomous.
4. Creating the purchase order for the assets to be leased using Asset Manager.
5. Issuing the purchase order (lessee to lessor).
6. Purchase order from lessor to vendor.
7. Delivery from vendor to lessee.
8. Create the receiving slip for the assets associated with the order using Asset Manager. This assigns the assets to the lease schedule.
9. If you do not use Asset Manager to manage procurement, the assets need to be added manually to the lease schedule.
10. Rent description.
11. Accepting the assets. Sending the acceptance certificate (lessee to lessor).
12. Life-cycle management of assets on contract: Add, return, renew and buy out assets. Manage lost, damaged or destroyed assets.
13. End of term management: Renew or upgrade the contract, return or buy out the assets.

## Tracking operations

To track the asset lifecycle, display the **Cycle** tab in the contract detail. It summarizes operations performed on the assets as part of a lease contract.

1. Placing under contract (take down)
2. Acceptance
3. Renewal
4. Buy out
5. Return

**Note:** This tab is for information only: You cannot perform operations on the assets under contract.

To unfold the list of assets and the return slips associated with an operation, click .

By double-clicking, it is thus possible to access the details of the assets and return slips listed.

**Note:** In the case of returns, the date which appears is the scheduled return date

## Using the current or previous version of the Leasing module

By default, the most recent version of the Leasing module is enabled in Asset Manager. This version enables access to the same components via both the Web and Windows clients. This version uses wizards instead of windows to access certain features of the module (for example: accepting assets, renewals, buyouts, and so on).

To enable the previous leasing management mode:

1. Start the Asset Manager Windows client.
2. Connect to the database that needs to use the previous leasing management mode (**File/ Connect to database...** menu).
3. Display the database options via the **Administration/ Database options** menu.
4. Select the **Leasing/ Use the previous version of the Leasing module** option.
5. Assign the value **Yes** for the option (**Current value** column).
6. Validate (**OK** button).
7. Reconnect to the database so that the new value of the option is applied:  
Windows client: Select the **File/ Connect to database...** menu.  
Web client: Click the **Logout** link, then reconnect.

## Maintenance contracts

Asset Manager enables you to define the terms and conditions of your maintenance contracts and manage related work orders.

For further information on managing work orders with Asset Manager, refer to the **Portfolio** guide, chapter **Work orders**.

## Insurance contracts

The Asset Manager **Contracts** module enables you to define the terms and conditions of your insurance contracts.

Apart from this, managing an insurance contract with Asset Manager follows the same process as managing a leasing contract.

For further information on creating and tracking insurance contracts, refer to the overview of leasing contracts. [Leasing contracts](#).

## Software licenses

Asset Manager enables you to define the terms and conditions of your license contracts.

For further information on managing software licenses and installations with Asset Manager, refer to the **Software assets** guide.

## Blanket purchase order contracts

**Blanket purchase order** type contracts are closely linked to Asset Manager's **Procurement** module because customers are linked to their supplier by a minimum purchase commitment for a given period.

Refer to the **Procurement** guide, chapter **Orders**, sub-chapter **Blanket purchase orders**, for further information on the creation and management of **blanket purchase order** type contracts.



# Application service contracts

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## Key concepts

An application service is a software application hosted by a third-party named an application service provider or ASP. This application is usually related to a particular business domain (bank account management, customer accounts, and so on) and is subject to a subscription-type contract.

Application services free companies from having to upgrade or maintain applications.

Asset Manager is capable of storing and tracking your company's application-service data: You can access ASP contract data and create automated procedures (through actions and workflows).

## Steps to follow to manage application service contracts in Asset Manager

Managing an application service contract with Asset Manager requires you to follow the following distinct steps:

1. **Creating the contract (Asset lifecycle/ IT services and virtualization/ ASP/ Application services link on the navigation bar):** This step involves populating the fields that will define the contract created (contract supervisor, reference, application type, and so on)
2. **Selecting the employees who have access to the contract (Employees tab in the application service detail):** This step involves selecting the contract administrator (and their login) and the contract users.
3. **Day-to-day management of the contract:** Day-to-day management is based on actions and workflows (administration, connection, routing e-mail, adding and removing users, modifying accounts). The workflow schemes are run in Asset Manager Automated Process Manager.

**Caution:** In order for the workflow to function, the module **Execute workflow rules for execution group BST\_ASP** must be enabled in Asset Manager Automated Process

Manager.

4. **Validating modifications** by the contract supervisor (**Asset lifecycle/ Infrastructure management/ My workflow tasks** on the navigation bar): this step is manual and enables the supervisor to check and integrate all changes indicated by Asset Manager Automated Process Manager. Information related to the contract is then refreshed and the workflow notifies the contract users.

For more information on managing application service contracts, please refer to chapter [Day-to-day management of ASP contracts](#).

## Service level agreements

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## Key concepts

The goal of **Service level management** (SLM) is to manage the catalog of services in the IT department and define performance levels of these services.

A **Service Level Agreement** (SLA) is defined for each service, with the clients of the service.

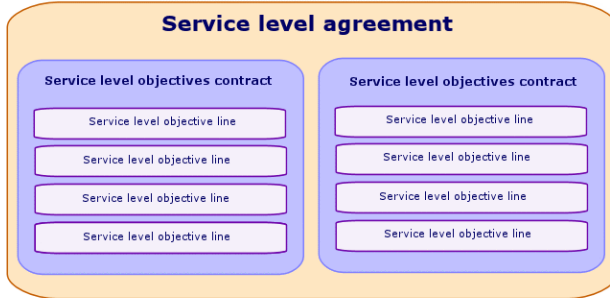
Each service level agreement has one or more **Service Level Objectives contract(s)** (SLO), with one service level objectives contract being implemented per time division for which a service level agreement was defined.

Each service level objectives contract is composed of **service level objective lines**. There is one service level objective line per period that makes up the contract's time division.

The **Service Level Manager** (SLM) monitors accepted quality indicators and, if necessary, implements corrective measures.

The following diagram shows you how **service level agreements**, **service level objectives contracts** and **service level objective lines** all fit together:

### Service level management - Key concepts



The next diagram provides a detailed example:

### Service level management - Example



## Why manage service levels?

Service level management enables an enterprise to monitor the performance of the IT systems that support the enterprise's core business.

SLM lets enterprises see if service levels have been met and, if not, helps them to understand why.

**Service level objectives** define objectives that can be used when evaluating the IT department.

## **Benefits of service level management**

- The quality of the IT systems is maintained or improved.
- Relationships between IT and business services are clarified and improved.
- Users can concentrate on their core business without suffering from IT issues.
- The IT department knows where it needs to concentrate its efforts.
- Users know what to expect (availability).
- More attention is given to the cause of incidents.
- A clear chargeback system exists between the parties.
- In most cases, the cost of services provided by the IT department decreases.

## **What does service level management cover?**

Service level management covers:

- The preparation, coordination, writing, signature, monitoring and reporting of service level agreements.
- Constant evaluation of reached service levels.
- Charging back penalties when objectives have not been met.

## **What is a service level agreement?**

A service level agreement is a written agreement between the IT department (provider) and its clients.

It defines the objectives and responsibilities of both parties.

This agreement can cover a given service (and all of its users), a given user group (and all of their services), or a combination of both.

Every objective must be measurable to prevent, as much as possible, any situations of conflict from arising.

The technical means used to measure performance must be carefully evaluated.

## What Asset Manager lets you do

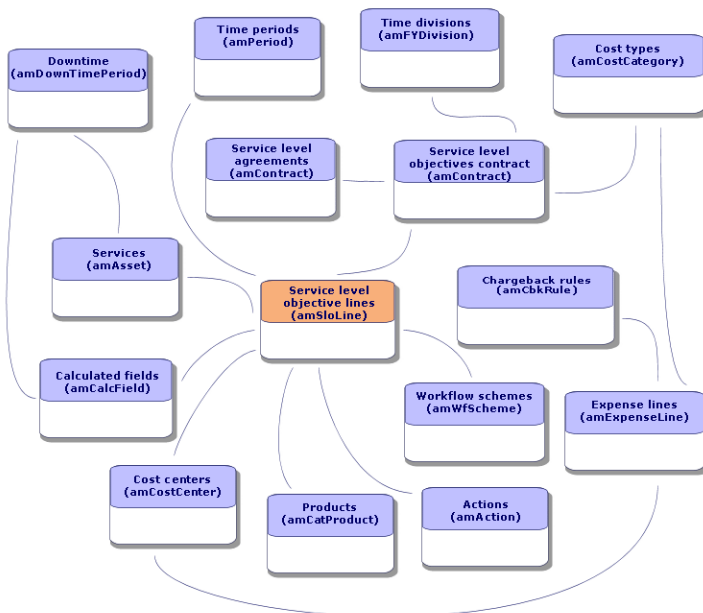
Asset Manager lets you:

- Describe service level agreements.
- Describe a service level objectives contract for each time division (for example, for 2011), for each service level agreement.
- Describe performance objectives for each period covered by the time division (for example, each quarter of 2011), for each service level objectives contract.  
These objectives are used to evaluate the availability of the service.
- Define downtime penalty calculation rules for each service level objectives contract.
- Calculate availability levels and any penalties.
- Charge back penalties.

## Data model

The following diagram shows which tables are used for service level management and the links between them.

### Service levels - tables involved



## Contract status

A contract's status is defined by the **amContract.seStatus** field and the following values are available.

- **0 - In preparation:** Draft version, not validated (upon creation). Also applies to a contract that has been generated from an OOB purchase order.
- **1 - Standard contract:** Contract to be used as a template.
- **11 - Quote requested:** Contract that is pending on the result of a purchase request quote.
- **12 - Quoted:** Quote has been received.
- **13 - Awaiting Approval:** To be approved (specific workflow can be triggered (sysSam\_CNTR\_APPR) for the current contract in Software Asset Management (SAM) when the status is also set to SAM\_WORKFLOW).
- **14 - Validated:** Contract that has been validated from a financial and contractual point of view. For SAM, it can be set by workflow in SAM, see the [Software Asset Management Guide > Using the Software assets module > Automating contract validation > Customize the Contract validation workflow scheme](#) for more information.
- **15 - Denied:** Contract has been denied (workflows in approval cycle set the contract to Denied when the approver rejects it).
- **31 - Active:** Contract is active (current timeframe should be within the start and end date).
- **33 - Awaiting approval for renewal:** Generally before the end of the contract, the status can be set to trigger a new set of validation request (budgetal, Billing, Legal, Financial and Technical). This proposed date to set this status is given by the Renewal notice date (dRenNotice) (Note: see Workflow sysSam\_CNTR\_APPR).
- **39 - Suspended:** Not active and suspended. Might be activated in the future. No document can be approved through the **Validate contract document** (BST\_CNTR\_DOC\_APPR) workflow if the contract is suspended.
- **41 - Finished:** Not active anymore.
- **-1 - Cancelled:** A contract that has been cancelled.

# Chapter 4: Step 1 - Creating the contract

This chapter explains how to create a contract and deals with the following points:

- Available menus
- Critical fields to populate
- Tabs to not populate at this stage
- Types of contracts available

## Creating a contract

Asset Manager provides two methods to create a contract:

- **Method 1: From the list of contracts**
  - a. Display the list of contracts using one of the following links on the navigation bar:

### Links on the navigation bar to access contracts

Link	Contract types displayed using the menu
Asset lifecycle/ Supplier contract management/ Contracts	All types, except <b>ASP</b>
Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules	Lease schedule
Asset lifecycle/ Supplier contract management/ Blanket PO type contracts	Blanket purchase orders
Asset lifecycle/ Supplier contract management/ Leasing/ Master leases	Master lease
Asset lifecycle/ IT services and virtualization/ Application services	ASP
Asset lifecycle/ Supplier contract management/ Service level	Service level agreements

**Tip:** Several links on the navigation bar give access to contracts that have the same type.

The links on the navigation bar, which only display certain types of contracts, have the advantage of filtering the contracts.

There is only one link on the navigation bar to access **ASP** type contracts. The **Asset lifecycle/Supplier contract management/Contracts** link does not display them.

- b. Create a new contract (**New** button).
- c. Populate the contract fields and links, especially the following ones:

Field or link	Value
Type (seType)	In order to learn how to populate this field, see <a href="#">Types of contracts</a>
The <b>General</b> tab	
Attached to (Parent)	To learn how to populate this field, see <a href="#">Organizing the hierarchy of contracts</a>
Nature of payments (sePayType)	<ul style="list-style-type: none"> <li>• <b>None</b>: the contract is neither financed by rents nor loans.</li> <li>• <b>Rents</b>: the contract is financed by rents. See <a href="#">Step 3 - Defining rent</a></li> <li>• <b>Loans</b>: the contract is financed by loans. See <a href="#">Step 4 - Defining loans</a></li> <li>• <b>Both</b>: the contract is financed by rents and loans. See <a href="#">Step 3 - Defining rent</a> - see <a href="#">Step 4 - Defining loans</a></li> </ul>
<b>Service lvl.</b> tab	This tab is displayed when the <b>Type</b> field (seType) is set to <b>Service level agreements</b> or <b>Service level objectives</b> .
<b>Leasing</b> tab	This tab is displayed when the <b>Type</b> (seType) field is set to <b>Leasing</b> or <b>Leasing (master lease)</b>
<ul style="list-style-type: none"> <li>• Assignable (bAssignable)</li> <li>• Assignee</li> <li>• Conditions (AssignCond)</li> </ul>	Lease contracts can be assigned: The lessor may use an assignee to finance the equipment. In this case, populate these fields.
<b>Licenses</b> tab (for license contracts)	This tab is displayed when the <b>Type</b> (seType) field is set to <b>License</b>
The <b>Employees</b> tab	This tab enables you to define the list of users of a license.
<b>Options</b> tab	This tab is displayed when the <b>Type</b> (seType) field is set to <b>Lease schedule</b> and enables you to determine the possible end-of-term options.



Field or link	Value
	See <a href="#">Step 7 - Defining loss values</a>
<ul style="list-style-type: none"> <li>Windows client: <b>Contract</b> button</li> <li>Web client: Select <b>Contract</b> from the <b>Actions...</b> drop-down list.</li> </ul>	<p>This button and entry are displayed in the details of application service contracts. They enables you to access the typical fields and links of contracts (<b>license</b> contract in this case).</p> <p>You will note that the screens describing the <b>application service</b> aspects and the <b>license</b> aspects correspond to the same record.</p> <p>See <a href="#">Day-to-day management of ASP contracts</a></p>

- d. Do not populate the following tabs; They will be populated at a later stage:

Tab	Chapter or section to consult
Assets	See <a href="#">Step 2 - Adding the assets to the contract</a>
Assets (leased)	See <a href="#">Step 5 - Accepting assets</a>
Rents	See <a href="#">Step 3 - Defining rent</a>
Loans	See <a href="#">Step 4 - Defining loans</a>

**Note:** For lease contracts, Asset Manager automatically creates a default rent when the contract is created. See [Adding a default rent automatically when a contract is created](#)

- e. Windows client: Click the **Create** button.  
Web client: Click the **Save** button.

• **Method 2: From the Create a contract...** wizard

**Note:** This method lets you only create **master leases**, **lease schedules**, **insurance** and **maintenance** contracts.

For **blanket PO**, **license**, **application services** and **other**, contract types, use the previously described method, See Method 1: From the list of contracts.

- a. Click the **Asset lifecycle/ Supplier contract management/ User actions/ Create a contract...** link on the navigation bar.  
Asset Manager starts the **Create a contract...** wizard.
- b. Populate the pages of the wizard, then validate by clicking **Finish**.

**Note:** The first page of the wizard lets you select the contract type that you want to create. If you choose to create an **insurance** or **maintenance** contract, the following page displays an option to attach assets to the contract: Do not select this option. Adding assets to a contract will be described later. See [Step 4 - Defining loans](#).

## Organizing the hierarchy of contracts

Contracts are organized hierarchically thanks to the **Attached to** (Parent) link.

The list of sub-contracts is located in the **Schedules** sub-tab of the parent contract.

The hierarchical organization is useful in two cases:

- To link a lease schedule to a master lease.
- To link an amendment to a contract.

In the case of a lease contract, the **Master lease** defines the general terms and conditions between lessor and lessee without specifying the assets covered, or rent conditions. **Lease schedules** are sub-contracts that are hierarchically linked to this contract from which they inherit the features.

## Types of contracts

Asset Manager enables you to manage several types of contracts. The **Type** field (seType) at the top of a given contract detail indicates the contract type. The value of this field, selected from a system itemized list, determines which tabs are shown in the contract detail and their contents.

Contract type	Description	Navigation bar link	Specific tab(s)
Leasing (master lease)	Enables you to define the general leasing conditions without defining the list of assets that are covered or the payment conditions.	<ul style="list-style-type: none"> <li>• <b>Asset lifecycle/ Supplier contract management/ Contracts</b></li> <li>• <b>Asset lifecycle/ Supplier contract management/ Leasing/ Master leases</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Leasing</b></li> <li>• <b>Schedules</b></li> </ul>
Lease	Enables you to:	<ul style="list-style-type: none"> <li>• <b>Asset</b></li> </ul>	<b>Leasing</b>

Contract type	Description	Navigation bar link	Specific tab(s)
schedule	<ul style="list-style-type: none"> <li>Define a lease schedule (or rental agreement).</li> <li>Specify the list of assets included in the contract and the payment conditions.</li> </ul>	<p>lifecycle/ Supplier contract management/ Contracts</p> <ul style="list-style-type: none"> <li>Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules</li> </ul>	
Maintenance	<p>Enables you to:</p> <ul style="list-style-type: none"> <li>Define a maintenance contract</li> <li>Manage work orders relating to this contract.</li> </ul>	Asset lifecycle/ Supplier contract management/ Contracts	Maintenance
Insurance	Enables you to define an insurance contract (insurance policy).	Asset lifecycle/ Supplier contract management/ Contracts	
License	Enables you to define a license agreement.	Asset lifecycle/ Supplier contract management/ Contracts	Licenses
Blanket purchase order	<b>Blanket PO</b> -type contracts oblige the buyer to buy for a given minimum amount over a given period of time. If the minimum amount is not reached at the end of the period, penalties are incumbent on the buyer.	<ul style="list-style-type: none"> <li>Asset lifecycle/ Supplier contract management/ Contracts</li> <li>Asset lifecycle/ Supplier contract management/ Blanket PO type contracts</li> </ul>	

<b>Contract type</b>	<b>Description</b>	<b>Navigation bar link</b>	<b>Specific tab(s)</b>
ASP	An application service is a software application that is hosted by a third-party named an Application Service Provider or ASP. A subscription contract is used for this. Company employees use the application over a communication protocol (Internet, X-25, and so on).	<b>Asset lifecycle/ IT services and virtualization/ Application services</b>	A specific detail screen for application services complements the general contracts detail.  The general screen can be accessed from the specific screen by clicking the <b>Contract</b> button in the Windows client or by selecting the <b>Contracts</b> entry from the <b>Actions...</b> drop-down list in the Web client.
Other	Enables you to define a contract which does not correspond to one of the above types.	<b>Asset lifecycle/ Supplier contract management/ Contracts</b>	
Service level agreement	Used to define a service level agreement	<b>Asset lifecycle/ Supplier contract management/ Service level/ Service level agreements</b>	<b>Service lvl.</b>
Service level objective	Used to define a service level objective	<b>Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives</b>	<b>Service lvl.</b>

## Contract terms and conditions

Asset Manager lets you enter detailed terms and conditions of a contract.

To enter detailed terms and conditions, click the **Conditions** tab and populate the appropriate fields of the **Terms and conditions** and **Other conditions** sub-tabs.

- You can add terms and conditions via the **Terms and conditions** sub-tab. If you choose to do so, you may base these terms and conditions on standard terms and conditions. See [Associate terms and conditions with a contract](#).

Each contract term or condition may be entered by specifying its object (**Standard term or condition** (StandardConditions) field), its contents (**Description** (Description) field), the period during which it is valid (**Start date** (dtStartDate) and **End date** (dtEndDate) fields) and how it originated (source of negotiation, and so on) (**Origin** (seSource) field).

Also, if a contract term or condition evolves over time, the **Revision** (IRevision) field maintains the history of all previous versions of the term or condition.

- On the **Other conditions** sub-tab, you can enter a description of other conditions in the **Other contractual conditions** (Terms) field.

This section describes how to create and use terms and conditions.

## Define standard terms and conditions

To define standard terms and conditions that you can associate with contracts:


1. Open the **Standard terms and conditions** (amStdConditions) table (**Asset lifecycle/ Supplier contract management/ Standard terms and conditions** link on the navigation bar).
2. Create a new record.

**Caution:** You can enter a description in the **Description** (Description) field, but it will not be imported when the standard term or condition is associated with the contract. See [Associate terms and conditions with a contract](#).

## Define collections of standard terms and conditions

Then, you can group certain standard terms and conditions into collections to make them easier to associate with a contract. See [Associate terms and conditions with a contract](#). To do this:

1. Open the **Collections of standard terms and conditions** (amStdCondSets) table (**Asset lifecycle/ Supplier contract management/ Collections of standard terms and conditions** link on the navigation bar).
2. Create a new record.

3. Click the  button to add standard terms and conditions.
4. Save the modifications.

## Associate terms and conditions with a contract


To associate standard terms and conditions with a contract:

1. Open the **Contracts** (amContract) table (**Asset lifecycle/ Supplier contract management/ Contracts** link on the navigation bar).
2. Select the contract to which you want to associate terms and conditions.
3. On the **Conditions** tab, **Terms and conditions** sub-tab, you can:
  - Associate a collection in the **Collection** (StdCondSet) field.

When you save your changes, all standard terms and conditions of the collection will be automatically associated with the contract.

**Note:** If you associate another collection with the contract, all terms and conditions of the new collection will be associated with the contract. None of the previously associated terms and conditions are automatically removed when a new collection is added and you save your changes.

To enter additional information for a term or condition, click the term or condition to open its details.

- Associate terms or conditions by clicking the  button and selecting the desired term or condition in the **Standard term or condition** (StandardConditions) field.  
You may also enter additional information about the term or condition.

**Tip:** Even if you entered additional information in the **Contract terms and conditions** (amConditions) table, only the name of the standard term or condition is taken into account when it is associated with the contract.

**Caution:** You cannot associate the same term or condition twice if they have the same **Section** (Section) and same **Revision** (IRevision).

All terms and conditions associated with contracts are located in the **Contract terms and conditions** (amConditions) table (**Asset lifecycle/ Supplier contract management/ Contract terms and conditions** link on the navigation bar).

When you delete terms and conditions that are associated with a contract, the records in the **Contract terms and conditions** (amConditions) table are deleted and the links are removed.

**Caution:** Before deleting a contract, you must delete the terms and conditions that are associated

with it.

## Documents linked to contracts

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## Adding a document to a contract


To add a document to a contract, several methods are available:

- **Method 1: Via the Create/Update a document wizard.**
  - a. Windows client, from the contract detail:
    - Click **Documents** to the right of the window.
    - or:  
Click the **Contracts/ Add/ Modify a document** link from the navigation bar.
  - Web client, from the list of contracts:
    - Select the checkbox located before the contract reference and then select the **Add/ Modify a document...** menu item from the **Actions** drop-down list.
  - Asset Manager starts the **Create/Update a document** wizard.
  - b. Select the **Create a new document** option.
  - c. Populate the pages of the wizard, then validate by clicking **Finish**.
  - d. Validate the addition of the document.
    - Windows client: Click **Modify**.
    - Web client: Click the **Save** button.
- **Method 2: On the Documents tab of the contract detail**

From the contract detail, click the **Documents** tab.

- Windows client:

The **Documents** tab proposes two display modes: list form or tab form.  
To switch between display modes, right-click within the contents of the tab (but not on the title) and then select **Display in tab form** or **Display in list form**.

  - If the **Documents** tab is displayed in **tab** form:
    - A. Right-click the sub-tab situated at the bottom left of the **Documents** tab and select **Add link**.
    - B. Populate the fields on the sub-tab that is displayed.
    - C. Validate the information entered and the document added (**Modify** button).
  - If the **Documents** tab is displayed in **list** form:
    - A. Click the  button.  
The **Add a document** window is displayed.
    - B. Populate the requested fields, then validate by clicking **Add**.
    - C. Validate the addition of the document (**Modify** button).
- Web client:
  - i. Click **Add**.
  - ii. Populate the requested fields, then validate by clicking **Add**.
  - iii. Validate the addition of the document (**Save** button).

## Modifying a document linked to a contract

- **Method 1: Via the Create/Update a document wizard.**
  - a. Windows client, from the contract detail:
    - Click **Documents** to the right of the window.  
or:  
Click the **Asset lifecycle/ Supplier contract management/ User actions/ Add/ Modify a document** link from the navigation bar.
  - Web client, from the list of contracts:
    - Select the checkbox located before the contract reference and then select the **Add/ Modify a document...** menu item from the **Actions** drop-down list.  
Asset Manager starts the **Create/Update a document** wizard.
  - b. Select the option **Edit an existing document**.
  - c. Populate the other pages of the wizard, then validate by clicking **Finish**.



- d. Validate your modifications.  
Windows client: Click **Modify**.  
Web client: Click the **Save** button.

- **Method 2: On the Documents tab of the contract detail**

From the contract detail:

- a. Click the **Documents** tab.
- b. Display the detail of the document that you want to modify.
- c. Windows client: Modify the information in the document and then click the **Modify** button.  
Web client: Modify the document's information then click **Save**.
- d. Validate your modifications.  
Windows client: Click **Modify**.  
Web client: Click the **Save** button.

## Automate validation of documents linked to contracts

This section explains how document validation is automated with Asset Manager, and how to configure this.

The line-of-business data from the **Contracts** module includes a workflow scheme entitled **Validate contract document** (BST\_CNTR\_DOC\_APPR).

This workflow scheme automates the validation of documents linked to contracts.

Below are the characteristics of this scheme:

Characteristic	Description		
Events that trigger the workflow scheme	The workflow scheme is started if the following event occurs: <ul style="list-style-type: none"> <li>• Adding a document</li> </ul>		
Conditions required for the workflow to continue running	The workflow scheme continues running if the following fields are set to the following values:		
	Table name	Name of the field or link	Field value
	Documents (amDocument)	Table (DocObjTable)	amContract
	Contracts (amContract)	Supervisor (Supervisor)	Not empty

Characteristic	Description		
	Documents (amDocument)	Status (seStatus)	To be validated
	Contracts (amContract)	Contract status (seStatus)	Different from <b>Denied</b> and <b>Suspended</b>
Is Asset Manager Automated Process Manager required to trigger and run the workflow scheme?	Yes		
Simplified description of the workflow scheme	<ol style="list-style-type: none"> <li>1. The workflow scheme creates a validation request for the document added to the contract. This validation request is translated into a workflow activity assigned to the contract supervisor, if one is defined, or otherwise directly to the <b>Finance</b> group.</li> <li>2. If a contract supervisor is defined and accepts the validation request, a validation request is created and assigned to the <b>Finance</b> group.</li> <li>3. If a validation request is denied (by the contract supervisor or the <b>Finance</b> group), the status of the document is set to <b>Rejected</b>.</li> <li>4. If all the validation requests are accepted (by the <b>Finance</b> group and the contract supervisor, if applicable), the status of the document is set to <b>Validated</b>. If a contract supervisor is defined, a notification message is sent to them.</li> </ol>		

## Designate which employees are involved in the validation process

Before requesting a contract validation, make the following configuration:

1. Display the groups (**Organization management/ Operation/ Employee groups** link on the navigation bar).
2. Display the **Finance** group.
3. Populate at least the following fields and links:

Field or link	Comments
<b>Supervisor</b> (Supervisor)	The person designated by this link receives notification when a workflow activity is created by the <b>Validate contract document</b> workflow scheme. The person also views these workflow activities.
<b>Composition tab</b>	
Members	The members of the group view the workflow activities of the document validation request created by <b>Validate contract document</b> workflow scheme.

## Configuring Asset Manager Automated Process Manager

Asset Manager Automated Process Manager checks whether the **Validate contract document** workflow scheme should be triggered depending on the scheduling settings of the initial workflow event.

To make sure Asset Manager performs this task:

1. Start Asset Manager Automated Process Manager.
2. Connect to the Asset Manager database (**File/ Connect to database** menu).
3. Display the modules (**Tools/ Configure modules** menu).
4. Select the **Execute workflow rules for execution group 'BST\_CONTRACT'** module.
5. Define the schedule for triggering the module (**Verification schedule**).

## Executing Asset Manager Automated Process Manager as background task

Asset Manager Automated Process Manager must be executed as a background task in order for the **Execute workflow rules for execution group 'BST\_CONTRACT'** module to be executed periodically.

## Accepting or denying a document validation request

For each required validation, the **Validate contract document** workflow scheme creates a workflow activity.

These workflow activities are assigned to the contract supervisor and the **Finance** group in charge of validations.

A workflow task can be seen by the contract supervisor and the members of the group to which the task is assigned.

To accept or refuse a validation request:

1. Connect to the Asset Manager database with the supervisor login or the one of a group member.
2. Display the workflow tasks (**Asset lifecycle/ Infrastructure management/ My workflow tasks** link on the navigation bar).
3. Select the task corresponding to the validation request.
4. Take a look at the workflow task.
5. Windows client: Click **Validate** or **Refuse**, then **Modify**.  
Web client: Click **Validate** or **Deny**, then click **Save**.

## Viewing the validation status of the current document

1. Click the **Asset lifecycle/ Supplier contract management/ Contract documents** link on the navigation bar.
2. Select the desired contract document.
3. Select the **Workflow** tab to check the validation status of the document.

## Adding a default rent automatically when a contract is created

**Note:** This section only covers contracts whose **Type** field (seType) is set to **Lease schedule**.

When a lease schedule is created, Asset Manager assigns a default rent to it automatically. This is made automatic via the **Create default rent** (BST\_CNTR\_RENT) workflow scheme that is included in the line-of-business data in the **Contracts** module.

Once the lease schedule is created, the workflow scheme automatically creates the default rent and attaches it to the contract with the following properties:

Field or link	SQL name of the field or link	Value
Description	Description	Default
Main rent	bMainRent	Yes

You do not need to configure anything for the default rent to be created automatically.

To prevent a default rent from being attached to lease schedules when they are created, you need to modify the parameters of the workflow scheme.

**Note:** Only an Asset Manager administrator can perform this operation.

1. Display the workflow schemes (**Administration/ Workflows/ Workflow schemes** link on the navigation bar).
2. Select the **Create default rent** (BST\_CNTR\_RENT) scheme.
3. Click the **General** tab.
4. Populate the **End** (dEnd) field providing a date that precedes the current date.
5. Validate your input.  
Windows client: Click **Modify**.  
Web client: Click the **Save** button.

## Measuring the performance of contracts and suppliers

**Note:** This feature does not apply to the following types of contracts:

- Service level agreement
- Service level objective

The **Vendor performance** tab is not visible in the detail of these contracts.

The **amContract** table enables you to evaluate a contract from the following aspects:

- The efficiency and effectiveness of the procurement cycle of the contract
  - How timely are the assets under a contract delivered against their committed delivery time, as measured by the percentage of receipt lines delivered on time
  - What percentage of the received assets are returned to their supplier
- The execution of maintenance type contracts
  - How timely are the work orders under a maintenance contract completed against their committed completion time

These are calculated at the contract (**amContract**) level as well as the supplier (**amCompany**) level. You can check the results on the **Vendor performance** tab of the respective table.

**Note:** The performance of a supplier is the average performance of all the contracts signed with the supplier.

The dashboards for contract performance and supplier performance are available under **Asset lifecycle/ Supplier contract management/ Dashboards**.

## Populating the Vendor performance tab according to your contract

As the first step, you need to populate various fields on the **Vendor performance** tab of the **amContract** table according to the terms and conditions of your contract signed with the supplier. The values of these fields will be used by the workflow scheme to calculate various field values used as indexes for evaluating contracts and suppliers.

### Fields on the Vendor performance tab of the amContract table

Field	Description
Calendar (Calendar)	<p>The calendar specified here is used to calculate the <b>Committed Delivery Date</b> for a specified order line.</p> <p>It is also used to calculate the <b>Work order resol. time</b> when a calendar is not defined at the work order level</p> <p>Asset Manager calendars allow you to calculate durations and dates in terms of business days that do not take into account non-working days. Refer to the <b>Advanced use</b> guide for how to manage calendars.</p> <p>If a contract is not linked to any calendar, the objectives and</p>

**Fields on the Vendor performance tab of the amContract table, continued**

Field	Description
	achievements will be in calendar days.
Delivery time (tsLeadTime)	Committed delivery time for all the orders under a contract
Work order resol. time (tsWOREsolTime)	Committed completion time for all the work orders under a maintenance contract
Agreed delivery on time ratio (pDelivOnTimeRatioSLO)	The agreed ratio of on-time delivered orders as specified in the contract
Agreed return ratio (pReturnRatioSLO)	The agreed ratio of returned assets as specified in the contract
Agreed WO resol. on time ratio (pWOREsolOnTimeRatioSLO)	The agreed ratio of on-time completed work orders as specified in the contract

The values of the grayed-out fields on this tab are calculated automatically by the **Update vendor management performance** (BST\_CNTR\_PERFORMANCE) workflow which is triggered periodically (by default weekly).

To learn more about how these values are calculated, refer to the following sections:

- [How actual delivery on-time ratio is calculated](#)
- [How actual return ratio is calculated](#)
- [How actual work order on-time ratio is calculated](#)
- [How achievement of delivery on-time ratio SLO is calculated](#)
- [How achievement of return ratio SLO is calculated](#)
- [How achievement of work order on-time ratio SLO is calculated](#)

## Measuring the supplier delivery performance against contract objectives

The procurement cycle for the assets covered by a contract is measured by using the following metrics:

- Delivery on-time ratio
- Return ratio

## Delivery on-time ratio

### How on-time delivery is defined

Here is how on-time delivery is defined in the out-of-box scripts:

Asset Manager compares the time when the order is received (SQL name: **Receipt.dtReceipt**, corresponds to the time when the **Receive** wizard is executed)

with

the Committed Delivery Date (**dtCommittedDeliv**) for the order lines contained in the order in question, which equals to the time the order is sent (SQL name: **amPOrder.dtSent**, corresponds to the time when the **Issue the purchase order** wizard is executed) plus the committed delivery time (**amContract.tsLeadTime**) defined at the contract level.

- If the former is earlier than the later, the order line is on time
- Otherwise, the order line is categorized as late delivery

### How actual delivery on-time ratio is calculated

The ratio is calculated as the number of receipt lines for which the delivery is on time divided by the total number of receipt lines.

Only receipt lines satisfying the following conditions are taken into account:

- The receipt lines are associated with a contract via the link: amReceiptLine -> POrdLine -> CatalogRef -> Catalog -> Contract
- The containing receiving slip is associated with a supplier.

### How achievement of delivery on-time ratio SLO is calculated

The ratio is calculated by dividing the value of the **Actual delivery on time ratio** (pDelivOnTimeRatioReal) field by the value of the **Agreed delivery on time ratio** (pDelivOnTimeRatioSLO) field.



## Return ratio

### How return is defined

A return is an operation that consists of returning a purchased item to its supplier after receiving it.

A return is represented by a receipt line whose **Quantity received** (fQty) field has a negative value.

### How actual return ratio is calculated

The ratio is calculated as the total quantity of returned assets divided by the total quantity of received assets for the assets covered by the a specific contract.

Only receipt lines satisfying the following conditions are taken into account:

- The receipt lines are associated with a contract via the link: amReceiptLine -> POrdLine -> CatalogRef -> Catalog -> Contract
- The containing receiving slip is associated with a supplier.

### How achievement of return ratio SLO is calculated

The ratio is calculated by dividing the actual receipt ratio (1 minus the value of the **Actual return ratio** (pReturnRatioReal) field) by the agreed receipt ratio (1 minus the value of the **Agreed return ratio** (pReturnRatioSLO) field).

## Measuring the execution performance of work orders associated with maintenance contracts

**Note:** This feature only applies to work orders whose **Type** (seType) is **On-contract maintenance** and **Status** (seStatus) is **Closed**.

### How on-time work order is defined

Asset Manager compares the time when the work order is actually finished which corresponds to the **Actual end** field located on the **Tracking** tab, **Calendar** sub-tab

with

the expected completion time (corresponds to the **Expected resol.** field in the detail of the work order).

- If the former is earlier than the later, the work order is on-time
- Otherwise, the work order is categorized as late work order

**Note:** The value of the **Expected resol.** (dtResolLimit) field is the sum of the value of the **Notified on** (dtNotif) field and the **Work order resol. time** field defined on the contract level (on the **Vendor performance** tab in the detail of the contract).

If it exists, Asset Manager use a calendar in calculating the above time. The following lists the calendars Asset Manager uses, in the order of precedence:

- The calendar specified on the work order (the **Calendar** field located on the **Tracking** tab, **Calendar** sub-tab) is used for the calculation.
- The calendar specified on the contract level (the **Calendar** field located on the **Vendor performance** tab in the detail of the contract)

## How actual work order on-time ratio is calculated

The ratio is calculated as the number of on-time work orders divided by the total number of work orders.

Only work orders satisfying the following conditions are taken into account:

- The work order has an associated supplier (the **Company** field located on the **Tracking** tab, **Technician** sub-tab)
- The work order has an associated contract (**Contract**)

## How achievement of work order on-time ratio SLO is calculated

The ratio is calculated by dividing the value of the **Actual WO resol. on time ratio** (pWOResolOnTimeRatioReal) field by the value of the **Agreed WO resol. on time ratio** (pWOResolOnTimeRatioSLO) field.

# Chapter 5: Step 2 - Adding the assets to the contract

**Note:** This chapter only concerns contracts whose **Type** field (seType) is set to **Service levels** or **Service levels (master leases)**.

This chapter explains how to link a contract with an asset and deals with the following points:

- Consulting the list of assets on the contract
- Deleting the link between an asset and a contract

## Linking an asset to a contract

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## Manual method

The procedure to link an asset and a contract differs depending on the contract type:



### Linking an asset and a contract

Contract type	Procedure
Maintenance	<ol style="list-style-type: none"><li>1. Display the list of assets (<b>Asset lifecycle/ Infrastructure management/ Assets</b> link on the navigation bar).</li><li>2. Select the asset in the list.</li><li>3. Select the <b>Maint.</b> tab.</li><li>4. Windows client: Populate the <b>Maint. contract</b> (MaintContract) link and validate the changes (<b>Modify</b> button). Web client: Populate the <b>Maint. contract</b> (MaintContract) link and validate the changes (<b>Save</b> button).</li></ol> <p><b>Note:</b> After following this procedure, the contract will automatically appear on the <b>Contracts</b> tab of the asset detail.</p>

## Linking an asset and a contract, continued

Contract type	Procedure
Lease schedule	<p><b>Solution 1:</b></p> <ol style="list-style-type: none"> <li>1. Display the list of assets (<b>Asset lifecycle/ Infrastructure management/ Assets</b> link on the navigation bar).</li> <li>2. Select the asset in the list.</li> <li>3. Select the <b>Acquis.</b> tab.</li> <li>4. Windows client: Select the <b>Procurement</b> sub-tab. Web client: Switch to edit mode (<b>Modify</b> button).</li> <li>5. Populate the <b>Acq. method</b> (seAcquMethod) field with a value other than <b>Purchase</b>.</li> <li>6. Populate the <b>Lease schedule</b> (AcquContract) link.</li> <li>7. Validate your modifications. Windows client: Click <b>Modify</b>. Web client: Click the <b>Save</b> button.</li> </ol> <p><b>Note:</b> After following this procedure, the contract will automatically appear on the <b>Contracts</b> tab of the asset detail.</p> <p><b>Solution 2:</b></p> <ol style="list-style-type: none"> <li>1. Display the list of contracts (<b>Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules</b> link on the navigation bar).</li> <li>2. Select the contract in the list.</li> <li>3. Select the <b>Assets (leased)</b> tab.</li> <li>4. Windows client: Click the  button. Web client: Click <b>Add</b>. Asset Manager starts the <b>Associate assets with the lease schedule...</b> wizard.</li> <li>5. Populate the pages of the wizard, then validate by clicking <b>Finish</b>. Asset Manager adds the selected assets to the contract.</li> </ol> <p><b>Tip:</b></p> <ul style="list-style-type: none"> <li>• The asset's <b>Acq. method</b> field (seAcquMethod) (<b>Acquis.</b> tab of the asset detail) takes the value of the <b>Acq. method</b> field (seAcquMethod) at the contract level (<b>General</b> tab).</li> <li>• The <b>Procurement</b> sub-tab indicates the name and the reference of the lessor as well as the reference of the lease contract in the <b>Lease schedule</b> field (AcquContract).</li> <li>• The <b>Price and conditions</b> indicates the start and end dates of term.</li> </ul>
• Insuranc	<b>Solution 1:</b>

**Linking an asset and a contract, continued**

Contract type	Procedure
e <ul style="list-style-type: none"> <li>• License</li> <li>• Other</li> </ul>	<ol style="list-style-type: none"> <li>1. Display the list of assets (<b>Asset lifecycle/ Infrastructure management/ Assets</b> link on the navigation bar).</li> <li>2. Select the asset in the list.</li> <li>3. Select the <b>Contracts</b> tab.</li> <li>4. Windows client: Click the  button. The <b>Add contract to asset</b> window is displayed. Web client: Click <b>Add</b>. The <b>Detail of contract line</b> window is displayed.</li> <li>5. Populate this window then validate by clicking <b>Add</b>.</li> <li>6. Windows client: Click <b>Modify</b>.</li> </ol>
	<p><b>Solution 2:</b></p> <ol style="list-style-type: none"> <li>1. Display the list of contracts using one of the links on the navigation bar.</li> <li>2. Select the contract in the list.</li> <li>3. Select the <b>Assets</b> tab.</li> <li>4. Windows client: Click the  button. The <b>Add asset to contract</b> window is displayed. Web client: Click <b>Add</b>. The <b>Detail of contract line</b> window is displayed.</li> <li>5. Populate this window then validate by clicking <b>Add</b>.</li> <li>6. Windows client: Click <b>Modify</b>.</li> </ol>
	<p><b>Solution 3:</b></p> <ol style="list-style-type: none"> <li>1. Click the <b>Asset lifecycle/ Supplier contract management/ User actions/ Add assets to a contract...</b> link on the navigation bar. Asset Manager starts the <b>Add assets to a contract...</b> wizard.  <div style="border-left: 2px solid orange; padding-left: 10px; margin-left: 20px;"> <p><b>Caution:</b> Maintenance contracts still appear in the wizard but, for this contract type, it is recommended to use the procedure described at the beginning of this table. If assets are added using the wizard, the maintenance contract will no longer appear on the <b>Maint.</b> tab of the of the assets detail selected in the wizard</p> </div> </li> <li>2. Populate the pages of the wizard, then validate by clicking <b>Finish</b>.</li> </ol>

## Using the Procurement module

The procurement cycle enables you to manage the association of an asset with a contract.

You can reference an existing contract or a contract to be acquired.

You can reference an existing asset or an asset to be acquired.

This process is useful because it automates the creation or linking assets and contracts. When the order is received, the assets and contracts are created and linked together in Asset Manager if necessary.

For information on how to proceed, consult the **Procurement** guide, section **Special cases**, chapter **Contracts**.

**Note:** In the case of "Lease schedule" type contracts:

When you receive ordered assets, they are created in the database even if you refuse them. The value in the **Acquis. status** (seAcquStatus) field for the assets that were created is **Received** (the asset's **Acquis.** tab, **Procurement** sub-tab). You can now accept them, if desired. Once the assets have been accepted, the value of their **Acquis. status** (seAcquStatus) field becomes **Accepted**.

See [Step 5 - Accepting assets](#)

## Consulting the list of assets on the contract

To consult the list of assets on the contract:

1. Display the list of contracts using one of the links on the navigation bar.
2. Select the contract in the list.
3. Select one of the following tabs:

Contract type	Tab
Lease schedule	Assets (leased)
Insurance	Assets
Maintenance	Assets
License	Assets
Other	Assets

## Consulting the list of contracts associated with an asset

To consult the list of contracts associated with an asset

1. Display the list of assets (**Asset lifecycle/ Infrastructure management/ Assets** link on the navigation bar).
2. Display the asset detail.
3. Select one of the following tabs:

Contract type	Tab	Sub-tab	Field or link
Lease schedule	Acquis.	Procurement	Lease schedule (AcquContract)
	Contracts		
Insurance	Contracts		
Maintenance	Maint.		Maint. contract (MaintContract)
	Contracts		
License	Contracts		
Other	Contracts		

## Deleting the link between an asset and a contract

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## Why delete the link between an asset and a contract?

The link between an asset and contract is only meant to be deleted if is created by error.

Under normal circumstances, you should not delete this link; There are other ways of specifying that the asset is no longer covered by the contract from a given date.

By maintaining this link, there is a trace that the asset was covered by the contract at a point in time.

## Deleting the link between an asset and a contract

To delete the link between an asset and a contract, choose one of the following options:

- From the contract detail:
  - a. Select the **Assets** or **Assets (leased)** tab.
  - b. Select the assets to unlink.
  - c. Windows client: Click the  button.  
Web client: Click the **Delete** button.
- In the asset detail:
  - a. Select the **Contracts** tab.
  - b. Select the contracts to unlink.
  - c. Windows client: Click the  button.  
Web client: Click the **Delete** button.

## Specifying that an asset is no longer covered by a contract

There are several cases when an asset is no longer covered by a contract.

Each case should be handled differently:

Case	Table to modify	Field to modify	Comments
The contract is at the end of term for all the	Contracts (amContract)	End (dEnd)	This date specifies that the contract is approaching end of



Case	Table to modify	Field to modify	Comments
assets covered by it			term. As a result, all linked assets are no longer covered by the contract.
An asset is not longer covered by the contract but the contract continues to cover other assets	Assets under contract (amAstCntrDesc)	Planned removal date (dPlannedRemov)	If you wish to manage removal dates that are different from the end of term date, you must use this field to specify the effective removal date of the asset.
An asset is returned to the lessor at the end of term			See <a href="#">Step 7 - Defining loss values</a>
An asset is purchased from the lessor at the end of term			See <a href="#">Step 7 - Defining loss values</a>
An asset is lost or stolen before the end of term			See <a href="#">Step 7 - Defining loss values</a>

## Chapter 6: Step 3 - Defining rent

**Note:** This chapter only concerns contracts whose **Type** field (seType) is set to **Service levels** or **Service levels (master leases)**.

This chapter explains how to define contract-level rents and deals with the following points:

- Adding a rent payment
- Defining the rent payment schedule
- Selecting the rent distribution method

### Key concepts

Rents are always defined at the contract level. Depending on the rent distribution method, they can be automatically passed on to the assets linked to a contract.

The contract rents and the asset rents are stored in different tables:

- **Contract rents** table (amCntrRent)
- **Asset rents** table (amAssetRent)

### Adding a rent at the contract level

Contract rents are described in the **Rents** tab of the contract detail. All contracts, except master leases can be paid by rents. This tab is therefore only displayed if the contract detail meets the following conditions:

- The **Type** field (seType) is set to another value than **Master lease**.
- The **Nature of payments** field (sePayType) **Rents** or **Both**.

**Note:** For lease contracts, Asset Manager automatically creates a default rent when the contract is created. See [Adding a default rent automatically when a contract is created](#)

## Add a rent to a contract

The method used to add a rent to a contract depends on the display mode of the **Rents** tab of the contract detail.

## Selecting how the Rents tab is displayed (Windows client)

In the Windows client, the **Rents** tab can be displayed in two ways:

- In tab form
- In list form


To switch between display modes, right-click within the **Rents** tab (not on the title of the tab) and then select **Display in tab form** or **Display in list form** from the shortcut menu.

## Windows client

### Adding a rent to a contract in tab form (Windows client)

1. Display the **Rents** tab.
2. Right-click the sub-tab situated at the bottom left of the **Rents** tab and select **Add link** from the shortcut menu.
3. Populate the fields on the sub-tab that is displayed.  
To learn how to populate the rent payment schedule: See [Rent payment schedule](#)  
To learn how to select the rent distribution method: See [Rent allocation method](#)  
To learn to how to define the rent expenses allocation method: See [Expenses linked to rents](#)
4. Click **Modify**.

## Adding a rent to a contract displayed in list view

1. Display the **Rents** tab.
2. Click .  
The add-rent window is displayed.
3. Populate the rent detail.  
To learn how to populate the rent payment schedule: See [Rent payment schedule](#)  
To learn how to select the rent distribution method: See [Rent allocation method](#)
4. Click **Add**.
5. Windows client: Click **Modify**.

## Web client

1. Display the **Rents** tab.
2. Click **Add**
3. Populate the rent detail.  
To learn how to populate the rent payment schedule: see [Rent payment schedule](#)  
To learn how to select the rent distribution method: see [Rent allocation method](#)
4. Click **Add**.

## Adding a rent at the asset level

It is not possible to create a rent payment directly at the asset level: Asset-level rents are automatically created when the asset is added to a contract for which rent is prorated or allocated to the asset level.

The rent information found at the asset level is similar to the information on the **Rents** tab of the contract detail.

You can consult the details of asset-level rent in the **Rent** tab of the asset detail.

**Note:** This tab is only displayed if the acquisition method of the asset, as specified in the **Acq. method** (seAcquMethod) field, is **Rental**, **Lease** or **Loan**.

When the asset is added to a lease schedule from the contract detail, Asset Manager automatically updates the acquisition method of the asset and the **Rent** tab is displayed.

An asset-level rent is automatically deleted when you specify at the contract level that rent is no longer prorated or allocated to the asset level or if a rent payment is taken off the contract.

## Rent payment schedule

This section presents the fields used to describe the rent schedule. These fields are found on the **General** tab of the rent detail.

### Fields used to describe a rent payment schedule

#### Rents - Fields used to describe a rent payment schedule

Field label	SQL name of the field	Usage
Periodicity	sePeriodicity	Frequency of payments.
Start	dStart	Start of contract rent period.
End	dEnd	End of contract rent period.  The 🕒 icon enables you to set an alarm for the end date (available only in the Windows client).
Payment	seAdvArrears	Determines whether the rent is due at the start or the end of the period defined in the <b>Periodicity</b> (sePeriodicity) field.
Bill cycle day	tsBillCycDay	Determines the time (expressed in days, months) when the rent is due relative to the value entered in the <b>Payment</b> (seAdvArrears) field.  You can also enter a negative value.
Grace	tsGrace	Specifies the number of days of tolerance for late rent payments.

### Details on the working of the Periodicity field

The following table shows how Asset Manager sets the beginning of rental periods depending on the value in the **Periodicity** field:

### Periodicity field - Overview

Value of the Periodicity field	Start of the period
Daily	00:00
Weekly	Monday
Semi-monthly	1st and 16th of the month
Monthly	1st of the month
Bimonthly	January 1, March 1, May 1, July 1, September 1, November 1
Quarterly	January 1, April 1, July 1, October 1
Semi-annual	January 1 and July 1
Annual	January 1

## Examples of how the rent payment schedule is applied

### Example 1

If you enter the following values:

Field label	SQL name of the field	Value
Periodicity	sePeriodicity	Monthly
Payment	seAdvArrears	In advance
Bill cycle day	tsBillCycDay	-5 days

Then the rent is due 5 days before the start of the specified rent period (1st of the month).

### Example 2

If you enter the following values:

Field label	SQL name of the field	Value
Periodicity	sePeriodicity	Monthly
Payment	seAdvArrears	In advance
Bill cycle day	tsBillCycDay	4 days
Grace	tsGrace	7 days

Then the rent is due 4 days after the first day of the month: that is, the 5th. The lessor tolerates payments up to 7 days late. The lessee is free to pay up to the 12th of the month.

## Rent allocation method

This section explains the different distribution methods available and how to choose the most appropriate one.

## Selecting the rent prorata method

### Procedure

To select the rent prorata method:

1. Display the contract detail.
2. Select the **Rents** tab.
3. Display the rent detail.
4. Populate the **Prorate to assets** (seProrateRule) field.

You can choose between the following prorata methods:

Prorata method	Calculation method
Do not allocate or distribute payments to assets	Rent is calculated at the contract level and is not allocated to the asset level.
Prorate and distribute payments to all assets	Rent is calculated at the contract level then distributed to each of the assets on the contract.

Prorata method	Calculation method
Prorate and distribute payments to a selection of assets	The rent is calculated at the contract level then distributed to a selection of the assets on the contract.
Allocate unit level payments to all assets	A unit rent payment is defined at the contract level, then allocated as-is to each asset on the contract.
Allocate unit level payments to a selection of assets	A unit rent payment is defined at the contract level, then allocated as-is to a selection of the assets on the contract.

## How to choose

### Why prorate or allocate rent to all the assets on the contract?

- When the rent parameters are the same for **all** the assets and the rent applies to **all** the assets.

### Why prorate or allocate rent to a selection of the assets on the contract?

- To take different lease rate factors or unit rents into account depending on the selection of assets. In this way, in the case of lease contracts, a lessee can create several lease rents, each of which can be distributed or allocated to a distinct selection of assets under contract. Thus, the assets of a given brand can be subject to a certain rent corresponding to a certain lease rate factor or unit rent, the assets of another brand having a different lease rate factor or unit rent are subject to another rent.
- To distribute a rent at the contract level to those assets under contract which you consider to be the "main" assets, and not take "secondary" assets into account. In this way, you may choose to distribute or allocate the rent pertaining to a PC maintenance, to the hard drives but not to the screens.

### Why choose to not distribute rent to asset level?

- When the list of assets on the contract does not impact the rent payment amount. As a consequence, adding or removing assets during the term of the contract does not modify the rent payment amount. Example: Fixed insurance premiums.
- To gain time and disk space.
- To keep an executive view of a contract without having to go into the details of assets.



## Prorating and distributing rent to all assets or to a selection of assets under contract

This section explains how to distribute a rent payment to all the assets or to a selection of assets under contract.

1. Create the contract.
2. Add the assets to the contract.

For each asset, check that the **Market value** (mMarketVal) field is populated (**Acquis.** tab, **Procurement** sub-tab).

**Caution:** Do not define asset level rent..

Rent for assets is automatically created from contract rent, if necessary.

3. Create the contract rent (**Rents** tab of the contract detail).

**Tip:** For lease contracts, you can use the default rent that was automatically created when the contract was created. See [Adding a default rent automatically when a contract is created](#).

Populate in particular the following fields and links:

Field or link	Value
Prorate to assets (seProrateRule)	<ul style="list-style-type: none"> <li>○ <b>Prorate and distribute payments to all assets</b></li> <li>○ <b>Prorate and distribute payments to a selection of assets</b></li> </ul>
Main rent (bMainRent)	<p>In the case of multiple rent payments, a distinction is made between main rent and secondary rent payments. This notion is important in leasing, since interim rent payments, specific to this type of contract, are only used for "Main" rent items.</p> <p>Here are the principles applied at main rent level:</p> <ul style="list-style-type: none"> <li>○ Let's say that a certain payment is the main rent payment of a contract: This certain payment will then be the main rent payment of all assets tied to this contract.</li> <li>○ There can only be one main rent payment any given contract.</li> </ul> <p>To define a rent payment as being a main rent payment, select the <b>Main rent</b> (bMainRent) option on the <b>General</b> tab of the rent detail.</p> <p style="text-align: center;"><b>Warning</b></p>

Field or link	Value
	The existence of only one main rent at the asset or contract level is not verified by Asset Manager.

If you selected **Prorate and distribute payments to a selection of assets** for the **Prorate to assets** (seProrateRule) field:

- a. Windows client: Display the **Rents** tab in list-form (**Display in list-form** on the shortcut menu).
- b. Display the rent detail.
- c. Windows client: Click the **Assets** button to the right of the **Prorate to assets** (seProrateRule) field.  
Web client: Select **Assets** from the **Actions...** drop-down list.  
Asset Manager starts the **Modify the list of assets associated with the rent...** wizard.
- d. Select the assets over which the rent must be distributed and click **Add**.
- e. Validate the selection:  
Windows client: Click **Finish**.  
Web client: Click **OK**.

**Note:** If you select the **From the date of acceptance** option (bFromAcceptDate) in the contract rent detail, the expense lines for this rent payment will not be calculated until the assets under the contract have been accepted.

## Calculating rent at the contract level

The **Rents** tab in the contract detail gives you the list and detail of rents.

The amount of a rent payment is calculated from the following fields:

### Rents - Fields used to calculate contract rent

Title	SQL name	Usage
Value	mValue	The value of this field is equal to the sum of the <b>Market value</b> (mMarketVal) fields of the assets associated with the rent.
LRF	pLRF	Enter manually the value corresponding to the contractual conditions.
Rent	mPayments	The rent payment is calculated by applying the value of the <b>LRF</b> (pLRF) field to the <b>Value</b> (mValue) field.  <b>Note:</b> This amount is totally independent from the value of the <b>Prorated by</b>

**Rents - Fields used to calculate contract rent, continued**

Title	SQL name	Usage
		(ProrateField) field. The value of this field is only used when calculating rents for assets.

## Calculating asset level rent

Rent is calculated for each asset on the contract according to the conditions defined in the following fields at the contract level:

**Rents - Fields used to calculate asset rent**

Title	SQL name	Usage
Rent	mPayments	This field stores the rent amount of the contract. It corresponds to the total of the rents for the assets associated with this rent.
Prorated by	ProrateField	This field specifies the field at the asset level used to prorate and distribute the contract rent to the asset level.
Rounding	fPrecision	This field specifies how rent values should be rounded for each asset.
Acceptance date	bFromAcceptDate	<p>This option is only used for contracts for which the <b>Type</b> (seType) field is set to <b>Lease schedule</b>.</p> <p>When this option is cleared, the asset-level rent payment starts at the contract rent start date.</p> <p>When this option is selected, an interim rent payment is created covering the period from the acceptance date to the first full rent period.</p>

## Reference fields for distributing rent to the asset level

The reference field for distributing rent to the asset level is defined by the **Prorated by** field (ProrateField) of the contract rent.

**Values of the reference fields' storage field**

The **Prorated by** (ProrateField) field may be set to the following values:

Value	Location of the field (in the asset detail) used as a reference to prorate the rent to the assets		
	Tab	Sub-tab	Value that the Acq. method (seAcquMethod) field should take for the reference field to be displayed (Acquis. tab, Procurement sub-tab)
Rent (mPayments)	Rent	General	<ul style="list-style-type: none"> <li>• Rental</li> <li>• Lease</li> </ul>
Resale price (mResalePrice)	General		<ul style="list-style-type: none"> <li>• Purchase</li> <li>• Rental</li> <li>• Lease</li> </ul>
Purchase price (mPrice)	Acquis.	Price and conditions	<ul style="list-style-type: none"> <li>• Purchase</li> </ul>
List price (mListPrice)	Acquis.	Price and conditions	
Taxes (mIntPayTax)	Acquis.	Price and conditions	<ul style="list-style-type: none"> <li>• Rental</li> <li>• Lease</li> </ul>
Taxes (mTax)	Acquis.	Price and conditions	<ul style="list-style-type: none"> <li>• Purchase</li> </ul>
Market value (mMarketVal)	Acquis.	Procurement	
Buyout value (mPurchOptVal)	Acquis.	Price and conditions	<ul style="list-style-type: none"> <li>• Lease</li> </ul>
Residual value (mNetValue)	Fixed Asset		<ul style="list-style-type: none"> <li>• Purchase</li> </ul>
Init. payment (mIntPay)	Acquis.	Price and conditions	<ul style="list-style-type: none"> <li>• Rental</li> <li>• Lease</li> </ul>

**Note:** Certain reference fields are used to calculate lease rents: **Market value** (mMarketVal), **Buyout value** (mPurchOptVal), and so on.

Others are used to calculate other types of rent for assets that are not necessarily rented or leased. For example, an insurance premium may be considered as a contract-level rent and therefore distributed (allocated) to purchased assets prorata to the **Purchase price** field.

As a convention, we will refer to the value of the reference field as the "Prorata value".

Here is the formula that is used to calculate the asset **Rent** (mPayments) field of the asset:

$$\text{Asset "Rent" = Contract "Rent" } \times \frac{\text{Prorata value of asset}}{\sum \text{Prorata values of assets}}$$

### Details on how the reference fields' storage field works

The **Prorated by** (ProrateField) field stores the system name of the reference field, not its SQL name.

To make this field easier to use, Asset Manager uses two elements:

- The **strMonetaryName** script in the **LeasingLib** script library (**Administration/ Scripts** link on the navigation bar).  
This script is used to convert the system name of reference fields for the rent allocation method to an SQL name and vice versa (SQL name to system name).  
Use the **amEvalScript** API to use this script. This API can be used in the following contexts:
  - Field and link Basic script
  - **Script** type action
- The **Pro rata** (sysLeaseProrateField) calculated field (**Administration/ System/ Calculated fields** link on the navigation bar).  
This calculated field uses the **strMonetaryName** script. This script is used to convert the system name of reference fields for the rent allocation method stored in the **Prorated by** (ProrateField) field to an SQL name and vice versa (SQL name to system name).  
You can use the **Pro rata** calculated field.
  - To display SQL names in lists.  
To see an example:
    - i. Start the Asset Manager Windows client.
    - ii. Connect to the database.
    - iii. Display the lease schedules (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
    - iv. Display the detail of a lease schedule.
    - v. Select the **Rents** tab.
    - vi. Display rents in list-form (**Display in list-form** shortcut menu).
    - vii. Display the configuration of the list (**Utilities/ Configure list...** on the shortcut menu).
    - viii. Select the **Pro rata** (sysLeaseProrateField) calculated field  
The **Prorated by** column corresponds to the **Pro rata** calculated field and not to the **Prorated by** field.
  - In the field and link Basic scripts and **Script** type actions, if you prefer to reference the SQL name of the reference field.  
To see an example:

- i. Start the Asset Manager Windows client.
- ii. Connect to the database.
- iii. Display the lease schedules (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
- iv. Display the detail of a lease schedule.
- v. Select the **Rents** tab.
- vi. Display the detail of a rent.
- vii. Set the **Prorate to assets** (seProrateRule) field to **Prorate and distribute payments to all assets** or **Prorate and distribute payments to a selection of assets**.
- viii. Display the configuration for the **Prorated by** (ProrateField) field (**Configure object...** on the shortcut menu).
- ix. Examine the field's default value:

```
RetVal = AmEvalScript( "LeasingLib", "strMonetaryName", "", "mMarketVal")
```

## Rounding

Rounding errors are carried over to the first rent item: Asset Manager Automated Process Manager calculates rent for each asset associated with the rent except for the first, and adjusts the rent corresponding to the first asset in order that the sum total of rent payments at the asset level is equal to the rent at the contract level (the "first" asset depends on the database management system and how its indexes are configured).

If the rounding value is set to **0**, rents for each asset are calculated using the default precision for floating numbers. For example, for a contract rent with value **100** distributed identically to three assets, Asset Manager generates the following asset rents according to the selected rounding value:

- For a rounding value equal to 0.01
  - a. 33.34
  - b. 33.33
  - c. 33.33
- For a rounding value equal to 0
  - a. 33.3333333333333433
  - b. 33.3333333333333254

c. 33.333333333333254

**Note:** The rounding value is also used in the distribution of tax values.

## Example for the calculation of a rent distributed to the assets associated with the rent

Let's suppose that a company leases 3 assets:

- Two PCs X and Y with a market value of \$1500 each.
- One PC Z with a market value of \$2000.
- The contract-level rent is prorated by the **market values**.

The initial lease rate factor of the contract is 3%.

### Calculating contract level rent

Contract-level rent	= Contract rent value x Lease Rate Factor
	= sum of the <b>Market values</b> of the assets on the contract x <b>Lease Rate Factor</b>
	= \$5000 x 3%
	= \$150

### Calculating asset level rent

<b>Rent for Y</b>	= Contract <b>Rent</b> x <b>Prorata value</b> of Y / (sum of <b>Prorata values</b> of X, Y and Z)
	= Contract <b>Rent</b> x <b>Market value</b> of Y / (sum of <b>Market values</b> of X, Y and Z)
	= 150 x 1500 / (1500 + 1500 + 2000)
	= \$45

<b>Rent for Z</b>	= 1500 x 2000 / 5000 = \$60
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<b>Rent for X</b>	= Contract <b>Rent</b> - (sum of <b>Rents</b> for the assets other than X)
-------------------	--

	= 150 - 45 - 60
	= \$45

## Allocating a unit rent to all the assets or to a selection of assets under contract.

This section explains how to calculate contract rent and allocate a unit rent to the assets associated with the contract rent.

### Steps to follow

Use the procedure described in section [Prorating and distributing rent to all assets or to a selection of assets under contract.](#)

The only difference concerns the following field:

Field or link	Value
Prorate to assets (seProrateRule)	<ul style="list-style-type: none"> <li>• <b>Allocate unit level payments to all assets</b></li> <li>• <b>Allocate unit level payments to a selection of assets</b></li> </ul>

Also, the **Market value** (mMarketVal) field of the assets may not be populated (**Acquis.** tab, **Procurement** sub-tab).

## Calculating asset and contract-level rent

The **Rents** tab in the contract detail gives you the list and detail of rents.

The amount of a rent payment is calculated from the following field:

### Rents - Fields used to calculate contract rent

Title	SQL name	Usage
Unit rent	mUnitPayments	Defines the rent payment for each asset associated with the contract rent



The following calculations are carried out:

- The contract rent is equal to:

$$\text{Contract Rent} = \text{Unit Rent} \times \text{Number of assets under contract in the selection}$$

- The asset rent is equal to:

$$\text{RentAsset} = \text{Unit rent.}$$

## Not allocating the rent to the assets under contract

This section explains how to calculate rent at schedule level without distributing it at asset level.

### Steps to follow

So that the automatic calculations that the software performs can function correctly, you must do the following in order:

1. Create the contract without creating the contract rent.
2. Add the assets to the contract without creating rent at the asset level (**Acquis.** tab in the asset detail).  
For each asset, check that the **Market value** (mMarketVal) field is populated (**Acquis.** tab, **Procurement** sub-tab).

3. Create the contract rent (**Rents** tab of the contract detail).

Populate in particular the following fields and links:

Field or link	Value
Prorate to assets (seProrateRule)	Do not allocate or distribute payments to assets
Main rent (bMainRent)	Select this option for the main rent

## Calculating contract level rent

The **Rents** tab in the contract detail gives you the list and detail of rents.

The amount of a rent payment is calculated from the following fields:

**Rents - Fields used to calculate contract rent**

Title	SQL name	Usage
Value	mValue	The value of this field is equal to the sum of the <b>Market value</b> (mMarketVal) fields of the assets associated with the rent.  <b>Warning</b>  This value is correctly calculated only if you have added the assets to the contract before defining the rent detail.
LRF	pLRF	Enter manually the value corresponding to the contractual conditions.
Rent	mPayments	The rent payment is calculated by applying the value of the <b>LRF</b> (pLRF) field to the <b>Value</b> (mValue) field of the rent.

## Calculating asset level rent

When the **Prorate to assets** (seProrateRule) field equals **Do not allocate or distribute payments to assets**, no rent is created for the assets under contract.

## Allocating rents

To define the way in which periodic rent expenses are allocated:

1. Display the contract detail.
2. Select the **Rents** tab.
3. Display the rent detail.
4. Display the **Finance** sub-tab.
5. Populate the **Cost type** (CostCategory) and **Cost center** (CostCenter) links.

**Note:** Interim rent expenses (from lease schedules) are allocated to the cost type and cost center of the asset.

## Chapter 7: Step 4 - Defining loans

This chapter explains how to define contract loans and deals with the following points:

- Adding a loan
- Defining the loan amortization schedule
- Selecting the loan payment allocation method

### Key concepts

Loans are defined at the contract level.

Loans linked to contracts are stored in the **Loans** table (amLoan).

The loan repayment lines are stored in the **Loan amortization schedule lines** table (amLoanPayment).

### Adding a loan at the contract level

Contract loans are described on the **Loans** tab of the contract detail. All contracts, except master leases can be financed by loans. This tab is therefore only displayed if the contract detail meets the following conditions:

- The **Type** field (seType) is set to another value than **Master lease**.
- The **Nature of payments** field (sePayType) **Loans** or **Both**.

### Windows client

The method used to add a loan to a contract depends on the display mode of the **Loans** tab of the contract detail.

## Selecting how the Loans tab is displayed

The **Loans** can be displayed in two ways:


- In tab form
- In list form

To switch between display modes, right-click within the **Loans** tab (not on the title of the tab) and then select **Display in tab form** or **Display in list form** from the shortcut menu.

## Adding a loan to a contract in tab form

1. Display the **Loans** tab.
2. Right-click the sub-tab situated at the bottom left of the **Loans** tab and select **Add link** from the shortcut menu.
3. Populate the new sub-tab.
4. Click **Modify**.

## Adding a loan to a contract in list form

1. Display the **Loans** tab.
2. Click the  button.  
The add-loan window is displayed.
3. Populate the loan detail.
4. Click **Add**.
5. Click **Modify**.

## Web client

1. Display the **Loans** tab.
2. Click **Add**.
3. Populate the loan detail.
4. Click **Add**.


## Adding a loan at the asset level

It is not possible to create a loan directly from an asset detail: Loans are linked to the contract only.

## Loan amortization schedule

This section explains how to create a loan amortization schedule.

## Adding a payment

1. Display the contract detail.
2. Select the **Loans** tab.
3. Display the loan detail.
4. Add an entry to the loan amortization schedule ( button in the Windows client or **Add** in the Web client).
5. Populate the detail of the payment.
6. Validate your input (**Add** button).
7. Web client: Click the **Back to main document** link.
8. Validate the addition of the payment (**Modify** button in the Windows client or **Save** in the Web client).

## Copying a loan amortization schedule from an external program

**Caution:** This function is available in the Windows client only.

Rather than creating the loan amortization schedule lines one by one, you can copy them elsewhere and paste them directly into the list.

Each line of data from the external software must be structured as an Asset Manager loan amortization schedule payment line (same number of columns and same value type for each field). During the copy, a payment line is created for line of data. The fields of each line in the file from the external application are automatically associated with the columns in the loan amortization schedule: The first field is associated with the first column, the second field is associated with the second column, and so on.

## Fields used to describe the loan amortization schedule

### Loans - Fields used to describe the loan amortization schedule

Field label	SQL name of the field	Usage
Amount	mAmount	Defines the total of the borrowed capital.  This field is used in the calculation of the balance in loan amortization schedules.
Start	dStart	Loan repayment start date.  This field is for informational purposes only.
Interest rate	pInterestRate	Defines the interest rate of the loan when it is fixed.  This field is for informational purposes only.
Floating rate	FloatingRate	Defines the interest rate of the loan when it is variable.  This field is for informational purposes only.
<b>Payment</b>		
Date	dPayment	Payment date of the loan amortization line.  This date is used in the expense lines generated from the loan amortization line.

**Loans - Fields used to describe the loan amortization schedule, continued**

Field label	SQL name of the field	Usage
Principal	mPrincipal	Amount of borrowed capital that is repaid.  The value of this field is deducted from the <b>Amount</b> field (mAmount) of the loan to obtain the balance in the amortization schedule.  The principal is accounted for in the total of the loan amortization line.
Rate	pInterestRate	Interest rate applied to the payment date of the amortization line.  This field is for informational purposes only.
Interest	mInterest	Amount of interest paid.  The amount is accounted for in the total of the loan amortization line.
Fees	mFees	Amount of fees paid.  The amount is accounted for in the total of the loan amortization line.

**Example**

If you enter the following values in the loan detail:

Field label	SQL name of the field	Value
Amount	mAmount	300

and you enter the following values in the detail of a loan amortization line:

Field label	SQL name of the field	Value
Date	dPayment	May 1, 2011
Principal	mPrincipal	20
Interest	mInterest	5
Fees	mFees	1

Then, the loan amortization schedule displays the following line:

Column	Value
Date	May 1, 2011
Principal	20
Balance	Previous line balance - Principal = 300 - 20 = 280
Interest	5
Fees	1
Total	Principal + Interest + Fees = 20 + 5 + 1 = 26

## Loan allocation method

This section explains the different distribution methods available and how to choose the most appropriate one.

## Selecting the loan prorata method

### Procedure

To select the loan prorata method:

1. Display the contract detail.
2. Select the **Loans** tab.
3. Display the loan detail.
4. Populate the **Prorate to assets** (seProrateRule) field located at the bottom of the window.

You can choose between the following prorata methods:



Prorata method	Calculation method
Do not allocate or distribute payments to assets	<p>Each loan amortization schedule line leads to the creation of an expense line.</p> <p>These expense lines are created at the contract level only (and not at the asset level).</p> <p>The amount of the expense lines corresponds to the amount shown in the <b>Total</b> column of the loan amortization schedule.</p>
Prorate and distribute payments to all assets	<p>Each loan amortization schedule line leads to the creation of an expense line for each asset on the contract.</p> <p>These expense lines are linked to the contract and are duplicated at the level of each corresponding asset.</p> <p>The amount of the expense lines corresponds to the amount shown in the <b>Total</b> column of the loan amortization schedule after allocation to the assets.</p>
Prorate and distribute payments to a selection of assets	<p>Each loan amortization schedule line leads to the creation of an expense line for each asset on the contract that you have selected for the loan.</p> <p>These expense lines are linked to the contract and are duplicated at the level of each corresponding asset.</p> <p>The amount of the expense lines corresponds to the amount shown in the <b>Total</b> column of the loan amortization schedule after allocation to the assets.</p>
Allocate unit level payments to all assets	This calculation method is not useful for managing loans.
Allocate unit level payments to a selection of assets	This calculation method is not useful for managing loans.

## How to choose

### When to allocate a payment to all the assets on the contract?

- When the loan amortization schedule is the same for **all** assets and is applied to **all** assets.

### When to allocate a payment to a selection of assets?

- When the loan amortization schedule is not the same for all the assets on the contract.  
Example: If the rate, schedule or fees apply differently depends on the assets.

- To distribute the payments at the contract level to those assets under contract that you consider to be the "main" assets, and not take "secondary" assets into account.

Thus, it is possible to allocate the payments to the hard drives but not the screens.

#### **When to choose to not distribute a payment to asset level?**

- When the list of assets on the contract does not impact the loan repayment amount.  
As a consequence, adding or removing assets during the term of the contract does not modify the loan repayment amount.
- To gain time and disk space.
- To keep an executive view of a contract without having to go into the details of assets.

## **Distributing the loan payments to all the assets or to a selection of assets under contract.**

This section explains how to distribute a loan payment to all the assets or to a selection of assets under contract.



### **Steps to follow**

1. Create the contract without creating a loan.
2. Add the assets to the contract.  
For each asset, check that the **Market value** (mMarketVal) field is populated (**Acquis.** tab, **Procurement** sub-tab).
3. In the **General** tab of the contract detail, set the **Nature of payments** (sePayType) fields to **Loans** or **Both**, depending on the required repayment type.  
The **Loans** tab is displayed.
4. Windows client: Display the **Loans** tab in tab form (**Display in tab form** on the shortcut menu).
5. From the **Loans** tab, add the loan.
6. Windows client: Click **Modify**.
7. Web client: Display the loan detail.  
The table in the sub-tab lists the payments on the loan. The **Balance** column indicates the capital that still needs to be paid.
- 8.

Field or link	Value
Prorate to assets (seProrateRule)	<ul style="list-style-type: none"> <li>○ <b>Prorate and distribute payments to all assets</b></li> <li>○ <b>Prorate and distribute payments to a selection of assets</b></li> </ul>

Populate the **Prorate to assets** (seProrateRule) field at the bottom of the window with one of the following values:

If you selected **Prorate and distribute payments to a selection of assets**, a list appears below the **Prorate to assets** (seProrateRule) field. This list lets you select the assets to which the payment is distributed. By default, this list is empty.

- To add assets to the list:
  - i. Windows client: Click the  button at the bottom right of the **Prorate to assets** (seProrateRule) field.  
Web client: Click the **Add** button at the bottom left of the **Prorate to assets** (seProrateRule) field.
  - ii. The list of assets under contract is displayed.
  - iii. In this list, select the assets to which the loan repayments are allocated.
  - iv. Validate the selection of assets (**Select** in the Windows client or **Add** in the Web client).
- To remove assets, select them in the list and then click  in the Windows client or **Delete** in the Web client.

## Generating expense lines

For each loan amortization schedule line, Asset Manager Automated Process Manager generates an expense line for each asset to which the loan applies.

These expense lines are displayed in the following tabs:

Detail	Tab
Contracts	Costs
Assets	Costs

**Tip:** An expense line is shown twice; It is, however, the same expense line..

It has not been generated 2 times

The amount of the expense lines is generated from the following fields:

**Loans (Distribute payments) - Fields that are used in calculating the expense lines**

Title	SQL name	Usage at the expense-line level
<b>Loan amortization schedule lines (amLoanPayment) table</b>		
Date	dPayment	Populates the <b>Date</b> (dCreation) field
Principal	mPrincipal	The amounts of these fields are summed to obtain the total repayment amount for all the assets to which the loan applies.  The sum is shown in the loan amortization schedule in the <b>Total</b> column.
Interest	mInterest	
Fees	mFees	
<b>Loans (amLoan) table</b>		
Prorated by	ProrateField	This field specifies which fields are used to prorate the amount in the <b>Total</b> column between the assets associated with the loan.
Rounding	fPrecision	This field specifies how to round the repayment amount obtained after distribution between the assets associated with the loan.

**Selecting the reference field for distributing repayments to the asset level**

The reference field for distributing the repayment between the assets associated with the loan is defined by the **Prorated by** (ProrateField) field.

The **Prorated by** (ProrateField) field may be set to the following values:

Value	Location of the field (in the asset detail) used to distribute the loan payment to the assets		
	Tab	Sub-tab	Value that the Acq. method (seAcquMethod) field should take for the reference field to be displayed (Acquis. tab, Procurement sub-tab)
(identical)			
Depreciation (mDeprVal)	Fixed Asset		Purchase
Depreciation basis (mDeprBasis)	Fixed Asset		Purchase
Rent (mPayments)	Rent	General	<ul style="list-style-type: none"> <li>• Rental</li> <li>• Lease</li> </ul>

Value	Location of the field (in the asset detail) used to distribute the loan payment to the assets		
	Tab	Sub-tab	Value that the Acq. method (seAcquMethod) field should take for the reference field to be displayed (Acquis. tab, Procurement sub-tab)
Resale price (mResalePrice)	General		<ul style="list-style-type: none"> <li>• Purchase</li> <li>• Rental</li> <li>• Lease</li> </ul>
Purchase price (mPrice)	Acquis.	Price and conditions	Purchase
List price (mListPrice)	Acquis.	Price and conditions	
Taxes (mIntPayTax)	Acquis.	Price and conditions	<ul style="list-style-type: none"> <li>• Rental</li> <li>• Lease</li> </ul>
Taxes (mTax)	Acquis.	Price and conditions	Purchase
Market value (mMarketVal)	Acquis.	Procurement	
Buyout value (mPurchOptVal)	Acquis.	Price and conditions	Lease
Residual value (mNetValue)	Fixed Asset		Purchase
Init. payment (mIntPay)	Acquis.	Price and conditions	<ul style="list-style-type: none"> <li>• Rental</li> <li>• Lease</li> </ul>

As a convention, we will refer to the value of the reference field as the "Prorata value".

The following formula is used to calculate the value of the **Debit** (mDebit) field of the expense line when the **Prorated by** (ProrateField) field is different from **(identical)**:

$$\text{Asset repayment} = \text{Contract repayment} \times \frac{\text{Prorata value of the asset}}{\text{Sum of the asset's prorata values}}$$

The following formula is used to calculate the value of the **Debit** (mDebit) field of the expense line when the **Prorated by** (ProrateField) field is set to **(identical)**:

$$\text{Repayment for the asset} = \frac{\text{Repayment total for the contract}}{\text{Number of selected assets}}$$

## Rounding

Rounding errors are carried to the first amortization line. Asset Manager Automated Process Manager calculates the payments for each asset associated with the loan except for the first, and then adjusts the payment of the first asset so that the sum of all asset loan payments equals the loan amount of the contract (the "first" asset depends on the database management system and how its indexes are configured).

If the rounding value is set to **0**, the payments for each asset are calculated using the default precision for floating numbers. For example, for a contract loan whose value is **100** distributed identically to 3 assets, Asset Manager generates the following loan payments according to the selected rounding value:

- For a rounding value equal to 0.01
  - a. 33.34
  - b. 33.33
  - c. 33.33
- For a rounding value equal to 0
  - a. 33.33333333333333433
  - b. 33.3333333333333254
  - c. 33.3333333333333254

**Note:** The rounding value is also used in the distribution of tax values.

## Example calculation

Let's suppose a company buys 3 assets on credit:

- Two PCs X and Y with a market value of **\$1500** each
- One PC Z with a market value of **\$2 000**
- The loan repayment is prorated by the **market values**

The following values will appear in the detail of the loan:

Field label	SQL name of the field	Value
Amount	mAmount	\$5000

Let's suppose you enter the following values in the detail of the first loan amortization line:

Field label	SQL name of the field	Value
Date	dPayment	January 5, 2011
Principal	mPrincipal	200
Interest	mInterest	50
Fees	mFees	10

Then, the loan amortization schedule displays the following line:

Column	Value
Date	January 5, 2011
Principal	200
Balance	Previous line balance - Principal = 5 000 - 200 = 4 800
Interest	50
Fees	10
Total	Principal + Interest + Fees = 200 + 50 + 10 = 260

## Repayment calculation for each of the assets

<b>Payment for Y</b>	= Payment <b>Total</b> x <b>Prorata value</b> of Y / (sum of <b>Prorata values</b> of X, Y and Z)
	= Payment <b>Total</b> x <b>Market value</b> of Y / (sum of <b>Market values</b> of X, Y and Z)
	= 260 x 1500 / (1500 + 1500 + 2000)
	= \$78

<b>Payment for Z</b>	= 260 x 2000 / 5000
	= \$104

<b>Payment for X</b>	= Payment <b>Total</b> - (sum of <b>Rents</b> for the assets other than X)
	= 260 - 78 - 104
	= \$78

## Allocating the loan payments to all the assets or to a selection of assets under contract.

### Steps to follow

This distribution method is not useful for managing loans.

## Do not allocate or distribute payments to assets

### Steps to follow

1. Create the contract without creating a loan.
2. Add the assets to the contract.  
For each asset, check that the **Market value** (mMarketVal) field is populated (**Acquis.** tab, **Procurement** sub-tab).
3. In the **General** tab of the contract detail, set the **Nature of payments** (sePayType) fields to **Loans** or **Both**, depending on the required repayment type.  
The **Loans** tab is displayed.
4. Create the loan contract (**Loans** tab of the contract detail).
5. Web client: Click the **Back to main document** link.



6. Windows client: Click **Modify**.

Web client: Click **Save**.

The table on the sub-tab of the **Loans** tab indicates the loan payments. The **Balance** column indicates the capital that still needs to be paid.

Field or link	Value
Prorate to assets (seProrateRule)	Do not allocate or distribute payments to assets

7. Populate the **Prorate to assets** (seProrateRule) field at the bottom of the window with the following value:

## Generating expense lines

For each loan amortization schedule line, Asset Manager Automated Process Manager generates an expense line.

These expense lines are displayed in the **Costs** tab of the contract.

The amount of the expense lines is generated from the following fields:

### Loans (Do not allocate or distribute payments) - Fields that are used in calculating the expense lines

Title	SQL name	Usage at the expense-line level
<b>Loan amortization schedule lines</b> (amLoanPayment) table		
Date	dPayment	Populates the <b>Date</b> (dCreation) field
Principal	mPrincipal	The totals of these fields are summed to obtain the full repayment amount.  The sum is shown in the loan amortization schedule in the <b>Total</b> column.
Interest	mInterest	
Fees	mFees	

## Allocating loans

To define the way that loan expenses are allocated:

1. Display the contract detail.
2. Select the **Loans** tab.

3. Display the loan detail.
4. Populate the **Cost type** (CostCategory) and **Cost center** (CostCenter) links.

## Chapter 8: Step 5 - Accepting assets

**Note:** This chapter only covers contracts whose **Type** field (seType) is set to **Lease schedule**.

This chapter explains how to accept assets and calculate interim rent.

### Key concepts

Once the assets have been received, the lessee has a certain amount of time to evaluate the assets and make sure that they function correctly. Acceptance of the assets marks the effective start of leasing and the payment of rent.

This is a crucial step in the leasing process, giving rise to the exchange of contractual documents between the lessee and lessor. The lessee sends a certificate of acceptance to the lessor indicating the accepted assets.

### Accepting assets

To accept assets:

1. Display the list of contracts (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
2. Select the contract.
3. Windows client: Click **Accept** to the right of the contract detail window.  
Web client: Select **Accept** from the **Actions...** drop-down list.  
Asset Manager starts the **Accept assets...** wizard.
4. Populate the pages in the wizard:
  - Select assets to accept
  - Acceptance date (See [How to populate the Acceptance date to apply to the selected assets frame](#)) and the basis of the interim rent calculation (See [How to populate the Basis of interim rent calculation frame](#))
5. Exit the wizard (**Finish** button).

## How to populate the Acceptance date to apply to the selected assets frame

Accept assets wizard Define the acceptance date and the basis of the interim rent calculation page

Field	Value to assign	Field impacted in the asset detail
Acquis. status	Accepted	Acquis. status (seAcquStatus)
Start date	Asset Manager simply shows the start date of the contract	
Acceptance date	Date on which you accept the assets	Accept. date (dAccept)
Serial number	<p>If you accept the assets individually, you populate this field with the serial number of the asset.</p> <p><b>Tip:</b> This information is precious for the lessee: The certificate of acceptance sent to the lessor lists the accepted assets, their acceptance dates and serial numbers</p>	Serial # (SerialNo)

## How to populate the Basis of interim rent calculation frame

Acceptance defines the start of payment. Thus the lessee must pay interim rent to the lessor.

Interim rent covers the period between accepting an asset and the date of the first rent payment for a full period.

**Caution:** Asset Manager manages the interim rent calculation for the main rent of the contract only

Asset Manager calculates interim rent in several ways depending on the option that is selected in the **Prorate to assets** (seProrateRule) field on the main rent sub-tab of the contract detail's **Rents** tab:

- **Prorate and distribute payments to all assets.**
- **Prorate and distribute payments to a selection of assets.**
- **Do not allocate or distribute payments to assets.**
- **Allocate unit level payments to all assets.**
- **Allocate unit level payments to a selection of assets.**

## Prorate and distribute payments to all assets option

Asset Manager performs this operation in several steps:

1. It first calculates the interim rent for all the selected assets in the **Accept assets...** wizard. It bases its calculation on the sum of all rents of the selected assets and the calculation method of the interim rent defined in the wizard. Note that the selected group of assets does not necessarily correspond to all the assets under the contract.
2. It distributes this interim rent to each asset of the selection. It bases its calculation on the interim rent distribution method and on two fields defined in the wizard: **Rent** (mPayments) and **Periodicity** (sePeriodicity) fields (**Rents** tab, main rent sub-tab). The interim rent of each asset is stored on the **Price and conditions** tab, **Init. payment** field.
3. It recalculates the overall interim rent of the contract. This is equal to the sum of the interim rents of the assets under contract. It is indicated in the **Init. payment** field (mlntPay) of the **General** tab of the contract detail.

Here is how to calculate the interim rent for all assets in the wizard:

1. Select the **Calculation method** of the interim rent on the **Define the acceptance date and the basis of the interim rent calculation** page. The method selected by default corresponds to the value of the **Calculation method** (selntRentType) field on the contract detail's **Leasing** tab.
2. Depending on the selected mode, populate the **Min. days**, **Max. days**, **Percentage** fields on the next page. If you selected the **Fixed** mode, enter the value in the **Total of interim rents to apply** field.
3. Click **Calculate** to display the **Total of interim rents to apply** for all assets.

**Note:** The **Prorate** and **Rounding** fields display the interim rent distribution method for all assets and the rounding type that is used when calculating the interim rent. These fields are for informational purposes only when a single asset is selected in the wizard. If more than one asset is selected, the default values for these fields can be modified. .

4. Click **Finish** to save the calculation at asset and schedule level. Thus:
  - a. The **Init. payment** (mIntPay) field in the **General** tab of the contract detail, which specifies the overall interim rent at schedule level, is recalculated.
  - b. For each asset in the group, the **Init. payment** (mIntPay) field (**Price and conditions** sub-tab on the asset's detail **Acquis.** tab) indicates the interim rent of the asset. This rent is calculated by prorating the contract's overall interim rent on the assets following the rule set by the wizard's **Prorate** and **Rounding** fields.
  - c. For each asset, the expense line relative to its interim rent appears in the **Costs** tab of the asset detail.

## Prorate and distribute payments to a selection of assets option

The procedure used to calculate the interim rent on acceptance of a number of assets is similar to that described in the case of a main rent prorated to all assets, with the following conditions:

- There is an interim rent at the level of each asset belonging to the selection of assets, calculated when the asset is "accepted". The interim rent for the assets which do not make up the selection is zero.
- The overall interim rent at schedule level is equal to the sum of the interim rents of the selection of assets. It is indicated in the **Init. payment** field (mIntPay) in the **General** tab of the contract detail.

## Do not allocate or distribute payments to assets option

There is no interim rent at the asset level.

The overall interim rent at schedule level is entered directly by the lessee in the **Init. payment** field (mIntPay) in the **General** tab of the contract detail.

In this case, the wizard's **Finish** button is not used to calculate the interim rent: It is just used to accept the assets under contract.

The expense line corresponding to the interim rent of the contract is displayed in the **Costs** tab of the contract detail.

## Interim rent calculation methods

**Note:** Interim rent calculation methods are only used when the contract's main rent is prorated for all assets or for a selection of assets (**Prorate to assets** (seProrateRule) field on the main rent sub-tab of the contract detail's **Rents** tab):

In this case, Asset Manager enables you to calculate the interim rent for a group of assets in three different ways:

- According to the date of acceptance.
- As a percentage of the rent of these assets.
- As a fixed value.

The interim rent calculation method is shown on the **Leasing** tab of the contract detail and in the **Accept assets...** wizard.

### Calculation according to the "Acceptance date"

The interim rent is calculated from the acceptance date of the assets, i.e. prorata to (in proportion to) the interim period. Asset Manager considers there are 30 days in a month.

The reference amount of the calculation corresponds to the value of the **Total of rents** field on the wizard's **Define the acceptance date and the basis of the interim rent calculation** page: This is the sum of periodic rents of the selected assets. Note that when the contract rent is prorated to a selection of assets (**Prorate to assets** (seProrateRule) field on the contract detail's **Rents** tab), the main rent for a asset not in the selection is replaced with 0.

The other calculation parameters are summarized on the wizard's **Calculate the interim rent of the assets** page. The number of days to be taken into account is automatically determined by Asset Manager.

- **Days**

Number of days, calculated by Asset Manager, between the acceptance date and the date of the 1st rent on a full period.

**Tip:** If a value greater than this number of days is populated in the **Min. days** field, then Asset Manager performs the calculation by replacing the value in the **Days** field with the value entered in the **Min. days** field.

- **Min. days**

Minimum number of invoiced days.

- **Max. days**

Maximum number of invoiced days.

**Example of interim rent calculation according to the acceptance date**

A lease contract starts on July 1, 2011. The monthly rent is payable on the first day of the month and amounts to \$3000. It is distributed to all the assets. On June 17, 2011, the lessee accepts two of the assets under contract whose monthly rents are \$800 (asset A) and \$400 (asset B).

- The interim rent for these two assets covers the period from July 17 through July 30 inclusive, i.e. 14 days. It is thus evaluated at  $14/30 * (800 + 400) = \$560$ .  
The total interim rent at schedule level (specified in the **Init. payment** field (mIntPay) in the **General** tab of the contract detail) increases by \$560.
- For each of the two accepted assets, the **Init. payment** (mIntPay) field of the **Price and conditions** sub-tab on the asset detail's **Acquis.** tab indicates the interim rent of the asset.  
Let's suppose that the interim rent of these two assets is calculated by distributing the total interim rent at schedule level prorata to the rent, rounded to 0.1.  
The interim rent of A amounts to:  $560 * 800 / (800 + 400) = \$373.3$ .  
The interim rent of B amounts to:  $560 * 400 / (800 + 400) = \$186.7$ .

**Example of utilization of Min. days and Max. days fields**

A lease contract starts on July 1, 2011. The rent, distributed to all assets, is payable monthly on the first day of the month. Interim rent is calculated according to the acceptance date. **Min. days** indicates 3 days, **Max. days** indicates 25 days.

- If all the assets on the contract are accepted on July 29, 2011, the interim rent will be calculated for a period of 3 days (minimum number of invoiced days), even if, in reality, the period covers 2 days only.
- If all the assets under contract are accepted on July 2, 2011, the gap between the acceptance date and the start of the first full period (August 01, 2011) is greater than 25 days. The interim rent will only be calculated for a period of 25 days only (which is the maximum number of invoiced days).
- If assets under contract are accepted on the contract start date (July 1, 2011), there is no interim rent to calculate for these assets since the invoiced period corresponds to an entire rent payment.

**Calculation by "Percentage of rent"**

The interim rent is calculated by applying a percentage of the value of the **Total of rents** field that is displayed on the wizard's **Define the acceptance date and the basis of the interim rent calculation** page:



- This percentage is specified in the **Percentage** field of the **Calculate the interim rent of the assets** page, after selecting this calculation method on the **Define the acceptance date and the basis of the interim rent calculation** page.

**Note:** The default value of the percentage corresponds to the value of the **Percentage** (pIntRentPercent) field on the **Leasing** tab of the contract detail. The **Percentage** (pIntRentPercent) field only appears on this tab if the corresponding calculation method is selected in the **Calculation method** (seIntRentType)field.

- The **Total of rents** is the sum of the periodic rents of the selected assets. Note that when the contract rent is prorated to a selection of assets (**Prorate to assets** (seProrateRule) field on the contract detail's **Rents** tab), the main rent for a asset not in the selection is replaced with 0.

The interim rent is in this way independent of the acceptance date of the assets.

### Example

A lease contract starts on July 1, 2011. The monthly rent is payable on the first day of the month and amounts to \$3000. The interim rent calculation percentage, defined in the **Leasing** tab of the contract detail is 30%. The rent is distributed to all the assets and all the assets under contract are accepted during the month of June 2011.

- The interim rent of the contract covers the period from June 1 through June 30, 2011. It amounts to  $3000 * 30\% = \$900$ .
- The interim rents at the asset level are calculated by prorating the interim rent according to the selected method.

### Calculation by "fixed value"

The interim rent is equal to a fixed value: You just need to enter this value in the **Total of interim rents to apply** field on the wizard's **Calculate the interim rent of the assets** page.

# Chapter 9: Step 6 - Generating expense lines

This chapter explains how rent and loan repayment expense lines are generated and recalculated.

## Key concepts

Expense lines are generated for all the costs associated with a contract:

- Periodic rents
- Initial payments (or interim rents in the case of lease contracts).
- Loan repayments
- Failure to meet service level objectives.

The expense lines corresponding to periodic rents and loan payments are generated by Asset Manager Automated Process Manager. As a consequence, Asset Manager Automated Process Manager must be installed, configured and started.

Expense lines for initial payments and interim rents are created by Asset Manager.

## Generating of periodic rent and loan payment expense lines

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## Configuring Asset Manager Automated Process Manager

1. Start Asset Manager Automated Process Manager.
2. Connect to your database (**File/ Connect to database** menu).
3. Select the **Tools/ Configure modules** menu item.
4. Select the module **Calculate rents and loans** (Rent).
5. Populate the options of the module **Calculate rents and loans** according to the instructions given in the **Administration** guide, chapter **Asset Manager Automated Process Manager**, section **Configuring the modules monitored by Asset Manager Automated Process Manager/ Calculate rents and loans module (Rent)**.

## Executing Asset Manager Automated Process Manager as background task

1. Start Asset Manager Automated Process Manager.
2. Connect to your database (**File/ Connect to database** menu).

## Generating expense lines

Once connected, Asset Manager Automated Process Manager verifies at regular intervals whether it needs to generate expense lines. If this is so, it generates them.

## Periodic rent expense lines

**Note:** Expense lines are generated from the date of validity of the rent.

After checking and generating or recalculating the expense lines relative to a periodic rent, Asset Manager Automated Process Manager stores the date of the last expense line generated in the **Recalc. effective from** field (dRecalcul).

- If the contract level rent is distributed or allocated to the assets, Asset Manager Automated Process Manager modifies the **Recalc. effective from** (dRecalcul) field that is found on the sub-tabs of the asset detail **Rent** tabs.
- If the contract level rent is not distributed or allocated to asset level, Asset Manager Automated Process Manager modifies the **Recalc. effective from** (dRecalcul) field, that is found in the rent sub-tabs of the **Rents** tab of the contract detail.

Asset Manager Automated Process Manager does not recalculate every single expense line each time.

- Projected expense lines associated with a periodic rent are always recalculated.
- The **Recalc. effective from** (dRecalcul) field, proper to each rent, sets the date from which past and present expense lines associated with a periodic rent are recalculated.

The lessee may directly modify the recalculation date of the non-projected expense lines by directly modifying the **Recalc. effective from** (dRecalcul) field. This flexibility enables you to recalculate erroneous expense lines in case of a change in tax rates, for example.

## Loan payment expense lines

**Note:** Expense lines are generated from the date of validity of the loan.

Asset Manager Automated Process Manager generates an expense line for each line in the loan amortization schedule. The date of the expense line corresponds to the payment creation date. For each repayment:

- If the payment is distributed to all assets, Asset Manager Automated Process Manager generates the same number of expense lines as there are assets associated with the loan.  
In the case of distributions, the loan payment amount is distributed to each expense line according to the value of the **Prorated by** (ProrateField) field in the loan's detail.
- If the loan payment is distributed to all assets, Asset Manager Automated Process Manager generates expense lines only for assets that are not selected.  
In the case of distributions, the loan payment amount is distributed to each expense line according to the value of the **Prorated by** (ProrateField) field in the loan's detail.
- If the loan payment is not allocated to assets, Asset Manager Automated Process Manager generates a single expense line for the loan payment.

## Generating expense lines for initial payments or interim rent

There is an initial payment for each contract type. The amount of the initial payment is specified in the **Init. payment** (mIntPay) field on the **General** tab of the contract detail.

For **leasing** contracts, this initial payment corresponds to an interim rent. In general, the interim rent is calculated by Asset Manager when assets associated with the contract rent are accepted.

There are:

- Either an expense line for each asset under contract (corresponding to the **Init. payment** (mIntPay) field of the **Price and conditions** sub-tab on the asset detail's **Acquis.** tab)
- Or an expense line for each asset from a selection of assets under contract
- Or an expense line for all assets under contract (corresponding to the **Init. payment** (mIntPay) field on the **General** tab of the contract detail).

In the first two cases, the expense line is allocated to the cost center defined on the **General** sub-tab on the **Portfolio** tab of the asset detail. In the third case, it is allocated to the cost center defined in the **General** tab of the contract detail.

## Expenses linked to rents

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## Viewing expense lines

1. Display the list of contracts using one of the links on the navigation bar.
2. Display the contract detail.
3. Go to the **Costs** tab.

## Rules used to generate expense lines

Origin of the expense lines	For each rent period:			
	Prorata method	Expense lines generated	Cost center and cost type used to allocate the expense lines	Allocation of the expense lines
Periodic rents	Prorate and distribute payments to all assets	An expense line for each asset on the contract	Asset detail, <b>Rent</b> tab, <b>Finance</b> sub-tab	Asset and contract
	Allocate unit level payments to all assets			
	Prorate and distribute payments to a selection of assets	An expense line for each selected asset	Asset detail, <b>Rent</b> tab, <b>Finance</b> sub-tab	Asset and contract
	Allocate unit level payments to a selection of assets			
	Do not allocate or distribute payments to assets	A unique expense line	Contract detail, <b>Rents</b> tab, <b>Finance</b> sub-tab	Contract
Interim rents (in the case of leasing agreements)	Prorate and distribute payments to all assets	An expense line for each asset on the contract. Origin of the amount: Detail of the asset, <b>Acquis.</b> tab, <b>Price and conditions</b> sub-tab, <b>Init. payment</b> (mlntPay) field	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	Asset and contract
	Allocate unit level payments to all assets			
	Prorate and distribute payments to a selection of	An expense line for each selected asset. Origin of the amount: Detail of the asset, <b>Acquis.</b> tab, <b>Price</b>	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	Asset and contract

Origin of the expense lines	For each rent period:			
	Prorata method	Expense lines generated	Cost center and cost type used to allocate the expense lines	Allocation of the expense lines
	assets	<b>and conditions</b> sub-tab, <b>Init. payment</b> (mIntPay) field		
	Allocate unit level payments to a selection of assets			
	Do not allocate or distribute payments to assets	No interim rent is created in this case		

## Modifying the cost center or cost type

If you modify, at the contract or asset level, the cost center or cost type for allocating expense lines, the new cost center and cost type are not propagated to those expense lines that have already been generated.

This is not a problem for future expense lines; Asset Manager Automated Process Manager will recalculate them automatically taking the new cost center or cost type into account.

On the other hand, Asset Manager Automated Process Manager will only recalculate past expense lines if you explicitly specify it as follows:

1. Display the list of contracts (**Asset lifecycle/ Supplier contract management/ Contracts** link on the navigation bar).
2. Display the detail of the contract to modify.
3. Select the **General** sub-tab, on the **Rents** tab.
4. Populate the **Recalc. effective from** (dRecalcul) field with the date from the which the new cost center is to be taken into account.

Example:

Until **October 31, 2011**, the rent expense lines are allocated to the cost center **C1**.

From **November 1, 2011**, the rent expense lines are to be allocated to the cost center **C2**.

In the detail of the asset, **Rent** tab, **RRR** rent sub-tab, **Finance** sub-tab, you only changed the **Cost center** (CostCenter) field to **C2** on **December 24, 2011**.

To this day, you have generated expense lines for up until **December 31, 2011**.

To have Asset Manager Automated Process Manager allocate the rent expense lines **RRR** for November and December 2011 to the cost center **C2**, simply set the **Recalc. effective from** (dRecalcul) field to **November 1, 2011**.

## Expenses linked to loans

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## Viewing expense lines

1. Display the list of contracts using one of the links on the navigation bar.
2. Display the contract detail.
3. Go to the **Costs** tab.

## Rules used to generate expense lines

For each repayment:			
Prorata method	Expense lines generated	Cost center and cost type used to allocate the expense lines	Allocation of the expense lines
Prorate and distribute payments to all assets	An expense line for each asset on the contract	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	
Allocate unit level payments to all assets			
Prorate and distribute payments to a selection of assets	An expense line for each selected asset on the contract	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	



<b>For each repayment:</b>			
<b>Prorata method</b>	<b>Expense lines generated</b>	<b>Cost center and cost type used to allocate the expense lines</b>	<b>Allocation of the expense lines</b>
Allocate unit level payments to a selection of assets			
Do not allocate or distribute payments to assets	A unique expense line	No allocation	Contract

## Modifying the cost center or cost type

If you modify, at the asset level, the cost center or cost type for allocating expense lines, the new cost center or cost type is not propagated to those expense lines that have already been generated.

You must:

1. Delete the expense lines.
2. Delete the contract loan.
3. Recreate the contract loan.
4. Let Asset Manager Automated Process Manager generate the expense lines.

# Chapter 10: Step 7 - Defining loss values

**Note:** This chapter only covers contracts whose **Type** field (seType) is set to **Lease schedule**.

This chapter explains how to manage the loss or destruction of an asset.

## Key concepts

Leasing agreements define what steps to take in case of destruction, simple loss or progressive loss over a period of time of the assets under contract.

The **Leasing** tab in the contract detail enables you to specify the calculation method for the loss values:

Field or link	Description
Loss value calculation rule (LossValRule)	Enables selection of the loss-value rule.
Calculation (seLossValCalcMode)	Specifies whether the loss value is calculated on a given date or for all periods.

## Defining loss value calculation rules

In general, the value of lost or destroyed assets is defined contractually.

Asset Manager enables you to describe stipulated loss value rules and to estimate the loss value of an asset or of a group of assets according to their reference value.

These two tasks are performed at the lease contract level, in the **Leasing** tab. You cannot estimate the loss value of an asset directly from the asset detail.


Before being able to calculate the loss value for a group of assets, you must define the calculation rules for this value. The calculation rule determines the percentage to be applied to the reference price of the assets to obtain a loss value according to the time elapsed since the start of the contract.

To create a calculation rule (valid for the Windows client only):

1. Display the lease contract detail and click the **Leasing** tab.
2. Go to the **Loss value calculation rule** field (LossValRule).
3. Enter the name of the new calculation rule and then place your cursor in another field:  
Asset Manager will ask you whether you want to make and on the fly creation or a detailed creation. Click **Detailed creation**.
4. Populate the fields of the calculation rule
5. Validate the information entered (**Add** button).
6. Validate the calculation rule for the contract (**Modify** button).

## Create loss rates with straight line percentages over time

In the event the rates to apply to the value of the assets at the beginning of the contract vary linearly between two time values:

1. Display the list of loss value calculation rules (**Asset lifecycle/ Supplier contract management/ Leasing/ Loss value calculation rules** link on the navigation bar).
2. Display the detail of the calculation rule for which you want to create loss rates by linearization.
3. If necessary, change the values in the **Periodicity** (sePeriodicity), **Precision** (tPrecision) and **Duration** (tsDuration) fields.  
Windows client: Modify the values and validate the information entered (**Modify** button).  
Web client: Modify the values and validate the changes (**Save** button).
4. Create the loss rate at day zero and the loss rate after the maximum duration has been exceeded.  
Windows client: Click the  button.  
Web client: Click **Add**.
5. Windows client: Click **Modify**.
6. Windows client: Click **Linearize**.  
Web client: Select **Linearize** from the **Actions...** drop-down list.  
Asset Manager starts the **Create interim loss rates...** wizard.
7. Populate the pages in the wizard.
8. Exit the wizard (**Finish** button).

Percentages between the selected time values are then generated.

## Create loss rates without straight line percentages over time

If the percentage variation is not linear, the different loss values have to be entered manually in the calculation rule's detail.

Windows client: Click the  button.

Web client: Click **Add**.



Period: 3 months  
Rate: 85%

Add  
Add  
Cancel

In this example, the loss value will be equal to 85% of the reference value of the assets from 3 months after the start of term until the next period.

## Calculating the loss value

Once the loss value calculation rule is selected for the contract, Asset Manager calculates the loss values by applying this calculation rule. There are two ways of calculating loss values:

- Calculating for all periods.
- Calculating on a given date.

## Calculate for all periods

On the **Leasing** tab of the contract detail:

1. If this has not already been done, populate the **Loss value calculation rule** (LossValRule) field.
2. Select **Calculate for all periods** in the **Calculation** (seLossValCalcMode) field.
3. Validate your input.  
Windows client: Click **Modify**.  
Web client: Click the **Save** button.
4. Start the calculation action.  
Windows client: Click **Loss Val..**

Web client:

- a. Select **Loss Val.** from the **Actions...** drop-down list.
- b. Validate execution of the action (**Yes** button).
- c. Click the **Loss values applicable to a given contract** link.

Asset Manager calculates the loss values for all the periods included within the duration of validity of the rule beginning with the start date of the contract (**General** tab). Asset Manager generates the table loss values specific to the lease contract.

5. Windows client: Close the window (**Close** button).

## Calculate on a given date

On the **Leasing** tab of the contract detail:

1. If this has not already been done, populate the **Loss value calculation rule** (LossValRule) field.
2. Select **Calculate on a given date** in the **Calculation** (seLossValCalcMode) field.
3. Validate your input.

Windows client: Click **Modify**.

Web client: Click the **Save** button.

4. Start the calculation procedure.

Windows client: Click **Calculate**.

Web client: Select **Calculate** from the **Actions...** drop-down list.

Asset Manager starts the **Calculate a loss value for a given date...** wizard.

5. Populate the wizard page.

Asset Manager calculates the loss value on a given date by referring to the calculation rule associated with the contract.

### **Basis of calculation**

By default, Asset Manager gives you the **Total value of assets** (mMarketVal) (contract's **Leasing** tab). You can enter the reference value of an asset or of a group of assets.

### **Start**

Sets the date from which the loss value rule is applied. This date is by default equal to start date of the contract (**General** tab). You can modify this in order to calculate, for example, the loss value of asset which were taken down after the start of the contract.

### **Loss date**

Date taken into account for loss value calculation.


**Calculate button**

Click this button to:

- Display the rate to be applied to the calculation basis: it is determined by the rule chosen and the loss date of the assets.
  - Calculate the loss value corresponding to the basis of calculation.
6. Close the wizard (**OK** button).

## Updating loss values

You can modify the detail of a loss-value calculation rule:

- From the **Asset lifecycle/ Supplier contract management/ Leasing/ Loss value calculation rules** link on the navigation bar.
- On the **Leasing** tab of the contract detail:
  - Windows client: Click the  button to the right of the **Loss value calculation rule** (LossValRule) field.
  - Web client: Click the name of the calculation rule in the **Loss value calculation rule** (LossValRule) field.

In this case, all contracts using this loss value need to be updated.

**Immediate update after modifying loss-value**

To update all contracts using a loss-value rule which has just been modified, you just need to click **Propagate** in the detail of the loss value (Windows client) or select **Propagate** from the **Actions...** drop-down list (Web client).

**Updates done by Asset Manager Automated Process Manager**

Asset Manager Automated Process Manager recalculates, at regular intervals, the loss values for lease contracts whose calculation method is set to **Calculate for all periods** (**Calculation** field (seLossValCalcMode) on the **Leasing** tab of the lease contract detail). In this way, loss values pertaining to any loss value rules which have been modified since the last time Asset Manager Automated Process Manager accessed the database are updated.

To configure the recalculation of loss values:

1. Start Asset Manager Automated Process Manager.
2. Connect to your database (**File/ Connect to database** menu).

3. Select the **Tools/ Configure modules** menu item.
4. Select the **Calculate stipulated loss values** module (LostVal).
5. Populate the options of the **Calculate stipulated loss values** (LostVal) module according to the instructions given in the **Administration** guide, chapter **Asset Manager Automated Process Manager**, section **Configuring the modules monitored by Asset Manager Automated Process Manager/ Calculate stipulated loss values (Rent)**.

To define the frequency of recalculation of loss values, follow the instructions given in the **Administration** guide, chapter **Asset Manager Automated Process Manager**, section **Asset Manager Automated Process Manager verification schedules**.

## Chapter 11: Step 8 - Managing end of term

**Note:** This chapter only covers contracts whose **Type** field (seType) is set to **Lease schedule**.

This chapter explains the different end-of-term options for a contract.

Asset Manager lets you manage three end of contract option types: Renewal, Return and Buyout.

### Renewing the presence of assets in a contract.

At the end of term, the lessee may extend the lease for all or a selection of the assets: This is known as renewing the assets.

To renew assets:

1. Display the lease schedules (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
2. Display the detail of the lease schedule.
3. Windows client: Click the **Renew** button.  
Web client: Select **Renew** from the **Actions...** drop-down list.

#### Warning

This button and entry are only available if the **Renewal allowed** option (bRenOpt) on the **Options** tab of the contract detail has been selected.

Asset Manager starts the **Renew assets...** wizard (sysLeaseWAssetRenew).

4. Populate the pages in the wizard.
  - a. Populate the **Select the assets** page.  
**Rent column**  
If the **Prorate to assets** (seProrateRule) field on the main rent sub-tab of the contract detail's **Rents** tab specifies that the main rent is prorated to a selection of assets or to all assets, this column lists the main rent for each asset. Otherwise, it lists null rents.  
Once the assets have been selected, click **Next**.
  - b. Populate the **Select the rents to be renewed** page.  
This page lets you select the rents of the contract to be renewed for all the assets selected in the previous step.  
Once the rents are selected, click **Next**.



- c. Populate the **Define new rents** page.

This page lets you specify the conditions of application of each of the renewed rents. To modify the data of a new rent, select it on the page, then click **Modify the rent** and populate the following fields (click **Apply** to validate the information that you entered):

**Description**

Name of the new rent. When a new rent is created, a corresponding rent sub-tab is created in the **Rents** tab of the contract detail.

**Start**

The start date of the new rent is by default equal to the end date of the previous period plus 1 day.

**End**

The end date of the new rent is by default equal to the end date of the previous period (the end of the contract) + the length of time specified in the **New renewal period** field (tsDefRenDur) in the **Renewal** sub-tab of the **Options** sub-tab of the contract.

**Rent**

New lease rent. It corresponds to a percentage applied to the previous rent. This percentage is defined in the **Percentage of previous rent** (pDefRenPercent) field on the **Renewal** sub-tab of the contract detail's **Options** tab.

Once the new rents are defined, click **Next**.

5. Populate the **Define the renewal dates of the assets** page.

This page specifies the renewal period for the selected assets.

By default:

- The date of renewal of the assets is equal to the earliest of the start dates of the new rents.
- The end date of renewal of the assets is equal to the latest of the end dates of the new rents.

6. Exit the wizard (**Finish** button).

## Consequences of renewing assets

When the **Renew assets...** (sysLeaseWAssetRenew) wizard is executed:

- Using the information that was entered, Asset Manager creates sub-tabs for the new rents on **Rents** tab of the existing contract's detail page. A new contract is not created. These new rents are calculated and managed as the previous lease rents.
- These rent sub-tabs can be found in the **Acquis.** tab of the asset detail.

## Return assets

This section explains how to return assets at the end of term.

To return an asset:

1. Display the lease schedules (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
2. Display the detail of the lease schedule.
3. Windows client: Click **Return**.

Web client: Select **Return** from the **Actions...** drop-down list.

**Caution:** This button and entry are only available if the **Return allowed** option (bRetOpt) on the **Options** tab of the contract detail has been selected.

The **Return slip** window is displayed.

4. Click **New** to create a new return slip.
5. Enter the name of the slip.

Windows client: Click the **Create** button.

Web client: Click the  button to the right of the **Fin. contract** (Schedule) field, then select the financing contract associated with the return slip and click **Save**.

Return slips can also be managed from the **Asset lifecycle/ Supplier contract management/ Leasing/ Return slip** link on the navigation bar. This link enables you to access the list of all return slips, regardless of their associated financing contracts, whereas the **Return** button on the lease contract detail screen only displays the return slips linked to that given lease contract.



A return slip concerns one or more assets from the same contract.

## Contract associated with a return slip

The **Fin. contract** (Schedule) field on the **General** tab of a return slip detail page that specifies the contract to which the return slip is linked.

## Obtaining the list of assets to be returned (return slip)

The list of assets to be returned can be found in the **Assets** tab of the return slip detail.

1. Click  (Windows client) or **Add** (Web client) to select the assets concerned by the financing contract that is specified on the **General** tab of the return slip detail.
2. Click  (Windows client) or **Delete** (Web client) to remove assets from the selection.

The shipping information is included in the **Shipping** tab of the return slip detail.

When an asset is included in a return slip, its status is automatically modified: The **Acquis. status** (seAcquStatus) field on the **Procurement** sub-tab of the asset detail's **Acquis.** tab indicates **To be returned**.

The asset is neither deleted from the table of assets nor from the list of assets under contract (this list is accessible in the **Assets** tab of the contract detail).

## Retiring assets

The returned assets are not automatically retired.

To effectively retire assets included in a return slip:

1. Enter a date in the **Carried out on** field (dCarriedOut) on the return slip's **General** tab.
2. Web client: Click the **Save** button.
3. Select the assets to retire on the **Assets** tab of the return slip's detail.
4. Windows client: Click **Retire**.  
Web client: Select **Retire** from the **Actions...** drop-down list.  
Asset Manager starts the retire assets wizard and displays the **Retire Asset** page.
5. Validate the retirement of assets.  
Windows client: Click **Finish**.  
Web client: Click **OK**.

The following fields are then modified for each of the assets on the return slip:

Tab	Field	New value
<b>Acquis.</b>	<b>Acquis. status</b> (seAcquStatus)	<b>Returned</b>
<b>Portfolio, General</b> sub-tab	<b>Assignment</b> (seAssignment)	<b>Retired (or consumed)</b>
<b>General</b>	<b>Date</b> (sDispos)	Value of the <b>Carried out on</b> field of the return slip

Tab	Field	New value
General	Reason (DisposReason)	Return ([Name of the return slip])

## Buy-out assets

This paragraph explains how to buy out assets at the end of a contract.

To buy-out assets:

1. Display the lease schedules (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
2. Display the detail of the lease schedule.
3. Windows client: Click **Buy out**.

Web client: Select **Buy out** from the **Actions...** drop-down list.

**Caution:** This button and entry are only available if the **Buyout allowed** option (bPurchOpt) on the **Options** tab of the contract detail has been selected.

Asset Manager starts the **Buy out assets...** wizard.

4. Populate the pages in the wizard.
  - a. Populate the **Select the assets** page.
  - b. Populate the **Define the price and buyout date** page.

Asset Manager calculates the various amounts for the assets that you want to buy out:

### **Grand Total (Rents)**

The total of the **Rent** fields (mPayments) on the **General** sub-tabs of the **Rents** tabs corresponding to the main rent.

### **Grand Total (Market values)**

The total of the **Market value** (mMarketVal) fields of the **Procurement** sub-tabs on the **Acquis.** tabs.

Asset Manager automatically fills in certain buyout conditions:

### **Proposed buyout value**

The buyout value is equal to the total, for the selected assets, of the **Buyout value** fields (mPurchOptVal) of the **Price and conditions** sub-tabs of the **Acquis.** tabs.

### **Purchase date**

The buy-out date is by default, the contract end date plus one day.

### **Prorate**

This field defines the distribution method of the purchase price for the selected assets. The

value of this field corresponds to the value of the **Prorated by** (ProrateField) field on the **Rents** tab of the contract detail.

### Rounding

This field defines how to round the purchase price calculation.

Enter the **Purchase price** manually and modify the **Purchase date** if necessary.

**Note:** The **Total of rents**, the **Total of market values** and the **Proposed buyout value** are only shown for informational purposes. They help you set the **Purchase price**.

5. Exit the wizard (**Finish** button).

The following fields are then automatically modified for the selected assets:

tab	field	new value
<b>Acquis., Procurement</b> sub-tab	<b>Acq. method</b> (seAcquMethod)	<b>Purchase</b>
<b>Acquis., Price and conditions</b> sub-tab	<b>Purchase date</b> (dAcquisition)	Value of the purchase date
<b>Acquis., Price and conditions</b> sub-tab	<b>Purchase price</b> (mPrice)	Value calculated from parameters defined on the <b>Define the price and buyout date</b> wizard page.

An expense line is created in the **Costs** tab of the asset.

## Other cases

See [Deleting the link between an asset and a contract](#)

# Chapter 12: Day-to-day management of ASP contracts

This chapter explains how to manage application-service contracts.

## Prerequisites

In order to use the ASP workflows, you must configure and execute Asset Manager Automated Process Manager:

1. Start Asset Manager Automated Process Manager (via the Windows **Start** menu).
2. Connect to the database (**File/ Connect to database** menu).
3. Configure the module **Execute workflow rules for execution group 'BST\_ASP'** (**Tools/ Configure modules** menu).
4. Enable the module (select the option **Enabled**).
5. Configure the frequency of triggering of the module.

**Note:** The workflow is triggered according to the defined frequency. If you wish to check for modifications manually, you can launch the workflow via the **Action/ Activate** menu item from the main window of Asset Manager Automated Process Manager.

**Tip:** For further information on verification schedules in Asset Manager Automated Process Manager, refer to the **Administration** guide, chapter **Asset Manager Automated Process Manager**, section **Configuring the modules monitored by Asset Manager Automated Process Manager/ Verification schedules**.

## Connecting to the ASP administration Web page

**Caution:** The function described in this chapter is only available in the Windows client.

This section explains how the application service administrator can quickly connect the administration page of the ASP Internet site in order to manage user accounts, for example (create or modify accounts, modify rights, profiles, and so on).

**Tip:** Reminder: The ASP administration page is specified in the **Administration URL** (ASPUserRegURL) (**General** tab of the contract).

To connect to the ASP internet site as the administrator:

From the list of contracts:

1. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
2. Right-click the contract.
3. Trigger the action **Administer the application service** (**Actions** shortcut menu).

From the list of persons of the contract:

1. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
2. Select the contract.
3. Select the **Employees** tab.
4. Right-click inside the **Employees** tab.
5. Trigger the action **Administer this application service** (**Actions** shortcut menu).

Your Web browser displays the ASP administration access page.

## Connecting to the ASP Web site

**Caution:** The function described in this chapter is only available in the Windows client.

This section explains how users can quickly connect to the ASP Internet site.

**Tip:** Reminder: The general address of the ASP is specified in the **Application URL** (ASPConnectionURL) field (**General** tab of the contract)..

To connect to the ASP internet site as a user:

1. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
2. Select the contract.
3. Select the **Employees** tab.
4. Right-click within the **Employees** tab.
5. Trigger the action **Connect to the application service** (**Actions** shortcut menu).

Your Web browser displays the ASP access page.

## Send an e-mail to support

**Caution:** The function described in this chapter is only available in the Windows client.

This section explains how to send an e-mail to support.

**Tip:** Reminder: The general address of the ASP is specified in the **Technical support** (ASPEMail) field (**General** tab of the contract).

To send a mail to support:

1. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
2. Right-click the contract.
3. Trigger the action **Send an e-mail to support** (**Actions** shortcut menu).

The messaging system displays a new message window to send to the support team.

## Managing user accounts

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## Prerequisites

In order to manage ASP user accounts, you must install, configure and run Asset Manager Automated Process Manager.

## Configure Asset Manager Automated Process Manager

1. Start Asset Manager Automated Process Manager.
2. Connect to your database (**File/ Connect to database** menu).
3. Select the **Tools/ Configure modules** menu item.
4. Select the module **Execute workflow rules for execution group 'BST\_ASP'** (WkGroupBST\_ASP).
5. Populate the options in the module **Execute workflow rules for execution group 'BST\_ASP'** as indicated in the **Administration** guide, chapter **Asset Manager Automated Process Manager**, section **Calculate rents and loans (Rent)** module.

## Execute Asset Manager Automated Process Manager as background task

1. Start Asset Manager Automated Process Manager.
2. Connect to your database (**File/ Connect to database** menu).

## Make sure the key information on the ASP contract is populated

In order for the **User account management** workflow to run, the following fields must be populated in the ASP contract:

Field or link
The <b>General</b> tab
Supervisor (Supervisor)
Administration URL (ASPUserRegURL)

## Make sure the messaging system is set up

In order for notification messages to reach the intended users, the messaging system must be correctly configured and the corresponding information populated at the user level.

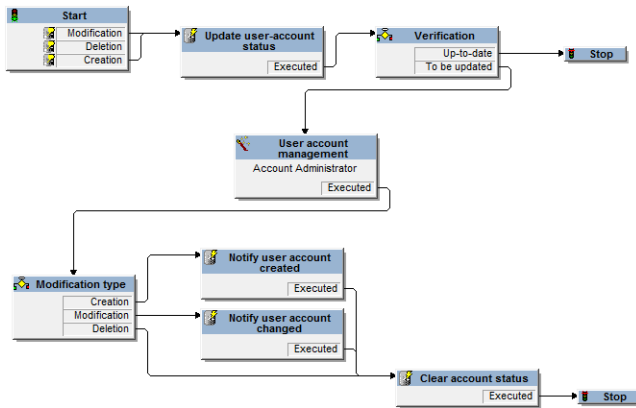
See **Administration** guide, **Messaging** chapter.

## Processes

### Global process

The detail of the **User account management** workflow scheme gives you a reasonable idea of the overall process:

**User account management workflow - diagram**



## Creating a user account

To create a user account:

1. Create the user of the contract in the Asset Manager database:
  - **Method 1: Using the Manage software wizard (sysSamLauncher)**
    - i. Start the **Manage software wizard (Asset lifecycle/ Software Asset Management/ User actions/ Manage software...** link on the navigation bar).
    - ii. Make sure the current contract is the ASP contract to which you want to add a user account. (Use the **Select the current/another software contract** button to change contracts).
    - iii. On the **Choose a Manage Software action...** page, select the **Manage software licenses and installations** option.
    - iv. Click **Next**.
    - v. On the **Manage software licenses and installations** page, click the **Add an ASP user** button.  
This starts the **Add an ASP user...** wizard (sysSamAddAspUsers2Ctr).
    - vi. Populate the wizard according to your needs.
    - vii. Validate all parameters (**Finish** button).  
The wizard adds the users to the contract.
  - **Method 2: Using the menus**
    - i. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
    - ii. Display the contract detail.

- iii. Select the **Employees** tab.
- iv. Add a contract user (➕ button in the Windows client or **Add** in the Web client).  
Populate in particular the following fields and links:

Field or link
User (User)
Login (ASPLogin)
Profile (Profile)

**Note:** The **Status** (seStatus) field in the user detail is set to **To be created** until the ASP administrator registers the user accounts.

2. When the **Execute workflow rules for execution group 'BST\_ASP'** is executed in Asset Manager Automated Process Manager, it sees that a new contract user has been created and creates a workflow task assigned to the contract supervisor.
3. The contract supervisor consults the workflow task (**Asset lifecycle/ Infrastructure management/ My workflow tasks** link on the navigation bar).  
He triggers a wizard (**Wizard** button in the Windows client or **Wizard** link in the Web client) that enables him to access the administration page of the ASP Web site (**Administer the application service** button, available only in the Windows client).
4. The contract supervisor creates the account on the Web site.
5. In the Asset Manager wizard, the supervisor indicates that the account has been created (**Account created** check box) and exits the wizard (**Finish** button).
6. The next time it is executed, the **Execute workflow rules for execution group 'BST\_ASP'** module in Asset Manager Automated Process Manager updates the contract user status in the Asset Manager database.  
To consult it:
  - a. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
  - b. Display the contract detail.
  - c. Select the **Employees** tab.
  - d. Display the detail of the contract user.  
The **Status** (seStatus) field has changed from **To be created** to **Up to date**.
7. The workflow also sends a message to the user to notify that the creation has been performed by the contract supervisor.

## Modifying a user account login or profile

To modify the login or profile of a user account:

1. Display the detail of the user of the contract in the Asset Manager database:
  - a. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
  - b. Display the contract detail.
  - c. Select the **Employees** tab.
  - d. Display the detail of the contract user (🔍 button).

Modify the following fields:

Field or link
Login (ASPLogin)
Profile (Profile)

**Note:** The **Status** (seStatus) field in the user detail is set to **To be updated** until the ASP administrator updates the user account on the ASP Web site..

2. When the **Execute workflow rules for execution group 'BST\_ASP'** is executed in Asset Manager Automated Process Manager, it sees that a new contract user has been modified and creates a workflow task assigned to the contract supervisor.
3. The contract supervisor consults the workflow task (**Asset lifecycle/ Infrastructure managment/ My workflow tasks** link on the navigation bar). He triggers a wizard (**Wizard** button) that enables him to access the administration page of the ASP Web site (**Administer the application service** button, available only in the Windows client).
4. The contract supervisor updates the account on the Web site.
5. In the Asset Manager wizard, the supervisor indicates that the account has been modified (**Account modified** check box) and exits the wizard (**Finish** button).
6. The next time it is executed, the **Execute workflow rules for execution group 'BST\_ASP'** module in Asset Manager Automated Process Manager updates the contract user status in the Asset Manager database.

To consult it:

- a. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
  - b. Display the contract detail.
  - c. Select the **Employees** tab.
  - d. Display the detail of the contract user.  
The **Status** (seStatus) field changes from **To be updated** to **Up to date**.
7. The workflow also sends a message to the user to notify that the modification has been performed by the contract supervisor.


## Deleting a user account

To delete a user account:

1. Modify the user of the contract in the Asset Manager database:
  - a. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
  - b. Display the contract detail.
  - c. Select the **Employees** tab.
  - d. Display the detail of the contract user.  
Populate the following fields:

Field or link	Value
Login (ASPLogin)	Empty

2. When the **Execute workflow rules for execution group 'BST\_ASP'** is executed in Asset Manager Automated Process Manager, it identifies that the contract users have been modified and creates a workflow task which is assigned to the contract supervisor.
3. The contract supervisor consults the workflow task (**Asset lifecycle/ Infrastructure management/ My workflow tasks** link on the navigation bar).  
He triggers a wizard (**Wizard** button) that enables him to access the administration page of the ASP Web site (**Administer the application service** button, available only in the Windows client).
4. The contract supervisor deletes the account on the Web site.
5. In the Asset Manager wizard, the supervisor indicates that the account has been deleted (**Account deleted** check box) and exits the wizard (**Finish** button).

6. The next time it is executed, the **Execute workflow rules for execution group 'BST\_ASP'** module in Asset Manager Automated Process Manager updates the contract user status in the Asset Manager database.  
To consult it:
  - a. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
  - b. Display the contract detail.
  - c. Select the **Employees** tab.
  - d. Display the detail of the contract user.  
The **Status** (seStatus) field changes from **To be updated** to **Up to date**.
7. The workflow also sends a message to the user to notify that the deletion has been performed by the contract supervisor.
8. You may now delete the contract user:
  - o **Method 1: Using the Manage software** wizard (sysSamLauncher)
    - i. Start the **Manage software** wizard (**Asset lifecycle/ Software Asset Management/ User actions/ Manage software...** link on the navigation bar).
    - ii. Make sure the current contract is the ASP contract from which you want to delete a user account.
    - iii. On the **Choose a Manage Software action...** page, select the **Manage software licenses and installations** option.
    - iv. Click **Next**.
    - v. On the **Licenses and software installations** page, click the **Remove an ASP user...** button.
    - vi. This starts the **Delete an ASP user...** wizard (sysSamDelAspUsersFromCntr).  
Populate the wizard according to your needs.
    - vii. Validate all parameters (**Finish** button).  
The wizard removes the link between the selected users and the contract.
  - o **Method 2: Using the menus**
    - i. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
    - ii. Display the contract detail.
    - iii. Select the **Employees** tab.
    - iv. Delete the link between the user and the contract ( button in the Windows client or **Delete** in the Web client).

# Chapter 13: Manage service levels

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## General concepts

For an overview of service level management, read section [Service level agreements](#).

Do the following in the order given to manage service levels:

1. **Initial implementation:**
  - a. [License agreement, modules and line-of-business data](#)
2. **Creating reference items:**
  - a. [Create the service](#)
  - b. [Describe downtime](#)
  - c. [Create time divisions and time periods](#)
  - d. [Create unit penalties](#)
3. **Service level management:**
  - a. [Create a service level agreement](#)
  - b. [Create a service level objectives contract](#)
  - c. [Add service level objective lines to a service level objectives contract.](#)

See section [Understanding how downtime and penalties are calculated](#) to learn how calculations are carried out.

See section [Create your own downtime and penalty chargeback rules](#) to learn how to create your own calculation methods.



## Initial implementation

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## License agreement, modules and line-of-business data

Before managing service levels, you will need to acquire the appropriate license, to activate the modules which are required by the Windows client and to import specific line-of-business data.

This is described in the [Preliminary steps](#) chapter.

## Creating reference items

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## Create the service

Before you can define the service level, you must create the service itself.

To learn how to create a service, read the **Portfolio** guide, chapter **Business services**.

## Describe downtime

Before evaluating a service's effective availability and calculating any downtime penalties, you must enter the service's downtime periods.

To learn how to enter downtime periods, read the **Portfolio** guide, chapter **Business services**, section **Downtime of a business service's resources**.

## Create time divisions and time periods

Service level objectives contracts define objectives for a given time division.

Service level objective lines quantify these objectives for each time period of the time division.

This is why you need to have created time divisions and time periods before creating service level objective contracts and lines.

To learn how to create a time division and period, read the **Financials** guide, chapter **Expenses**.

## Create unit penalties

Service level objectives access product information when specifying unit penalty amounts (for example, the hourly rate for an employee impacted by service downtime).

To create this type of product:

1. Create the products (**Portfolio management/ Catalog/ Products** link on the navigation bar).
2. Create a new record.

The following fields and links are required by service level management:

Name of the field or link	SQL name of the field or link	Value (if a specific value is required)
<b>Acquis. tab</b>		
List price	mPrice	If, in a service level objective line's detail, you populated the <b>Calculation method</b> (seSloRule) field with the value <b>Percentage of service availability</b> or <b>Length of service downtime</b> , it is assumed that the <b>List price</b> field corresponds to the price per hour.  If you selected the value <b>Others</b> , then the calculation rules that you defined will be taken into account (See <a href="#">Create your own downtime and penalty chargeback rules</a> ).

You are not required to populate the other fields and links as you would do for other products in the procurement cycle (See **Procurement**, guide, chapter **Catalogs**).

## Service level management

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### Create a service level agreement

To create a service level agreement:

1. Display the service level agreements (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
2. Create a new record.

The following fields and links are specific to service level management:

Name of the field or link	SQL name of the field or link	Value (if a specific value is required)
Type	seType	Service level agreement
<b>Service lvl. tab</b>		
Service	SlaAsset	

3. Populate the other fields and links as you would for any other contract. To do so, you can refer to the other chapters and sections of this guide.

### Create a service level objectives contract

For each time division during which the service level agreement applies (for example, a calendar year), create a service level objectives contract:

1. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).

2. Create a new record.

The following fields and links are used for service level management:

Name of the field or link	SQL name of the field or link	Value (if a specific value is required)
Type	seType	Service level objective
The <b>General</b> tab		
Cost type	CostCategory	This link is used to populate the cost type of the penalty chargeback expense line if service level objectives are not met
<b>Service lvl.</b> tab		
Time division	Dividing	
Service	SlaAsset	
<b>You must create the record before populating the following link.</b>		
List of service level objective lines	SloLines	Add a service level objective line per time period of the time division.  To learn more about a field or link in a service level objective line's detail, use the contextual help on fields and links.

Populate the other fields and links as you would for any other contract (to do so, you can refer to the other chapters and sections of this guide).

## Add service level objective lines to a service level objectives contract.

For each time period of the time division (for example, each quarter of a calendar year), create a service level objective line:

1. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).
2. Select the service level objectives contract.

3. Start the **Add lines to the service level objective contract** (sysSloAddLines) (**Asset lifecycle/ Supplier contract management/ Service level/ User actions/ Add lines to the service level objective contract** link on the navigation bar).
4. Populate the wizard and then click finish.

**Tip:** To learn more about a field or link in a service level objective line's detail, use the contextual help on fields and links.

## Check whether expected service levels have been met, calculate penalties and create chargebacks

Examine the service level objective lines to see if expected service levels have been met and to calculate any penalties:

1. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).
2. Display the detail of the service level objectives contract to evaluate.
3. Display the **Service lvl.** tab.
4. Display the service level objective line corresponding to the time period to analyze.
5. Calculate effective availability for the period and any threshold amounts that were exceeded (**Calc. excess** button).  
This updates the **Amount exceeded** (tsChargedLostSecs) field.  
Examine its value.
6. If service level objectives have not been met, calculate the penalty amount (**Calc. penal.** button).  
This updates the **Penalty** (mPenalty) field.  
Examine its value.
7. If you are satisfied with the value in the **Penalty** (mPenalty) field, set the value of the **Processing** (seStatus) field to **Calculated**.  
This triggers the automatic chargeback of the penalty amounts which appear on an expense line:

Expense line		Service level objective line	
Label of the field or link	SQL name of the populated field or link	Label of the used field or link	SQL name of the used field or link
Debit	mDebit	Penalty	mPenalty
Cost center	CostCenter	Cost center	CostCenter

8. If the automatic chargeback operation executes correctly, the value of the **Processing** (seStatus) field becomes **Billed** and the value of the **Billing date** (dProcReq) field becomes the date that the expense line was created.

## Understanding how downtime and penalties are calculated

This section goes through each of the steps outlined in section [Check whether expected service levels have been met, calculate penalties and create chargebacks](#) and explains how the calculations are triggered and carried out:

1. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).
2. Display the detail of the service level objectives contract to evaluate.
3. Display the **Service lvl.** tab.
4. Display the service level objective line corresponding to the time period to analyze.

When displayed, the following calculated fields, which appear in the service level objective line's detail, are automatically calculated:

- **Actual downtime** (SloLostSecs): Calculates the number of downtime seconds during the time period covered by the records in the **Downtime** table that apply to the service. This calculation depends on the value of the **Calculation method** (seSloRule) field.
- **Authorized downtime** (SloAutLostSecs): Calculates the number of downtime seconds during the time period covered by the information for the service level objective line. This calculation depends on the value of the **Calculation method** (seSloRule) field.
- **Downtime estimation** (SloEstimatedAvailability): Calculates the percentage of time that the service was available from the total period time and the cumulated downtime using applicable records in the **Downtime** table.

- o **Penalty estimation** (SloEstChargedPenalty): Calculates the potential penalty amount by applying the unit penalty (HourlyPenalty link) to the downtime amount that exceeds the authorized threshold. This calculation depends on the value of the **Calculation method** (seSloRule) field.

Have a look at the script used for the calculated fields to see what calculations are done for them:

- a. Display the calculated fields (**Administration/ System/ Calculated fields** link on the navigation bar).
  - b. Display the detail of the calculated field to examine.
  - c. Display the **Syntax** tab.
5. Calculate effective availability for the period and any threshold amounts that were exceeded (**Calc. excess** button).

The calculation is carried out by the **Calculate amount exceeded** (sysSloUpdateChargedLostSecs) action.

Have a look at the script's action to see what calculations are done for the calculated fields:

- a. Display the actions (**Administration/ Actions** link on the navigation bar).
- b. Display the action's detail.
- c. Display the **Scripts** tab.

This action updates the **Amount exceeded** (tsChargedLostSecs) field.

6. If service level objectives have not been met, calculate the penalty amount (**Calc. penal.** button).

The calculation is carried out by the **Calculate penalty** (sysSloUpdateChargedPenalty) action.

Have a look at the script's action to see what calculations are done for the calculated fields.

This updates the **Penalty** (mPenalty) field.

7. If you are satisfied with the value in the **Penalty** (mPenalty) field, set the value of the **Processing** (seStatus) field to **Calculated**.

Save the modifications.

This automatically triggers the **Enable billing for SLO lines** (BST\_CNTR\_SLO) workflow scheme.

This workflow scheme assigns the value **Billed** to the **Processing** (seStatus) field and the value of the **Billing date** (dProcReq) field becomes the date that the expense line was created.

8. The **Penalty billing** (SLOCOST) chargeback rule is triggered when the **Billing date** (dProcReq) is modified.

This chargeback rule generates the expense line.

## Create your own downtime and penalty chargeback rules

By default, Asset Manager can calculate availability and penalties when the **Calculation method** (seSloRule) field equals **Percentage of service availability** or **Length of service downtime** (See [Understanding how downtime and penalties are calculated](#)).

If these calculation methods do not apply to your environment, you can create your own calculation methods.

Your own calculation methods will be identified by combining the following fields, instead of using the **Calculation method** field only:

Label of the field or link	SQL name of the field or link	Value (if a specific value is required)
Calculation method	seSloRule	Others
Desc. calc. method	OtherSloRule	Value created by you

To define calculation rules for the calculation methods that you are implementing, you must modify the following objects:

Object type	Object name	Object identifier	Customization to implement
Calculated field	Actual downtime	SloLostSecs	Add conditions such as:  Elseif [seSloRule]=99 AND [OtherSloRule] = "<Identifier of your calculation method>"
Calculated field	Authorized downtime	SloAutLostSecs	
Calculated field	Penalty estimation	SloEstChargedPenalty	
Calc	Dow	SloEstimatedAvaib	



Object type	Object name	Object identifier	Customization to implement
Updated field	ntime estimation	ility	
Action	Calculate amount exceeded	sysSloUpdateChargedLostSecs	
Action	Calculate penalty	sysSloUpdateChargedPenalty	
Product	Create a new product that defines the penalty amount per unit value (you can select this unit).		

## Part III: Practical cases

# Chapter 14: Practical cases

This chapter presents practical cases that illustrate how Asset Manager manages contracts:

- [Managing a maintenance contract](#)
- [Managing an insurance contract](#)
- [Managing an ASP contract](#)
- [Manage service levels](#)
- [Manage service levels](#)

You can also complete a specific practical case on how to create an alarm. See [Creating an alarm](#).

We recommend that you perform the described operations on a demonstration database that you will populate as you complete the practical cases.

You must carry out each step in full and follow the order given in the manual. Only required fields and links are mentioned. You are invited to explore the other fields and links on your own.

## Prerequisites

To carry out the practical cases, you must first:

1. Start Asset Manager.
2. Connect to the Asset Manager demonstration database as the administrator ("Admin"). The password is empty.
3. If you are using the Windows client, enable at minimum, the **Portfolio**, **Contracts**, **Finance**, **Procurement** and **Administration** modules using the **File/ Manage modules...** menu. For further information on activating modules, refer to the **Tailoring** guide, part 1 **Customizing client computers**, chapter **Customizing a client workstation**, section **Activating the modules**.

## Managing a maintenance contract

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## Presentation of the practical case

This scenario uses two companies, Broca and Rodon.

Broca signs a maintenance contract with Rodon for a Thompson branded computer. This computer has both a CPU and a monitor, but only the CPU is covered by the contract.

In this scenario, Broca Company includes the maintenance contract in its database. It then has Rodon Company perform two distinct work orders on the computer covered by the contract (one for the CPU, the other for the monitor).

Here are the steps in this scenario:

1. Create the brand Thompson.
2. Create the natures (CPU and monitor).
3. Create the models.
4. Create the company Rodon.
5. Create the maintenance contract.
6. Create the portfolio items.
7. Create and track the first work order (for the CPU).
8. Create and track the second work order (for the monitor).

**Note:** Reminder: In order for the practical cases to function, you must work through each step in full and in the specified order.

You must connect to the Asset Manager demonstration database as the administrator (login: "Admin", no password), except for one step where you need to connect using a user account.

## Step 1: Create the brand

1. Display the brands (**Portfolio management/ Catalog/ Brands** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Name (Name)	Thompson

3. Windows client: Close all windows.

## Step 2: Create the natures

1. Display the natures (**Portfolio management/ Asset configurations/ Natures** link on the navigation bar).
2. Create the following records by populating the fields and links as shown in the following tables:

Field or link	Value
Name (Name)	PC1 - Computer
Create (seBasis)	Portfolio item
Also create (seOverflowTbl)	Computers (amComputer)
Management constraint (seMgtConstraint)	Unique asset tag

Field or link	Value
Name (Name)	PC1 - Monitor
Create (seBasis)	Portfolio item
Also create (seOverflowTbl)	(No table)
Management constraint (seMgtConstraint)	Unique asset tag

3. Windows client: Close all windows.

## Step 3: Create the models

1. Display the models (**Portfolio management/ Asset configurations/ Models** link on the navigation bar).
2. Create the following records by populating the fields and links as shown in the following tables:

Field or link	Value
Name (Name)	PC1 - Desktop
Brand (Brand)	Thompson
Nature (Nature)	PC1 - Computer

Field or link	Value
Name (Name)	PC1 - Monitor
Brand (Brand)	Thompson
Nature (Nature)	PC1 - Monitor

3. Windows client: Close all windows.

## Step 4: Create the company

1. Display the companies (**Organization management/ Organization/ Companies** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Name (Name)	Rodon

3. Windows client: Close all windows.

## Step 5: Create the maintenance contract

1. Display the contracts (**Asset lifecycle/ Supplier contract management/ Contracts** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Reference (Ref)	PC1 - Maintenance
Type (seType)	Maintenance
Contract status (seStatus)	Active
Validity - Start (dStart)	January 1, 2011
Validity - End (dEnd)	December 31, 2011

3. Windows client: Close all windows.

## Step 6: Create the portfolio items

1. Display the portfolio items (**Asset lifecycle/ Infrastructure management/ Portfolio items** link on the navigation bar).

2. Create the following records by populating the fields and links as shown in the following tables:

Field or link	Value
Model (Model)	PC1 - Desktop
Code (Code)	PC1 - 001
<b>Maint. tab</b>	
Maint. contract (MaintContract)	PC1 - Maintenance

Field or link	Value
Model (Model)	PC1 - Monitor
Code (Code)	PC1 - 002
Component of (Parent)	Thompson PC1 - Desktop

3. Windows client: Close all windows.

## Step 7: Create and track the first work order

1. Display the work orders (**Asset lifecycle/ Work orders/ Work orders** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Work order number (WONo)	PC1 - 001
The <b>General</b> tab	
Asset (Asset)	Thompson PC1 - Desktop
Type (seType)	On-contract maintenance

3. Windows client: Close all windows.
4. Display the contracts (**Asset lifecycle/ Supplier contract management/ Contracts** link on the navigation bar).
5. Display the detail of the **PC1 - Maintenance** contract.
6. Select the **Maintenance** tab.  
You will find work order **PC1 - 001**.



7. Windows client: Close all windows.
8. Display the assets (**Asset lifecycle/ Infrastructure management/ Assets** link on the navigation bar).
9. Display the detail of the asset **PC1 - Desktop**.
10. Select the **Maint.** tab.  
You will find work order **PC1 - 001** on the **Work orders for this asset** sub-tab.
11. Windows client: Close all windows.

**Caution:** In order for the automatic processes that link work orders and maintenance contracts to work correctly, the **Maint. contract** link on the **Maint.** tab of the asset detail must be populated.

## Step 8: Create and track the second work order

1. Display the work orders (**Asset lifecycle/ Work orders/ Work orders** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Work order number (WONo)	PC1 - 002
The <b>General</b> tab	
Asset (Asset)	Thompson PC1 - Monitor
Type (seType)	On-contract maintenance
<b>Tracking</b> tab, <b>Technician</b> sub-tab	
Contract	Empty
Third party maintenance number	PC1 - 001

3. Windows client: Close all windows.
4. Display the contracts (**Asset lifecycle/ Supplier contract management/ Contracts** link on the navigation bar).
5. Display the detail of the **PC1 - Maintenance** contract.
6. Select the **Maintenance** tab.  
Work order **PC1 - 002** is not there.
7. Windows client: Close all windows.

8. Display the assets (**Asset lifecycle/ Infrastructure management/ Assets** link on the navigation bar).
9. Display the detail of the asset **PC1 - Monitor**.
10. Select the **Maint.** tab.  
You will find work order **PC1 - 002** on the **Work orders for this asset** sub-tab.
11. Windows client: Close all windows.

## Managing an insurance contract

**Insurance** type contracts do not have any specific management rules linked to them. You can refer to the other practical cases in this guide for an overview of managing contracts in Asset Manager.

## Managing an ASP contract

**Caution:** The practical case in this section can only be performed by using the Windows client.

## Presentation of the practical case

This scenario uses two companies, Broca and Sontay.

These two companies enter into an ASP agreement. Broca plays the role of the customer and Sontay that of the service provider.

The ASP contract supervisor at Broca (Mr Black) uses Asset Manager to manage his contracts.

Mr Rami is technical support manager for users of the application at Broca.

In this scenario, Ms Dianis, who works at Broca Company, wishes to have access to the application as a user. Then she will have a technical question concerning using the application and will connect to the ASP. Later, Ms Dianis will leave the company and thus be removed from the list of application users. To finish off, Mr Rami will reconfigure the application.

Here are the steps in this scenario:

1. Create the company Sontay.
2. Create the employees (Mr Black, Mr Rami, Ms Dianis).
3. Create the ASP contract.
4. Execute the Asset Manager Automated Process Manager **Execute workflow rules for execution group 'BST\_ASP'** module.
5. Create the user accounts for the contract.
6. Ms Dianis connects to the application service and sends an e-mail to technical support.
7. Mr Black deletes Ms Dianis's account.
8. Mr Rami reconfigures the application.

**Note:** Reminder: In order for the practical cases to function, you must work through each step in full and in the specified order.

You must connect to the Asset Manager demonstration database as the administrator (login: "Admin", no password), except if you are specifically instructed to connect with another user account for a given step.

## Prerequisites: Import the ASP line-of-business data.

1. Start the Asset Manager Windows client.
2. Connect to the demonstration database:

Field	Value
Login	Admin
Password	Empty

3. Select the **File/ Import** menu item.
4. Click **Execute a script**.  
The **Execute import script** window is displayed.
5. Click the **Folder** icon to the right of the **Script to execute** field.
6. Select the **asp.scr** file and click **Import**.  
This file is located by default in the **C:\Program Files\HPE\Asset Manager 9.60**

**xx\datakit\bestprac** folder.

7. Close the window.

Once this step is performed, the line-of-business data containing the required workflows and actions is imported into Asset Manager.

## Step 1: Create the company Sontay

1. Display the companies (**Organization management/ Organization/ Companies** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Name (Name)	PC4 - Sontay

3. Close all windows.

## Step 2: Create the employees

1. Display the employees (**Organization management/ Organization/ Employees** link on the navigation bar).

2. Create the following records by populating the fields and links as shown in the following tables:

Field or link	Value
Name (Name)	PC4 - Black
Title (Title)	Contract supervisor  <b>Note</b> If the question <b>Would you like to add the value 'XXX' to itemized list 'YYY'?</b> is displayed, click <b>Yes</b> .
<b>Profile tab</b>	
User name (UserLogin)	aspblack
Password (LoginPassword)	black
Administration rights (bAdminRight)	Check this box

Field or link	Value
Name (Name)	PC4 - Rami
Title (Title)	Technical support manager  <b>Note</b> If the question <b>Would you like to add the value 'XXX' to itemized list 'YYY'?</b> is displayed, click <b>Yes</b> .
<b>Profile tab</b>	
User name (UserLogin)	asprami
Password (LoginPassword)	rami
Administration rights (bAdminRight)	Check this box

Field or link	Value
Name (Name)	PC4 - Dianis
<b>Profile tab</b>	
User name (UserLogin)	aspdianis
Password (LoginPassword)	dianis
Administration rights (bAdminRight)	Check this box

3. Close all windows.

## Step 3: Create the ASP contract

### Contract

1. Connect to the demonstration database as Mr Black (**File/ Connect to database** menu):

Field	Value
Login	aspblack
Password	black

2. Display the ASP contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
3. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Reference (Ref)	PC4 - REF001
Application type (seASPTType)	ASP
Network access (seASPAccessType)	Internet
The <b>General</b> tab	

Field or link	Value
Supervisor (Supervisor)	Pc4 - Black
Company (Company)	PC4 - Sontay
Application URL (ASPConnectionURL)	http://www.hp.com/#Product
Administration URL (ASPUserRegURL)	<a href="https://softwaresupport.hpe.com/">https://softwaresupport.hpe.com/</a>
Technical support (ASPEmail)	support@sontay.com
Technical contact (TechCnct)	Pc4 - Rami
<b>Click Create</b>	
The <b>Employees</b> tab: Add a contract user (+ button).	
User (User)	Pc4 - Rami
Login (ASPLogin)	asprami
Profile (Profile)	Administrator  <b>Note</b>  If the question <b>Would you like to add the value 'XXX' to itemized list 'YYY'?</b> is displayed, click <b>Yes</b> .
<b>Click Add.</b>	
The <b>Employees</b> tab: Add another user to the contract (+ button)	
User (User)	Pc4 - Dianis
Login (ASPLogin)	aspdianis
Profile (Profile)	User  <b>Note</b>  If the question <b>Would you like to add the value 'XXX' to itemized list 'YYY'?</b> is displayed, click <b>Yes</b> .
<b>Click Add.</b>	

**Note:** The **Status** (seStatus) field in the user detail is set to **To be created** until the

application service administrator registers the user accounts..

4. Click **Modify**.
5. Click the **Contract** button.  
This gives you access to the terms and conditions of the ASP contract.
6. Close all windows.

## **Step 4: Execute the Asset Manager Automated Process Manager Execute workflow rules for execution group 'BST\_ASP' module.**

1. Start Asset Manager Automated Process Manager.
2. Connect to the demonstration database as **Admin** (**File/ Connect to database** menu):  
Reminder: There is no password for this login.
3. Select the **Action/ Activate** menu.
4. Select the module **Execute workflow rules for execution group 'BST\_ASP'**.
5. Click **OK**.

## **Step 5: Create the contract-user accounts**

1. Go back to the Asset Manager Windows client.
2. Display the workflow tasks assigned to Mr Black (**Asset lifecycle/ Infrastructure management/ My workflow tasks** link on the navigation bar).  
The **Activity** column shows **User account management** for both tasks.
3. Click the **Wizard** button.
4. In the new creation wizard window, click **Administer the application service**.
5. For the purposes of this scenario, the Internet support page <https://softwaresupport.hpe.com/> opens automatically. It is assumed that you are connected to the administration page of the ASP contract.
6. Go back to the Asset Manager Windows client.



7. Select the **Account created** check box in the creation wizard.
8. Click **Finish**, then **OK**.
9. Repeat the operation for the other workflow activity.
10. Click **Close**.
11. Go back to Asset Manager Automated Process Manager.
12. Select the **Action/ Activate** menu.
13. Select the module **Execute workflow rules for execution group 'BST\_ASP'**.
14. Click **OK**.
15. Go back to the Asset Manager Windows client.
16. Display the detail of the ASP contract **PC4 - REF001 (Reference (Ref) field)** via the **Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
17. In the **Employees** tab, access the detail of the user Rami, then Dianis: The **Status (seStatus)** field has changed from **To be created** to **Up to date** for both users.
18. Close all windows.

## Step 6: Mrs. Dianis connects to the application service and sends an e-mail to technical support

1. Connect to the demonstration database as Mrs Dianis (**File/ Connect to database** menu):

Field	Value
Login	aspdianis
Password	dianis

2. Display the employees (**Organization management/ Organization/ Employees** link on the navigation bar).
3. Display the detail of **Pc4 - Dianis**.
4. The **Application services** tab shows the ASP contracts to which Ms Dianis has access.


5. To connect to the application service:  
Right-click the contract line **PC4-REF001** and select **Actions/ Connect to the application service**.
6. To send a mail to support:
  - a. Double click the **PC4-REF001** contract line.  
The **Employees covered by a contract** window is displayed.
  - b. Right-click the edit zone of the **Contract** field and then select the **Actions/ Send an e-mail to support** menu item.  
The messaging system displays a new message window to send to the support team.
7. Close all windows.

## Step 7: Mr. Black deletes Mrs. Dianis's account

1. Connect to the demonstration database as Mr Black, ASP contract administrator (**File/ Connect to database** menu):

Field	Value
Login	aspblack
Password	black

2. Display the contracts (**Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar).
3. Display the detail of the ASP contract.
4. In the **Employees** tab, double-click the user 'Dianis'.
 

**Caution:** The **Employees** tab shows the registered users and administrators of the application service. As a safeguard, Asset Manager does not allow you to delete an employee by simply clicking the . Deletions must be validated as described below.
5. Empty the **Login** (ASPLogin) field and then click **Modify**.  
The **Status** (seStatus) field still indicates **Up to date**.
6. Go back to Asset Manager Automated Process Manager.
7. Select the **Action/ Activate** menu.
8. Select the module **Execute workflow rules for execution group 'BST\_ASP'**.
9. Click **OK**.

10. Go back to the Asset Manager Windows client.
11. Refresh the detail of Mrs Dianis (press the **F5** key).  
The **Status** (seStatus) field now shows **To be updated**.
12. Display the workflow tasks assigned to Mr Black (**Asset lifecycle/ Infrastructure management/ My workflow tasks** link on the navigation bar).  
The **Activity** column shows **User account management**.
13. Click the **Wizard** button.
14. In the new wizard window, click **Administer the application service**.
15. Exit the page in progress and select the **Account deleted** checkbox in the wizard.
16. Click **Finish, OK**, and then **Close**.
17. Go back to Asset Manager Automated Process Manager.
18. Select the **Action/ Activate** menu.
19. Select the module **Execute workflow rules for execution group 'BST\_ASP'**.
20. Click **OK**.
21. Go back to the Asset Manager Windows client.
22. Refresh the detail of Mrs Dianis (press the **F5** key).  
The **Status** (seStatus) field now shows **Up to date**.

## Step 8: Mr. Rami reconfigures the application

Connect to the database as Mr Rami. You now have two possibilities:

1. From the **Asset lifecycle/ IT services and virtualization/ ASP/ Application services** link on the navigation bar, right-click the ASP contract and then select **Actions/ Administer the application service** from the shortcut menu.
2. From the **Organization management/ Organization/ Employees** link on the navigation bar, select Mr Rami in the window on the left. This accesses Mr Rami's detail.  
On the **Application services** tab, right-click the ASP contract and then select **Actions/ Administer the application service** from the shortcut menu.

## Manage service levels

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## Presentation of the practical case

The Software company implements the Asset Manager Web service to be accessed by its employees. Asset Manager Web is a service that lets users access the Asset Manager web interface.

This service is the object of a service level agreement with its users: At least 100 users must be able to use the service 90% of the time.

The service level will be evaluated every quarter of 2011.

The server will undergo maintenance making it 80% unavailable from February 1 to February 11 2011.

This breaches the service level agreement and a penalty will be billed to the IT department.

## Create the asset that represents the business service

In this step you will create the business service that is the object of a service level agreement:

### Create the nature

1. Display the natures (**Portfolio management/ Asset configurations/ Natures** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Name	Name	000/Business service
The <b>General</b> tab		
Create	seBasis	Portfolio item
Also create	OverflowTbl	No table
Management constraint	seMgtConstraint	Unique asset tag
Business service	bSystem	Check this box

### Create the model

1. Display the models (**Portfolio management/ Asset configurations/ Models** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Name	Name	000/Asset Manager Web business service
The <b>General</b> tab		
Nature	Nature	000/Business service

## Create the asset

1. Display the assets (**Asset lifecycle/ Infrastructure management/ Assets** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Model	Model	000/Asset Manager Web business service

## Create the fiscal year, the time division and the periods

In this step you will create the reference periods that will be used to analyze the business service's availability:

1. Display the financial years (**Asset lifecycle/ IT financial management/ Budgets/ Financial years** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Name	Name	000/Fiscal Year 2011
The <b>General</b> tab		
Start	dStart	January 1, 2011
End	dEnd	December 31, 2011

3. Validate the creation (**Create** button in the Windows client or **Save** in the Web client).
4. Select the **Divisions** tab. The financial year that you just created does not yet contain any divisions.
5. Add a time division to the financial year that you just created with the following values (+) button in the Windows client or **Add** in the Web client):

Label of the field or link	SQL name of the field or link	Value
Name	Name	000/2011

6. Add the time division (**Add** button in the Windows client or **OK** in the Web client).
7. Save the changes made to the financial year (**Modify** button in the Windows client or **Save** in the Web client).
8. Display the detail of the **000/2011** time division on the **Divisions** tab of the financial year's detail.
9. You are now going to create the time periods associated with the division. According to the data of the practical case, these periods correspond to quarters. You will, thus, create four distinct periods.
10. Select the **Periods** tab.
11. Add a period (+) button in the Windows client or **Add** in the Web client).
12. Populate the following fields:

Label of the field or link	SQL name of the field or link	Value
Name	Name	000/Quarter 1
The <b>General</b> tab		
Start	dStart	January 1, 2011
End	dEnd	March 31, 2011

13. Add the period (**Add** button in the Windows client or **OK** in the Web client).
14. Repeat steps 9 through 11 to create **000/Quarter 2**, **000/Quarter 3** and **000/Quarter 4**.

## Create the cost center

In this step you will create the cost center to allocate when a penalty is billed:

1. Display the cost centers (**Asset lifecycle/IT financial management/Cost tracking/ Cost centers** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Title	Title	000/IT department

## Create the cost type

In this step you will create the cost type to allocate when a penalty is billed:

1. Display the cost types (**Asset lifecycle/IT financial management/Cost tracking/ Cost types** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Title	Title	000/Penalty

## Create the unit penalty

In this step you will define the unit cost of the penalty:

1. Create the products (**Portfolio management/ Catalog/ Products** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Description	Description	000/Hourly rate per employee
<b>Acquis. tab</b>		
List price	mPrice	100

## Create the service level agreement

In this step you will create the service level agreement binding the IT department and the users:



1. Display the service level agreements (**Asset lifecycle/ Supplier contract management/ Leasing/ Lease schedules** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Reference	Ref	000/SLA
Type	seType	Service level agreement
<b>Service lvl. tab</b>		
Service	SlaAsset	Select the <b>PC_Asset Manager Web business service</b> record.

## Create the service level objectives contract

In this step you will create the service level objectives contract for 2011.

1. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
Reference	Ref	000/SLO
Type	seType	Service level objective
The <b>General</b> tab		
Cost type	CostCategory	Select the <b>000/Penalty</b> record
<b>Service lvl. tab</b>		
Time division	Dividing	Select the <b>000/Fiscal year 2011: 000/2011</b> record
Service	SlaAsset	Select the <b>PC_Asset Manager Web business service</b> record.

## Add service level objective lines

In this step you will create availability objectives for each quarter of 2011.

1. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).
2. Select the **000/SLO** service level objectives contract.
3. Start the **Add lines to the service level objective contract** (sysSloAddLines) (**Asset lifecycle/ Supplier contract management/ Service level/ User actions/ Add lines to the service level objective contract** link on the navigation bar).
4. Populate this wizard as follows:

Title	Value
<b>Select how to create objective lines page</b>	
From scratch	Select this option
<b>Select the penalty calculation method page</b>	
Cost centers	Select the <b>000/IT department</b> record
Calculation method	Percentage of service availability
Create a line for each time division associated with the contract	Check this selection box.
<b>Enter the parameters associated with the penalty calculation method page</b>	
Unit penalty	Select <b>000/Hourly rate per employee</b>
Availability	90%
Maximum number of users	100
Maximum penalty	10000

## Create downtime

In this step you will specify downtime for the business service between February 1 and February 9 2011:

1. Display the downtimes (**Asset lifecycle/ IT services and virtualization/ Business services/ Downtime** link on the navigation bar).
2. Create a new record with the following values:

Label of the field or link	SQL name of the field or link	Value
The <b>General</b> tab		
Start	dtStart	February 1, 2011
End	dtEnd	February 11, 2011
Effective availability of the asset	pAvail	20%
Number of impacted users	lImpactUsers	120
Asset	Asset	Select the <b>PC_Asset Manager Web business service</b> record.

## Check whether expected service levels have been met, calculate penalties and create chargebacks

1. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).
2. Display the detail of the **000/SLO** service level objectives contract.
3. Display the **Service lvl.** tab.
4. Display the service level objective line corresponding to the **Quarter 1** time period.
5. Calculate effective availability for the period and any threshold amounts that were exceeded (**Calc. excess** button).  
This updates the **Amount exceeded** (tsChargedLostSecs) field.  
Examine its value.
6. Since service level objectives have not been met, calculate the penalty amount (**Calc. penal.** button).  
This updates the **Penalty** (mPenalty) field.  
Examine its value.

7. As the value in the **Penalty** (mPenalty) field is appropriate, set the value of the **Processing** (seStatus) field to **Calculated**.
8. Save the changes (**Modify** button in the Windows client or **Save** in the Web client).  
This triggers the automatic chargeback of the penalty amounts which appear on an expense line.
9. If the automatic chargeback operation executes correctly, the value of the **Processing** (seStatus) field becomes **Billed** and the value of the **Billing date** (dProcReq) field becomes the date that the expense line was created.
10. Display the service level objectives contracts (**Asset lifecycle/ Supplier contract management/ Service level/ Service level objectives** link on the navigation bar).
11. Display the **000/SLO** contract.
12. Display the **Cost** tab.
13. Display the detail of the expense line **Penalty billing: 000/Fiscal year 2007 / 000/2007: 000/Quarter 1-000/SLO ()**.  
Examine the expense line.

## Creating an alarm

**Caution:** The practical case in this section can only be performed by using the Windows client.

**Note:** In order illustrate the alarm process, the practical case uses a contract whose date is overrun.

## Presentation of the practical case

This scenario uses two companies, Broca and Tchesco.

Broca signs for an "other"-type contract with Tchesco.

This contract runs from January 1, 2005, through December 31, 2005, and notice of termination must be given at least 2 months before the end of term.

In this scenario, the company Broca includes an "other"-type contract in its database and configures Asset Manager to trigger an alarm 70 days before the end of term. This alarm will be sent to the contract supervisor, Mr Post, then to his manager, Mr Rissou (Head of the legal department), in the form of e-mail notification using the Asset Manager messaging system.

Here are the steps in this scenario:

1. Create Mr Rissou.
2. Create the legal department (supervised by Mr Rissou).
3. Create Mr Post.
4. Create the company Tchesco.
5. Create the actions: Notify the contract supervisor and their manager.
6. Create the contract with Tchesco Company.
7. Create the alarm.

**Note:** Reminder: In order for the practical cases to function, you must work through each step in full and in the specified order.

You must connect to the Asset Manager demonstration database as the administrator (login: "Admin", no password), except if you are specifically instructed to connect with another user account for a given step.

## Step 1: Create Mr Rissou.

1. Display the employees (**Organization management/ Organization/ Employees** link on the navigation bar).

2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Name (Name)	PC5 Rissou
Title (Title)	Head of legal department  <b>Note</b> If the question <b>Would you like to add the value 'XXX' to itemized list 'YYY'?</b> is displayed, click <b>Yes</b> .
<b>Profile tab</b>	
User name (UserLogin)	rissou
Password (LoginPassword)	none  <b>Note</b> An empty password nevertheless appears as <b>*****</b> once all changes have been saved.
Administration rights (bAdminRight)	Check this box

3. Close all windows.

## Step 2: Create the legal department.

1. Display the departments (**Organization management/ Organization/ Departments** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Name (Name)	PC5 - Legal
Supervisor (Supervisor)	PC5 Rissou

3. Close all windows.

## Step 3: Create Mr Post.

1. Display the employees (**Organization management/ Organization/ Employees** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Name (Name)	PC5 Post
Title (Title)	Contract supervisor  <b>Note</b> If the question <b>Would you like to add the value 'XXX' to itemized list 'YYY'?</b> is displayed, click <b>Yes</b> .
Department (Parent)	PC5 - Legal
<b>Profile tab</b>	
User name (UserLogin)	post
Password (LoginPassword)	none  <b>Note</b> If the question <b>Would you like to add the value 'XXX' to itemized list 'YYY'?</b> is displayed, click <b>Yes</b> .
Administration rights (bAdminRight)	Check this box

3. Close all windows.

## Step 4: Create the company Tchesco.

1. Display the companies (**Organization management/ Organization/ Companies** link on the navigation bar).

2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Name (Name)	Tchesco

3. Close all windows.

## Step 5: Create the actions

1. Display the actions (**Administration/ Actions** link on the navigation bar).
2. Create the following records by populating the fields and links as shown in the following tables:

Field or link	Value
Name (Name)	PC5 - Notify the contract supervisor
Context (ContextTable)	Contracts (amContract)
Type (seActionType)	Messaging
SQL name (SQLName)	PC5_01
Visible in the menu	Check this box
<b>Messaging tab</b>	
To (MsgTo)	AM:[Supervisor.UserLogin]
Subject (Subject)	The contract comes to term on [dEnd]

Field or link	Value
Name (Name)	PC5 - Notify departmental supervisor of the contract supervisor
Context (ContextTable)	Contracts (amContract)
Type (seActionType)	Messaging
SQL name (SQLName)	PC5_02
Visible in the	Check this box



Field or link	Value
menu	
<b>Messaging tab</b>	
To (MsgTo)	AM:[Supervisor.Parent.Supervisor.UserLogin]
Subject (Subject)	The contract comes to term on [dEnd]
Message (memMsgText)	You receive this message because the contract supervisor, [Supervisor.MrMrs] [Supervisor.Name], has not read their notification message.

3. Close all windows.


## Step 6: Create the contract

1. Display the contracts (**Asset lifecycle/ Supplier contract management/ Contracts** link on the navigation bar).
2. Create the following record by populating the fields and links as shown in the following table:

Field or link	Value
Reference (Ref)	PC5 - 001
Type (seType)	Other
Contract status (seStatus)	Active
Supervisor (Supervisor)	PC5 Post
Nature of payments (sePayType)	Rents
Start (dStart)	Select the following date using the graphical calendar: January 1, 2005
End (dEnd)	Select the following date using the graphical calendar: December 31, 2005

3. Close all windows.

## Step 7: Create the alarm

1. Display the contracts (**Asset lifecycle/ Supplier contract management/ Contracts** link on the navigation bar).
2. Select the **CP5-001** contract that you created in a previous step.
3. Click the  icon to the right of the **End** (dEnd) field (**General** tab of the contract detail).  
The alarm creation window is displayed.
4. Populate the fields and links as shown in the following table:

Field or link	Value
Alarm on	Check this box
Activate	70 days before
Action	PC5 - Notify the contract supervisor
Second level	Check this box
Activate	65 days before
Action	PC5 - Notify departmental supervisor of the contract supervisor

5. Click **OK** then **Modify**.
6. Start Asset Manager Automated Process Manager.
7. Connect to the demonstration database as **Admin** (**File/ Connect to database** menu).  
The associated password is empty.
8. Select the **Action/ Activate** menu.
9. Select the **Verify alarms** module.
10. Click **OK**.
11. Go back to the Asset Manager Windows client.
12. Connect to the demonstration database as Mr Rissou (**File/ Connect to database** menu):

Field	Value
Login	rissou
Password	Empty

13. A message is displayed to inform you that you have a message to read.

14. Click **Yes** then **Next** to read the message.

The alarm message you created is displayed. An initial message is first sent to Mr Post when Asset Manager first detects that the 70 day notice period is overrun. Mr Rissou then receives a message when Asset Manager detect that it is less than 65 days before the end of the contract and Mr Post has still not read his message.

Click **Referenced object**. The detail window for the contract **PC5 - 001** opens automatically.

15. Click **Finish** to close the Read messages wizard.

# Part IV: Appendixes

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## Acceptance

Accepting assets is a key step in the leasing process, giving rise to the exchange of contractual documents between lessee and lessor (**Certificate of Acceptance**).

It contractually binds the lessee to pay rent.

### **Asset Manager database table that describes these objects**

Assets (amAsset)

## Service level agreement (SLA)

A service level agreement is a written agreement between the IT department (provider) and its clients.

It defines the objectives and responsibilities of both parties.

This agreement can cover a given service (and all of its users), a given user group (and all of their services), or a combination of both.

A **Service Level Agreement** is defined for each service, with the clients of the service.

Each service level agreement has one or more **Service Level Objectives contract(s)** (SLO), with one service level objectives contract being implemented per time division for which a service level agreement was defined.

### **Asset Manager database tables that describes these objects**

amContract (Contracts)

## Lease rate factor

The lease rate factor is used in the rent calculation formula of contracts:

Contract rent = Value of the contract rent x Lease rate factor

The lease rate factor varies according to the type of asset under contract. It is contractual.

**Asset Manager database tables that describes these objects**

Asset rents (amAssetRent)

Schedule level rents (amCntrRent)

## Blanket purchase order

**Blanket PO**-type contracts oblige the buyer to buy for a given minimum amount over a given period of time.

If the minimum amount is not reached at the end of the period, penalties are incumbent on the buyer.

**Asset Manager database table that describes these objects**

Contracts (amContract)

## Contract

Asset Manager enables you to manage contracts or agreements made with your business partners.

An asset can be associated with several contracts.

**Examples**

Asset Manager helps you manage the following types of contracts:

- **Master lease**
- **Lease schedule**
- **Maintenance**
- **Insurance**
- **License**
- **Blanket purchase order**
- **Service level agreement**
- **Service level objective**
- **Other**

**Asset Manager database table that describes these objects**

Contracts (amContract)

## Service level objectives contract (SLO)

Each **service level agreement** has one or more **Service Level Objectives contract(s)**, with one service level objectives contract being implemented per time division for which a service level agreement was defined.

Each service level objectives contract is composed of **service level objective lines**. There is one service level objective line per period that makes up the contract's time division.

### **Asset Manager database tables that describes these objects**

Contracts (amContract)

## Master lease

The master lease defines the general terms and conditions for leasing equipment and the relations between the lessor and lessee.

It is used as the basis (or template) for the creation of lease schedules.

Equipment and rent amounts are not defined on the master lease; this information is detailed on individual lease schedules.

### **Asset Manager database table that describes these objects**

Contracts (amContract)

## Lease schedule

The lease schedule is an application of the master lease.

It inherits most of the information from the master lease and contains the list of equipment, the rent amounts and the principal dates.

### **Asset Manager database table that describes these objects**

Contracts (amContract)



## Loans

In some cases, you may need to borrow funds for leasing agreements.

Asset Manager helps you describe that loan and manage its reimbursement (principal, interest, fees).

### Corresponding terms

See [Assignee](#)

### Asset Manager database table that describes these objects

Loans (amLoan)

## Bill cycle day

Time duration before the rent is due.

### Asset Manager database tables that describes these objects

Asset rents (amAssetRent)

Schedule level rents (amCntrRent)

## End of term

At the end of term, lessees usually have several possibilities open to them: purchase, return or renew the equipment.

### Buyout option

Most agreements stipulate that the lessee can or must buy the equipment at fair market value. This value is decided on between the lessor and lessee based on typical market prices for the type of equipment concerned.

### Notification

Most agreements require the lessee to explicitly notify the lessor in advance of the chosen end of lease option for the equipment (renew, return, purchase). In general, if the lessor is not notified in advance the lessee may be liable to pay extra rent.

Asset Manager helps notify you in advance about assets that are approaching end of term.

The lessee can create alarms at several levels, which are triggered by the approach of certain dates: end of term, return, buyout or renewal dates of notification.

### **Early termination**

Occasionally, assets are sold to a third party, lost, stolen or destroyed. In general, the lessor is informed and this has an immediate impact on rent amounts (see the definition of loss value).

In certain cases, the lessee can return the equipment before the end of term. This can take place at any time at the request of the lessee, or on dates determined by the contract. The lessee has to pay penalties named early termination fees.

### **Asset Manager database table that describes these objects**

Contracts (amContract)

## **Service level management (SLM)**

The goal of **Service level management (SLM)** is to manage the catalog of services in the IT department and define performance levels of these services.

## **Allocation**

An allocation is one mode of calculating the rent of assets under contract.

Using the **Allocation** mode requires you to define the same fixed amount for the rent of each asset.

### **Opposites**

See [Prorata](#)

### **Asset Manager database tables that describes these objects**

Asset rents (amAssetRent)

Schedule level rents (amCntrRent)

## **Interest**

Interest is a part of reimbursing loans, with principal and fees.

### **Asset Manager database table that describes these objects**

Loans (amLoan)

## Leasing

**Leasing** has similarities and differences with long-term rental and hire-purchase agreements.

Rent payments are used in all cases. But there are differences between the three:

- **Leasing:** Leasing agreements use payment schedules to calculate rent payments and penalties. A wide variety of leasing agreements exist, all of which help a company avoid the capital cost involved in owning equipment. Leasing is often also used as an asset management strategy, especially for IT assets, which can quickly become obsolete.
- **Long-term rental:** A leasing agreement with no buy-out option at the end of term, such as the case with hire-purchase.
- **Hire-purchase:** A system of purchase by paying in installments where the lessee can use the equipment while paying for it.

## Service level objective line

Each **service level objectives contract** is composed of **service level objective lines**. There is one service level objective line per period that makes up the contract's time division.

### **Asset Manager database tables that describes these objects**

Service level objective lines (amSloLine)

## Rent

Rent is determined by the amount of periodic payments and the frequency of payments.

In the case of multiple rent payments, a distinction is made between main rent and secondary rent payments.

Asset Manager enables you to calculate the overall rent amount for the contract, the rent payments of the assets subject to the contact, and the interim rent payments.

### **Asset Manager database tables that describes these objects**

Asset rents (amAssetRent)

Schedule level rents (amCntrRent)

## Interim rent

Interim rent covers the period between receiving and accepting an asset and the date of the first rent payment for a full period.

While a contract can be associated to several rents (insurance, rent, maintenance, and so on), the interim rent is only for a contract's main rent.

The interim rent is calculated from the moment you accept the assets under contract.

## Main rent

In the case of multiple rent payments, a distinction is made between main rent and secondary rent payments.

This notion is important in leasing, since interim rent payments, specific to this type of contract, are only used for Main rent items.

Let's say that a certain payment is the main rent payment of a contract: This certain payment will then be the main rent payment of all assets tied to this contract.

There can only be one main rent payment for any given asset.

On the other hand, there can be several main rent payments at the contract level.

### **Asset Manager database tables that describes these objects**

Asset rents (amAssetRent)

Schedule level rents (amCntrRent)

## Rent amount

The rent amount is calculated by applying a lease rate factor to the value of this rent.

The rent amounts are used as contracts at the level of the asset rents.

### **Do not confuse with...**

See [Value of a rent](#)

## Notification

Most agreements require the lessee to explicitly notify the lessor in advance of the chosen end of lease option for the equipment (renew, return, purchase).

In general, if the lessor is not notified in advance the lessee may be liable to pay extra rent.

Asset Manager helps notify you in advance about assets that are approaching end of term.

The lessee can create alarms at several levels, which are triggered by the approach of certain dates: end of term, return, buyout or renewal dates of notification.

### **Asset Manager database table that describes these objects**

Contracts (amContract)

## Periodicity

Rent is determined by the amount of periodic payments and the frequency of payments.

### **Asset Manager database tables that describes these objects**

Asset rents (amAssetRent)

Schedule level rents (amCntrRent)

## Assignee

To finance equipment, the lessor sometimes uses a third party to whom they transfer the responsibility of handling financial obligations on the part of the lessee.

This third party is usually a financial body named an assignee.

In general, the assignee collects rent payments from the lessee and the lessor conserves his contractual obligations.

### **Asset Manager database table that describes these objects**

Contracts (amContract)

## Prorata

Prorating is one mode of calculating the rent of assets under contract.

Using the **Prorata** mode involves calculating asset rents prorata on a reference value (purchase price, rent, market value, and so on) named **Prorata value**.

### Examples

Here is a prorata rent calculation formula of an asset:

$$\text{Asset "Rent"} = \text{Contract "Rent"} \times \frac{\text{Prorata value of asset}}{\sum \text{Prorata values of assets}}$$

### Opposites

See [Allocation](#)

### Asset Manager database tables that describes these objects

Asset rents (amAssetRent)

Schedule level rents (amCntrRent)

## Application service

An application service involves using an IT application in a company without having to install it.

The application is housed with an external service provider, named an **Application Service Provider**, or **ASP**.

As an intermediary between the software publisher and the client, the service provider supplies the application on subscription.

Online use of the application automates its maintenance and upgrade operations.

Users can access the application via Internet or Intranet.

### Asset Manager database table that describes these objects

Contracts (amContract)

## Loan amortization schedule

The loan amortization schedule defines the payments and dates associated with loan reimbursements.

Each deadline is comprised of the following items:

- A date
- A principal amount
- An interest rate
- A fee amount

**Asset Manager database table that describes these objects**

Loan amortization schedule lines (amLoanPayment)

## Loss value

Lessees are usually liable to pay penalties in the case of lost or damaged assets, and so on.

They depend on the value of the assets which are lost or destroyed. In general this loss value is contractually defined.

Asset Manager manages the different possible methods of loss value calculation, depending on the time elapsed since the start of term and the type of asset concerned.

**Asset Manager database table that describes these objects**

Loss values applicable to a given contract (amLossValLine)

Loss rate defined for a given calculation rule (amLossValRate)

Loss value calculation rules (amLossValRule)

## Prorata value

In certain cases, the rent of an asset is calculated prorata on a reference value.

This reference value is named a **prorata value**.

You can select the prorata value at the asset rent level.

The reference value comes from the detail of the asset (**Purchase price, Rent, Market value**, and so on).

Here is how the **Rent** field (mPayments) of an asset is calculated if the **Rent** field of the contract and the prorata values of the assets are known:

$$\text{Asset "Rent"} = \text{Contract "Rent"} \times \frac{\text{Prorata value of asset}}{\sum \text{Prorata values of assets}}$$

**Asset Manager database table that describes these objects**  
Schedule level rents (amCntrRent)

## Value of a rent

The value of a rent is the basis of the calculation of this rent's amount.

The rent values are used as contracts at the level of the asset rents.

**Do not confuse with...**

See [Rent amount](#)

## Buyout value

Most agreements stipulate that the lessee can or must buy the equipment at fair market value.

This value is decided on between the lessor and lessee based on typical market prices for the type of equipment concerned.

**Synonyms**

See [End of term](#)

**Asset Manager database table that describes these objects**  
Assets (amAsset)

## Market value

The market value of an asset is its market value at the time it was included in the table of assets.

This is its purchase price if it is new, its buy-out price if it is second hand, and so on.

**Asset Manager database table that describes these objects**  
Assets (amAsset)

## Initial payment

There is an initial payment for each contract type.



In the case of a lease schedule, this initial payment corresponds to an interim rent.

As a general rule, the value of the interim rent is calculated on accepting the assets.

**Synonyms**

See [Interim rent](#)

**Asset Manager database table that describes these objects**

Assets (amAsset)

# Send documentation feedback

If you have comments about this document, you can [contact the documentation team](#) by email. If an email client is configured on this system, click the link above and an email window opens with the following information in the subject line:

## **Feedback on Contracts (Asset Manager 9.60)**

Just add your feedback to the email and click send.

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