

# HP OpenView AssetCenter

Software version: 5.0

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## Contracts

Build number: 150



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# Introduction

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## Who is the Contracts module intended for?

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

- Insurance
- Leases
- Maintenance
- Licenses
- Application services.
- Blanket purchase orders

The Contracts module is generally established by the following people:

- Financial managers
- Purchase managers
- Purchasers
- Portfolio managers
- Lawyers
- Those responsible for administrative tracking of assets.

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## 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

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.

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## How to use the Contracts guide.

### Section Utilization

#### **Chapter General concepts**

This chapter explains how to use the basic functions of the Contracts module and presents the different types of contracts that you can manage with AssetCenter.

This information is intended to provide a general view of how the Contracts module works.

#### **Chapter Step 1 - Creating the contract**

This chapter explains the first step in managing a contract and gives detail on creating the contract in the AssetCenter database.

Read this chapter as an introduction to the parts of the Contracts module specific to the day-to-day management of contracts.

#### **Chapter Step 2 - Adding the assets to the contract**

This chapter explains the second step in managing a contract and details the method to link a contract and an asset.

Read this chapter to find out how to add or remove an asset from the contract you have created, or to find out how to consult the list of assets on the contract.

### **Chapter Step 3 - Defining rent**

This chapter explains the third step in managing a contract and deals with the question of contract-level and asset-level rents.

Read this chapter to learn how to add a rent to a contract, to define the rent payment schedule and to select the rent prorata method.

### **Chapter Step 4 - Defining loans**

This chapter explains the fourth step in managing a contract and deals with the question of contract-level and asset-level loans.

Read this chapter to learn how to add a loan to the contract, define the loan amortization schedule and to chose the cost allocation method for the loan.

### **Chapter Step 5 - Accepting assets**

This chapter explains the fifth step in managing a leasing contract: Accepting assets.

Read this chapter to learn how to accept assets and calculate interim rent.

### **Chapter Step 6 - Generating expense lines**

This chapter explains the sixth step in managing a contract and deals with the question of expense lines.

Read this chapter to find out how to generate or recalculate expense lines from rents and loan payments.

### **Chapter Step 7 - Defining loss values**

This chapter explains the seventh step in managing a leasing contract: Defining loss values.

Read this chapter to find out how to manage the loss or destruction of an asset.

### **Chapter Step 8 - Managing end of term**

This chapter explains the eighth step in managing a contract and detail with end of term procedure.

Read this chapter to find out what options you have when a contract reaches its term.

### **Chapter Day-to-day management of ASP contracts**

This chapter concerns application service contracts only.

Read this chapter to learn about the specificities of application service contracts, and to find out how to manage them with AssetCenter.

## Section Practical cases

### **Chapter Day-to-day management of ASP contracts**

This chapter enables you to discover how AssetCenter manages contracts through 4 illustrated examples.

Read this chapter to follow these four contract-management simulations and the creation of an alarm with AssetCenter.

## Section Appendixes

### **Chapter Glossary**

The terminology specific to the Contracts module is relatively specialized. The glossary contains most of these key terms for the Contracts module.

Read this glossary for an explanation of these terms.

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# I Preliminary steps





# 1 Preliminary steps

## Prerequisites of the Contracts module

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

**Table 1.1. 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 AssetCenter,
- 2 Execute AssetCenter Database Administrator,
- 3 Create your database and import the *Line-of-business data* specific to contracts (see hereafter),
- 4 Insert a user license that includes the modules given in the table [Contracts module - required user license](#) [page 17].
- 5 Execute AssetCenter,
- 6 Connect to your database,

- 7 If you are using the Windows client: Activate the modules in the table [Contracts module - required user license](#) [page 17] using the **File/ Activate 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 AssetCenter database/ Creating the database structure with AssetCenter Database Administrator*.

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

- Contracts - Line-of-business data
- Contracts - Line-of-business data (ASP)

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

Proceed in the following manner:

- 1 Execute AssetCenter Database Administrator
- 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 AssetCenter 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	Enter the administrator's password.  Note:  The AssetCenter database administrator is the record in the <b>Departments and employees</b> (amEmplDept) table for which the <b>Name</b> (Name) field is set to <i>Admin</i> .  The database connection login is stored in the <b>User name</b> (UserLogin) field. The administration name is <i>Admin</i> .  The password is stored in the <b>Pass-word</b> field (LoginPassword).

**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> </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 AssetCenter**

Refer to the *Installation and upgrade* guide.



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## II Utilization



## 2 General concepts

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

AssetCenter helps you manage contracts or agreements signed with your partner companies (maintenance contracts, insurance contracts, etc.).

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

#### 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 them. 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:

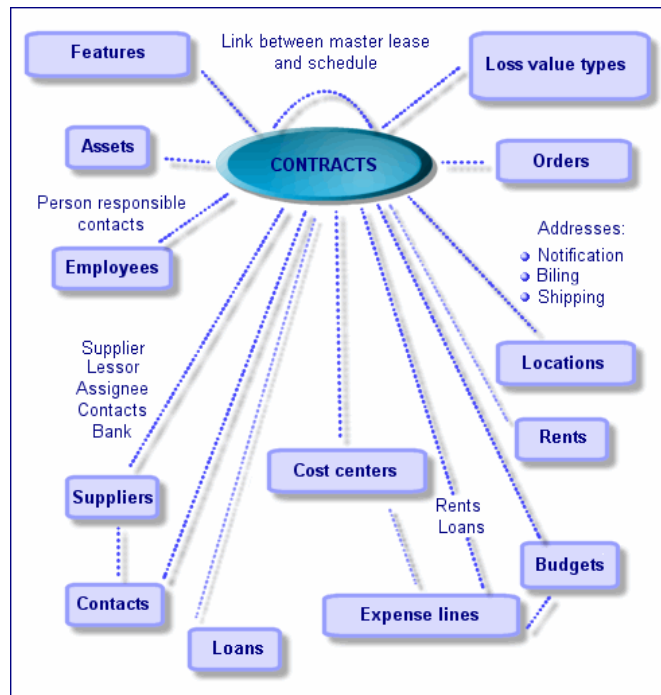
- [Leasing](#) [page 143]
- [Master lease](#) [page 140]
- [Lease schedule](#) [page 141]

- Rent [page 143]
- Acceptance [page 139]
- Loss value [page 147]
- Loans [page 141]
- End of term [page 142]
- Assignee [page 146]

For a definition of these concepts, refer to Glossary [page 139].

## Simplified data model

Figure 2.1. Contracts - data model

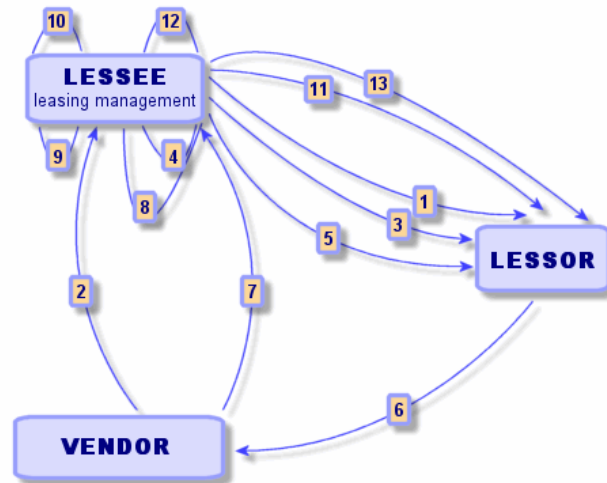


## A typical procedure

Here is an example of a typical leasing procedure:



Figure 2.2. 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 AssetCenter. 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 AssetCenter.
- 5 Issuing the purchase order (lessee to lessor).
- 6 Purchase order from lessor to vendor.
- 7 Delivery from vendor to lessee.
- 8 Creating the receiving slip for the assets associated with the order using AssetCenter. This allocates the assets to the schedule.
- 9 If you do not use AssetCenter 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: additional assets, loss or destruction of assets, returns, renewals and purchases.
- 13 End of term management: renewal or upgrading the contract, returning or purchasing 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 Purchase (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 envelopes associated with an operation, click .

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

---

 Note:

In the case of returns, the date which appears is the scheduled return date.

---

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## Maintenance contracts

AssetCenter 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 **AssetCenter**, refer to the *Portfolio* guide, chapter *Work orders and projects*, sub-chapter *Work orders*.

---

## Insurance contracts

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

Apart from these specificities, managing an insurance contract with AssetCenter 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](#) [page 23].

---

## Software licenses

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

For further information on managing software licenses and installations with AssetCenter, refer to the **Portfolio and Software licenses** guide, chapter **Software**.

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## Blanket purchase order contracts

**Blanket purchase order** type contracts are closely linked to AssetCenter'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

### Key concepts

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

Application services free company's from having to upgrade or maintain applications.

AssetCenter 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 AssetCenter

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

- 1 *Creating the contract* (**Contracts/ 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 etc.)
  - 2 *Selecting the employees who have access to the contract* from the **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 AssetCenter Server.
- 

### **Warning:**

In order for the workflow to function, the module **Execute workflow rules for execution group BST\_ASP** must be enabled in AssetCenter Server.

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- 4 *Validating modifications* by the contract supervisor (**Portfolio management/ My workflow tasks** on the navigation bar): this step is manual and enables the supervisor to check and integrate all changes indicated by AssetCenter Server. Information related to the contract is then refreshed and the workflow notifies the contract users.

# 3 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

To create a contract:

- 1 Display the list of contracts using one of the following links on the navigation bar:

**Table 3.1. Access menus for contracts**

Menu	Contract types displayed using the menu
Contracts/ Contracts	All types, except <i>ASP</i>
Contracts/ Leasing/ Lease schedules	Lease schedule
Contracts/ Blanket PO type contracts	Blanket purchase orders
Contracts/ Leasing/ Master leases	Master lease
Contracts/ ASP/ Application services	ASP



Tip:

As you can see, several links on the navigation bar give access to the same contract types.

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

As you can also see, there is no link on the navigation bar to access *ASP* type contracts. The **Contracts/ Contracts** link does not display them.

- 2 Create a new contract (**New** button).
- 3 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 ► <a href="#">Types of contracts [page 31]</a>
<b>The General tab</b>	
Attached to (Parent)	To learn how to populate this field ► <a href="#">Organizing the hierarchy of contracts [page 31]</a>
Nature of payments (sePayType)	<ul style="list-style-type: none"> <li>■ <i>None</i>: the contract is neither financed by rents nor loans.</li> <li>■ <i>Rent</i>: the contract is financed by rents. <ul style="list-style-type: none"> <li>► <a href="#">Step 3 - Defining rent [page 47]</a></li> </ul> </li> <li>■ <i>Loan</i>: the contract is financed by loans. <ul style="list-style-type: none"> <li>► <a href="#">Step 4 - Defining loans [page 63]</a></li> </ul> </li> <li>■ <i>Both</i>: the contract is financed by rents and loans. <ul style="list-style-type: none"> <li>► <a href="#">Step 3 - Defining rent [page 47]</a></li> <li>► <a href="#">Step 4 - Defining loans [page 63]</a></li> </ul> </li> </ul>
<b>Leasing tab</b>	
<ul style="list-style-type: none"> <li>■ Assignable (bAssignable)</li> <li>■ Assignee</li> <li>■ Conditions (AssignCond)</li> </ul>	This tab is displayed when the <b>Type</b> (seType) field is set to <i>Lease schedule</i>
<b>Licenses tab</b> (for license contracts)	This tab is displayed when the <b>Type</b> (seType) field is set to <i>License</i>
<b>The Employees tab</b>	This tab enables you to define the list of users of a license.
<b>Options tab</b>	This tab is displayed when the <b>Type</b> (seType) field is set to <i>Lease schedule</i> and enables you to determine the possible end-of-term options. <ul style="list-style-type: none"> <li>► <a href="#">Step 7 - Defining loss values [page 95]</a></li> </ul>

Field or link	Value
<ul style="list-style-type: none"> <li>Windows client: <b>Contract</b> button</li> <li>Web client: Select <i>Contract</i> from the <b>Contextual 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 (<i>license</i> contract in this case).</p> <p>You will note that the screens describing the <i>application service</i> aspects and the <i>license</i> aspects correspond to the same record.</p> <p>▶ <a href="#">Day-to-day management of ASP contracts [page 107]</a></p>

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

Tab	Chapter or section to consult
Assets	▶ <a href="#">Step 2 - Adding the assets to the contract [page 39]</a>
Assets (leased)	▶ <a href="#">Step 5 - Accepting assets [page 79]</a>
Rents	▶ <a href="#">Step 3 - Defining rent [page 47]</a>
Loans	▶ <a href="#">Step 4 - Defining loans [page 63]</a>

## 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 schedule* contracts are sub-contracts that are hierarchically linked to this contract from which they inherit the features.

## Types of contracts

AssetCenter 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)
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>Contracts/ Con-tracts</b></li> <li>■ <b>Contracts/ Leasing/ Master leases</b></li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Leasing</b></li> <li>■ <b>Schedules</b></li> </ul>
Lease schedule	Enables you to: <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>	<ul style="list-style-type: none"> <li>■ <b>Contracts/ Con-tracts</b></li> <li>■ <b>Contracts/ Leasing/ Lease schedules</b></li> </ul>	<b>Leasing</b>
Maintenance	Enables you to: <ul style="list-style-type: none"> <li>■ Define a maintenance contract</li> <li>■ Manage work orders relating to this contract.</li> </ul>	<b>Contracts/ Con-tracts</b>	<b>Maintenance</b>
Insurance	Enables you to define an insurance contract (insurance policy).	<b>Contracts/ Con-tracts</b>	
License	Enables you to define a license agreement.	<b>Contracts/ Con-tracts</b>	<b>Licenses</b>
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>■ <b>Contracts/ Con-tracts</b></li> <li>■ <b>Contracts/ Blanket PO type contracts</b></li> </ul>	



Contract type	Description	Navigation bar link	Specific tab(s)
ASP	An application service is a software application that is hosted by a third-party called 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, etc.).	<b>Contracts/ ASP/ 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 <i>Contracts</i> entry from the <b>Contextual 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>Contracts/ Contracts</b>	

---

## Documents linked to contracts

### Adding a document to a contract

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

- *Method 1: Using the wizard*
  - 1 From the contract detail:
    - Windows client:
      - ◆ Click **Documents** to the right of the window.
      - or:
      - Right-click on the **Documents** tab in the contract detail and then select **Actions/ Add/Modify a document** from the shortcut menu.
      - or:
      - Click the **Contracts/ Add/Modify a document** link from the navigation bar.
    - Web client:
      - ◆ Select *Documents* from the **Contextual actions** drop-down list.
      - or:

Click the **Contracts/ Add/Modify a document** link from the navigation bar.

AssetCenter starts the **Create/Update a document** wizard.

- 2 Select the **Create a new document** option.
  - 3 Follow the instructions given by the wizard.
- *Method 2: From the Documents tab*
    - 1 From the contract detail, click the **Documents** tab and then click the **+** button (Windows client) or **Add** (Web client).

The add-document window is displayed.
    - 2 Populate the requested fields and then click **Add** (Windows client) or **Save** (Web client).

## Modifying a document linked to a contract

- *Method 1: Using the wizard*
  - Windows client:
    - ◆ Click **Documents** to the right of the window.

or:

Right-click on the **Documents** tab in the contract detail and then select **Actions/ Add/Modify a document** from the shortcut menu.

or:

Click the **Contracts/ Add/Modify a document** link from the navigation bar.
  - Web client:
    - ◆ Select *Documents* from the **Contextual actions** drop-down list.

or:

Click the **Contracts/ Add/Modify a document** link from the navigation bar.
  - 1 Select the option **Edit an existing document**.
  - 2 Follow the instructions given by the wizard.
- *Method 2: From the Documents tab*
  - 1 From the contract detail, click the **Documents** tab and then display the detail of the document you wish to modify.
  - 2 Modify your document and then click **Modify** (Windows client) or **Save** (Web client) button.

## Automatic validation of documents linked to contracts

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

The line-of-business date 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.

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 border="1"> <thead> <tr> <th>Table name</th> <th>Name of the field or link</th> <th>Field value</th> </tr> </thead> <tbody> <tr> <td>Documents (am-Document)</td> <td>Table (DocObjTable)</td> <td>amContract</td> </tr> <tr> <td>Contracts (am-Contract)</td> <td>Supervisor (Supervisor)</td> <td>Not empty</td> </tr> <tr> <td>Documents (am-Document)</td> <td>Status (seStatus)</td> <td>To be validated</td> </tr> <tr> <td>Contracts (am-Contract)</td> <td>Contract status (seStatus)</td> <td>Different from <i>Denied</i> and <i>Suspended</i></td> </tr> </tbody> </table>	Table name	Name of the field or link	Field value	Documents (am-Document)	Table (DocObjTable)	amContract	Contracts (am-Contract)	Supervisor (Supervisor)	Not empty	Documents (am-Document)	Status (seStatus)	To be validated	Contracts (am-Contract)	Contract status (seStatus)	Different from <i>Denied</i> and <i>Suspended</i>
Table name	Name of the field or link	Field value														
Documents (am-Document)	Table (DocObjTable)	amContract														
Contracts (am-Contract)	Supervisor (Supervisor)	Not empty														
Documents (am-Document)	Status (seStatus)	To be validated														
Contracts (am-Contract)	Contract status (seStatus)	Different from <i>Denied</i> and <i>Suspended</i>														
Is AssetCenter Server 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 <i>Finance</i> group.</li> <li>2 If a contract supervisor is defined and accepts the validation request, a validation request is created and assigned to the <i>Finance</i> group.</li> <li>3 If a validation request is denied (by the contract supervisor or the <i>Finance</i> group), the status of the document is set to <i>Rejected</i>.</li> <li>4 If all the validation requests are accepted (by the <i>Finance</i> group and the contract supervisor, if applicable), the status of the document is set to <i>Validated</i>. If a contract supervisor is defined, a notification message is sent to them.</li> </ol>															

The following are the features of this workflow scheme:

Before requesting a contract validation, make the following configuration:

- 1 Display the groups (**Organization/ Employee groups** link on the navigation bar).

## 2 Display the *Finance* group.

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. They also get to view these workflow activities.
<b>Composition</b> tab	
Members	The members of the group view the workflow activities of the document validation request created by <b>Validate contract document</b> workflow scheme.

Populate at least the following fields and links:

### Configuring AssetCenter Server

AssetCenter Server checks whether the **Validate contract document** workflow scheme should be triggered depending on the scheduling settings of the initial workflow event.

To make sure AssetCenter performs this task:

- 1 Start AssetCenter Server.
- 2 Connect to the AssetCenter database (**File/ Connect to database** menu).
- 3 Display the modules (**Tools/ Configure modules** menu).
- 4 Select the module **Execute workflow rules for schemes without execution group**.
- 5 Define the schedule for triggering the module (**Verification schedule**).

### Executing AssetCenter Server as background task

AssetCenter Server must be executed in the background in order for the **Execute workflow rules for schemes without execution group** module to execute 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 AssetCenter database with the supervisor login or the one of a group member.
- 2 Display the workflow tasks (**Portfolio 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

---



This function is available in the Windows client only.

---

- 1 Click the **Contracts/ Contract documents** link on the navigation bar.
- 2 In the **Workflow** tab, select the contractual document that interests you in the list and view its current validation status.



---

## 4 Step 2 - Adding the assets to the contract

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

#### Manual method

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

**Table 4.1. Linking an asset and a contract**

Contract type	Procedure
Maintenance	<ol style="list-style-type: none"><li>1 Display the list of assets (<b>Portfolio/ Assets and batches</b> menu).</li><li>2 Select the asset.</li><li>3 Select the <b>Maint.</b> tab.</li><li>4 Populate the <b>Maint. contract</b> (MaintContract) link.</li><li>5 Validate these modifications (<b>Modify</b> button).</li></ol> <p>Note:</p> <p>You will notice that in this way, the contract automatically appears in the <b>Contracts</b> tab of the asset detail.</p>




Contract type	Procedure
Lease schedule	<p><i>Solution 1:</i></p> <ol style="list-style-type: none"><li>1 Display the list of assets (<b>Portfolio management/ Assets</b> link on the navigation bar).</li><li>2 Select the <b>Acquis.</b> tab.</li><li>3 Select the <b>Procurement</b> sub-tab.</li><li>4 Populate the <b>Acq. method</b> (seAcquMethod) field with a value other than <i>Purchase</i>.</li><li>5 Populate the <b>Schedule</b> (AcquContract) link.</li><li>6 Validate these modifications (<b>Modify</b> button).</li></ol> <p>Note:</p> <p>You will notice that in this way, the contract automatically appears in the <b>Contracts</b> tab of the asset detail.</p> <hr/>

---



*Solution 2:***Warning:**

This is possible with the Windows client but not with the Web client.

- 1 Display the list of contracts using one of the links on the navigation bar.
- 2 Select the **Assets (leased)** tab.
- 3 Click the  button.
- 4 Select the assets to add to the contract.
- 5 Validate your selection (**Select** button).
- 6 If the **Nature of payments** (sePayType) field of the contract is set to *Rent* or *Both*, then the *Add assets to contract: select rent payments* window is displayed.  
Validate this window without modifying it (**Select** button).
- 7 Validate these additions (**Modify** button).

**Tip:**

- The **Acq. method** field (seAcquMethod) takes the value of the **Acq. method** field (seAcquMethod) at the contract level (**General** tab).
  - The **Procurement** sub-tab indicates the name and the reference of the lessor as well as the reference of the lease contract in the **Schedule** field (AcquContract).
  - The **Price and conditions** indicates the start and end dates of term.
-

Contract type	Procedure
<ul style="list-style-type: none"> <li>■ Other</li> <li>■ Insurance</li> <li>■ Maintenance</li> <li>■ License</li> </ul>	<p><i>Solution 1:</i></p> <ol style="list-style-type: none"> <li>1 Display the list of assets (<b>Portfolio management/ Assets</b> link on the navigation bar).</li> <li>2 Select the <b>Contracts</b> tab.</li> <li>3 Click the  button.</li> <li>4 The <b>Add contract to asset</b> window is displayed. Populate this window. Validate the information entered (<b>Add</b> button).</li> <li>5 Validate these additions (<b>Modify</b> button).</li> </ol> <hr/> <p><i>Solution 2:</i></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 <b>Assets</b> tab.</li> <li>3 Click the  button.</li> <li>4 The <b>Add contract to asset</b> window is displayed. Populate this window. Validate the information entered (<b>Add</b> button).</li> <li>5 Validate these additions (<b>Modify</b> button).</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 AssetCenter 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 the ordered assets, they are created in the database even if you refuse them. The **Acquis. status** (seAcquStatus) is set to *Received* (**Acquis.** tab of the asset, **Procurement** sub-tab). You can then consider accepting them; When are effectively accepted, the **Acquis. status** field is set to *Accepted*.

► [Step 5 - Accepting assets \[page 79\]](#)

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## 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 (**Portfolio 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. Contracts	Procurement	Schedule (AcquContract)

---

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

---

## Deleting the link between an asset and a contract

### 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 given 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:
  - 1 Select the **Assets** or **Assets (leased)** tab.
  - 2 Select the assets to unlink.
  - 3 Windows client: Click the  button.  
Web client: Click the **Delete** button.
- In the asset detail:
  - 1 Select the **Contracts** tab.
  - 2 Select the contracts to unlink.
  - 3 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 assets covered by it	Contracts (am-Contract)	End (dEnd)	This date specifies that the contract is approaching end of 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 (amAst-CntrDesc)	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			► Step 7 - Defining loss values [page 95]
An asset is purchased from the lessor at the end of term			► Step 7 - Defining loss values [page 95]
An asset is lost or stolen before the end of term			► Step 7 - Defining loss values [page 95]

---

## 5 Step 3 - Defining rent

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

Rent payments are defined at the contract level and are often carried down to the asset level.

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 the 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**.

## Selecting how the **Rent** with the Windows client tab is displayed

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

- 1 In tab form
- 2 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.

## Adding a rent to a contract in *tab* view (Windows client only)

- 1 Display the **Rents** tab.
- 2 Right-click the sub-tab situated at the bottom left of the **Rents** tab.
- 3 Select **Add linked record**.
- 4 Populate the new sub-tab.

To learn how to populate the rent payment schedule: ► [Populating the rent payment schedule](#) [page 49]

To learn how to select the rent distribution method: ► [Rent allocation method](#) [page 51]

To learn to how to define the rent expenses allocation method: ► [Expenses linked to rents](#) [page 89]

- 5 Click **Modify**.

## Adding a rent to a contract displayed in *list* view (Windows client)

- 1 Display the **Rents** tab.
- 2 Click the **+** button.
- 3 Populate the rent detail.

To learn how to populate the rent payment schedule: ► [Populating the rent payment schedule](#) [page 49]

To learn how to select the rent distribution method: ► [Rent allocation method](#) [page 51]

- 4 Click **Add**.
- 5 Click **Modify**.



## Adding a rent to a contract displayed in *list* view (Web client)

- 1 Display the **Rents** tab.
- 2 Click **Add**
- 3 Populate the rent detail.  
To learn how to populate the rent payment schedule: ► [Populating the rent payment schedule](#) [page 49]  
To learn how to select the rent distribution method: ► [Rent allocation method](#) [page 51]
- 4 Click **OK**
- 5 Click **Save**.

---

## 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 information found at the asset level is similar to the information in the *Rents* tab in the lease 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**.

When the asset is added to a lease schedule from the contract detail, AssetCenter automatically updates the acquisition method of the asset and **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.

---

## Populating the rent payment schedule

This section presents the fields used to describe the rent schedule.

## Fields used to describe a rent payment schedule

**Table 5.1. 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> 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> 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

Here is how AssetCenter sets the starts of rental periods depending on the **Periodicity** field:

**Table 5.2. Periodicity field - Overview**

Value of the <b>Periodicity</b> 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

Value of the <b>Periodicity</b> field	Start of the period
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: i.e. 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 methods distribution methods available and how to chose 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 rent to assets	Rent is calculated at the contract level and is not allocated to the asset level.
Prorate and distribute rent to all assets	Rent is calculated at the contract level then distributed to each of the assets on the contract.
Prorate and distribute rent 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 rent 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 rent 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 apply 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.

### Steps to follow

In order for automatic calculations to be performed by the software to 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.

---

 **Warning:**

Do not define asset level rent.

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

---

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

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

---

 **Warning:**


This function is available in the Windows client only.

---

Populate in particular the following fields and links:

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

Field or link	Value
Main rent (bMainRent)	<p>In the case of multiple rent payments, a distinction is made between main rent and secondary rent payments. This is an important concept in leasing since interim rent, which is specific to this type of contract, only exists for "main" rent payments.</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 <i>Main rent</i> (bMainRent) option in the rent description sub-tab.</p> <p><b>Warning:</b></p> <p>The existence of only one main rent at the asset or contract level is not verified by AssetCenter.</p>

- 
- 4 If you wish to restrict the application of the rent to a selection of assets, click the  icon to the right of the *Prorate to assets* field (seProrateRule): The list of assets included under the contract is displayed. Select from this list the assets to which the rent is distributed. Click **Select** to confirm the selection of assets.

---

 **Important:**

You must *simultaneously* select the assets to associate with rent. Thus, when you click **Select**, the current selection will cancel and overwrite the previous selection.


---

 **Important:**

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.

---



To modify the selection of assets (add or remove assets), click once more the  icon to the right of the *Prorate to assets* (seProrateRule) field and then modify the selection.

Click **Select** to accept the new selection of assets.

---

### 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:

**Table 5.3. 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 <i>LRF</i> (pLRF) field to the <i>Value</i> (mValue) field of the rent.

### 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:

**Table 5.4. Rents - Fields used to calculate asset rent**

Title	SQL name	Usage
Rent	mPayments	This field stores the total rent amount for all assets associated with the rent.
Prorated by	ProrateField	This field specifies the field at the asset level used to prorate and distribute the rent to the asset level.
Rounding	fPrecision	This field specifies how rent values should be rounded after the prorata calculation.
Acceptance date	bFromAcceptDate	<p>This option is only used for contracts for which the <b>Type</b> (seType) field is set to <i>Lease schedule</i>.</p> <p>When this option is cleared, the asset-level rent payment starts at the 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>

Selecting the reference field for distributing rent to the asset level

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

The **Prorate by** 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		Value that the <b>Acq. method</b> (seAcquMethod) field should take for the reference field to be displayed ( <b>Acquis.</b> tab, <b>Procurement</b> sub-tab)
	Tab	Sub-tab	
Rent (mPayments)	Rent	General	<ul style="list-style-type: none"> <li>■ Rental</li> <li>■ Lease</li> </ul>
Resale price (mResale-Price)	General		<ul style="list-style-type: none"> <li>■ Purchase</li> <li>■ Rental</li> <li>■ Lease</li> </ul>



Value	Location of the field (in the asset detail) used as a reference to prorate the rent to the assets		Value that the <b>Acq. method</b> (seAcquMethod) field should take for the reference field to be displayed ( <b>Acquis.</b> tab, <b>Procurement</b> sub-tab)
	Tab	Sub-tab	
Purchase price (mPrice)	Acquis.	Price and conditions	◆ Purchase
List price (mList-Price)	Acquis.	Price and conditions	
Taxes (mIntPayTax)	Acquis.	Price and conditions	■ Rental ■ Lease
Taxes (mTax)	Acquis.	Price and conditions	◆ Purchase
Market value (mMarketVal)	Acquis.	Procurement	
Purchase option value (mPurchOptVal)	Acquis.	Price and conditions	◆ Lease
Residual value (mNetValue)	Fixed Asset		◆ Purchase
Init. payment (mIntPay)	Acquis.	Price and conditions	■ Rental ■ Lease

 **Note:**

Certain reference fields are rather used to calculate lease rents: **Market value** (mMarketVal), **Purchase option value** (mPurchOptVal), etc.

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:

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

## Rounding

Rounding errors are carried over to the first rent item: AssetCenter Server 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 3 assets, AssetCenter generates the following asset rents according to the selected rounding value:

- For a rounding value equal to 0.01
  - 1 33,34
  - 2 33,33
  - 3 33,33
- For a rounding value equal to 0
  - 1 33.3333333333333433
  - 2 33.3333333333333254
  - 3 33.3333333333333254

---

 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

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

= \$150

### Calculating asset level rent

<i>Rent for Y</i>	= Contract <i>Rent</i> x <i>Prorata value</i> of Y / (sum of <i>Prorata values</i> of X, Y and Z)
	= Contract <i>Rent</i> x <i>Market value</i> of Y / (sum of <i>Market values</i> of X, Y and Z)
	= 150 x 1500 / (1500 + 1500 + 2000)
	= \$45
<i>Rent for Z</i>	= 1500 x 2000 / 5000 = \$60
<i>Rent for X</i>	= Contract <i>Rent</i> - (sum of <i>Rents</i> 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](#). [page 53].

The only difference concerns the following field:

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

Furthermore, the *Market value* (mMarketVal) field of the assets may be left empty (*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:

**Table 5.5. 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:

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

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

The asset rent is equal to:

### 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

In order for automatic calculations to be performed by the software to 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, make sure the *Market value* (mMarketVal) field is populated (*Acquis.* tab, *Procurement* sub-tab).

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

Populate in particular the following fields and links:

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

**Table 5.6. 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 <i>LRF</i> (pLRF) field to the <i>Value</i> (mValue) field of the rent.

#### Calculating asset level rent

When the *Prorate to assets* (seProrateRule) is set to *Do not allocate or distribute rent to assets*, no rent is created at the asset level.

---

## 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 category** (CostCategory) and **Cost center** (CostCenter) fields.

---

 Note:

Interim rent expenses (from lease schedules) are allocated to the cost category and cost center of the asset.

---

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## 6 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 in 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**.

## Selecting how the **Loans** with the Windows client tab is displayed

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

- 1 In tab form
- 2 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 (Windows client only)

- 1 Display the **Loans** tab.
- 2 Right-click the sub-tab situated at the bottom left of the **Loans** tab.
- 3 Select **Add linked record**.
- 4 Populate the new sub-tab.
- 5 Click **Modify**.

## Adding a loan to a contract displayed in *list* view (Windows client)

- 1 Display the **Loans** tab.
- 2 Click the **+** button.
- 3 Populate the loan detail.
- 4 Click **Add**.
- 5 Click **Modify**.

## Adding a rent to a contract displayed in *list* view (Web client)

- 1 Display the **Loans** tab.
- 2 Click **Add**
- 3 Populate the loan detail.
- 4 Click **OK**
- 5 Click **Save**.



---

## 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.

---

## Populate the loan amortization schedule

This section explains how to create a loan amortization schedule.

### Add 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 in the Windows client or **OK** in the Web client).
- 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

---

### Warning:

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.

The data to copy to the loan amortization schedule in AssetCenter should be structured in the same way as the table. When the copy is made, a payment line is created for each line of data: The fields of each line are automatically associated with their respective columns in the amortization schedule

## Fields used to describe the loan amortization schedule

**Table 6.1. 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.
<i>Payment</i>		
Date	dPayment	Payment date of the loan amortization line. This date is used in the expense lines generated from the loan amortization line.
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 in order 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.

Field label	SQL name of the field	Usage
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, 2006
Principal	mPrincipal	20
Interest	mInterest	5
Fees	mFees	1

Then, the loan amortization schedule displays the following line:

Column	Value
Date	May 1, 2006
Principal	20
Balance	Previous line balance - Principal = 300 - 20 = 280
Interest	5
Fees	1

Column	Value
Total	Principal + Interest + Fees = 20 + 5 + 1 = 26

## Loan allocation method

This section explains the different methods distribution methods available and how to chose 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 rent to assets	Each loan amortization schedule line leads to the creation of an expense line. These expense lines are created at the contract level only (and not at the asset level). The amount of the expense lines corresponds to the amount shown in the <b>Total</b> column of the loan amortization schedule.
Prorate and distribute rent to all assets	Each loan amortization schedule line leads to the creation of an expense line for each asset on the contract. These expense lines are linked to the contract and are duplicated at the level of each corresponding asset. 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.

Prorate method	Calculation method
Prorate and distribute rent 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 rent to all assets	This calculation method is not useful for managing loans.
Allocate unit level rent 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 rent 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, make sure 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 From the **Loans** tab, add the loan.
- 5 Web client: Click the **Back to main document** link.
- 6 Windows client: Click **Modify**.

Web client: Click **Save**.

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

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

Populate **Prorate to assets** at the bottom of the window using the following values:

- 8 When you select the value *Prorate and distribute rent to a selection of assets*, a list is displayed under the **Prorate to assets** field. It enables you to select the assets. By default, this list is empty.

To add assets to the selection:

Windows client: Click the **+** button at the bottom right of the *Prorate to assets* field.

Web client: Click the **Add** button at the bottom right of the *Prorate to assets* field.

The list of assets under contract is displayed.

In this list, select the assets to the which the loan repayments are allocated.

Click **+** in the Windows client or **Add** in the Web client to confirm the selection of assets.

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 AssetCenter Server 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:

**Table 6.2. Loans - 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 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</b> (amLoan) table		
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.

Title	SQL name	Usage at the expense-line level
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 **Prorate by** 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		Value that the <b>Acq. method</b> (seAcquMethod) field should take for the reference field to be displayed ( <b>Acquis.</b> tab, <b>Procurement</b> sub-tab)
	Tab	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>
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	
Purchase option value (mPurchOptVal)	Acquis.	Price and conditions	Lease
Residual value (mNetValue)	Fixed Asset		Purchase



Value	Location of the field (in the asset detail) used as a reference to prorate the rent to the assets		Value that the <b>Acq. method</b> (seAcquMethod) field should take for the reference field to be displayed ( <b>Acquis.</b> tab, <b>Procurement</b> sub-tab)
	Tab	Sub-tab	
Init. payment (mInt-Pay)	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 **Prorate by** 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 **Prorate by** 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 over to the first rent item: AssetCenter Server 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 3 assets, AssetCenter generates the following asset rents according to the selected rounding value:

- For a rounding value equal to 0.01
  - 1 33.34
  - 2 33.33
  - 3 33.33
- For a rounding value equal to 0
  - 1 33.33333333333333433
  - 2 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, 2006
Principal	mPrincipal	200
Interest	mInterest	50
Fees	mFees	10

Then, the loan amortization schedule displays the following line:

Column	Value
Date	January 5, 2006
Principal	200
Balance	Previous line balance - Principal = 5 000 - 200 = 4 800
Interest	50
Fees	10

Column	Value
Total	Principal + Interest + Fees
	= 200 + 50 + 10
	= 260

### Repayment calculation for each of the assets

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

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

<i>Payment for X</i>	= <i>Payment Total</i> - (sum of <i>Rents</i> 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 rent to assets

#### Steps to follow

- 1 Create the contract without creating a loan.
- 2 Add the assets to the contract.  
For each asset, make sure 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 From the **Loans** tab, add and populate the loan.
- 5 Web client: Click the **Back to main document** link.
- 6 Windows client: Click **Modify**.

Web client: Click **Save**.

The table in the sub-tab lists the payments on the loan. 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 rent to assets

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, AssetCenter Server 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:

**Table 6.3. Loans - 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 rents

To define the way in which loan expenses are allocated:

- 1 Display the contract detail.
- 2 Select the **Loans** tab.
- 3 Display the rent detail.

- 4 Populate the **Cost category** (CostCategory) and **Cost center** (CostCenter) fields.



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## 7 Step 5 - Accepting assets

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 **Warning:**

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

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 **Important:**

This chapter only concerns contracts when the **Type** field (seType) is set to *Lease schedule*.

---

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

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### 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 (**Contracts/ Leasing/ Lease schedules** link).
- 2 Select the contract.
- 3 Click **Accept** in the contract detail. The window displayed shows a list of the assets concerned by the lease contract.
- 4 Select the assets you want to accept.
- 5 Populate the acceptance window, **Acceptance date** frame: [Step 5 - Accepting assets \[page 79\]](#)
- 6 Populate the acceptance window, **Interim rent calculation** frame: [Step 5 - Accepting assets \[page 79\]](#)
- 7 Validate your choices for the selected asset(s) (**Apply** button).
- 8 Close the window (**Close** button).

### How to populate the **Acceptance date** frame

**Table 7.1. Acceptance date and interim rent window**

Field	Value to assign	Field impacted in the asset detail
Acquis. status	Accepted	Acquis. status (seAcquStatus)
Start date	AssetCenter simply shows the start date of the contract	
Acceptance date	Date on which you accept the assets	Accept. date (dAccept)



Field	Value to assign	Field impacted in the asset detail
Serial number	If you accept the assets individually, you populate this field with the serial number of the asset.	Serial # (SerialNo)

**Tip:**

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.

## How to populate the **Interim rent calculation** frame

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

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

### Warning:

AssetCenter manages the interim rent calculation for the main rent of the contract only.

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

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

### **Prorate and distribute rent to all assets** option


AssetCenter performs this operation out in 3 steps:

- 1 It first calculates the interim rent for all the selected assets in the acceptance screen. It bases its calculation on the total of assets rents selected and the interim rent calculation type defined in the acceptance screen. 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 two fields in the asset details: **Payments** (mPayments) and **Periodicity** (sePeriodicity) fields (**Acquis.** tab, main rent sub-tab). The interim rent of each asset is stored in the **Init. payment** field (mIntPay) in the **Price and conditions** tab.
- 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 (mIntPay) of the **General** tab of the contract detail.

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

- 1 Select the interim rent **Calculation type** and, depending on the method chosen, populate the **Min. days** , **Max. days** and **Percentage** fields. If you select **Fixed value**, enter this value in the **Total of interim rents** field.
- 2 Click  to display the **Total of interim rents** for all assets.
- 3 Specify how the resulting interim rent should be distributed at assets level:
  - 1 In the **Prorate by** field, indicate the method used to distribute the interim rent to asset level.
  - 2 In the **Rounding** field, indicate the value to which interim rent should be rounded.
- 4 Click **Apply** to save the calculation at asset and schedule level. Thus:
  - 1 The **Init. payment** (mIntPay) field in the **General** tab of the contract detail, which specifies the overall interim rent at schedule level, is recalculated.
  - 2 For each asset, the **Init. payment** field (SQL name: mIntPay) in the **Price and conditions** sub-tab of the **Acquis.** tab of the asset detail indicates the interim rent at the asset level. This rent is calculated by distributing the over rent amount at schedule level to the assets according to the rule fixed by the **Prorate by** and **Rounding** fields.
  - 3 For each asset, the expense line relative to its interim rent appears in the **Costs** tab of the asset detail.

### Prorate and distribute rent 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 rent 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 **Apply** button is not used to calculate 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.

### Types of interim rent calculations

---

 **Note:**

The interim rent calculation types are only used when the main rent of the contract is distributed to all or a selection of the assets (**Prorate to assets** field (seProrateRule) in the main rent sub-tab in the **Rents** tab of the contract detail).

---

In this case, AssetCenter 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 type is shown in the **Leasing** tab of the contract detail and in the acceptance and interim rent calculation window.

The following sections describe in detail the interim rent calculation methods for a group of assets.

### 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. AssetCenter considers there are 30 days in a month.

The calculation parameters are summarized in the acceptance and interim rent window:

- The reference amount is specified in the **Total of rents** field: This is the total of the periodic rents of the selected assets. Note that in the case where the schedule level rent is distributed to a selection of the assets (**Prorate**



- If all the assets under contract are accepted on June 2, 2006, the gap between the acceptance date and the start of the first full period (July 1, 2006) 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, 2006), there is no interim rent to calculate for these assets since the invoiced period corresponds to an entire rent payment. **Min. days** must be set to 0 days and **Max. days** set to 31 days.

### Calculation by "Percentage of rent"

The interim rent is calculated as a percentage of the amount specified in the **Total of rents** field of the contract:

- The percentage is specified in the **Percentage** field which is displayed when the calculation method is selected. It is by default equal to the percentage defined in the **Leasing** tab of acceptance window.
- The **Total of rents** is the sum of the periodic rents of the selected assets. Note that when the schedule level rent is distributed to a selection of assets (**Prorate to assets** field (seProrateRule) in the **Rents** tab of the contract detail), the periodic rent of an asset not belonging to the selection is replaced by zero.

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

### Example

A lease contract starts on July 1, 2006. 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 2006.

- The interim rent of the contract covers the period from June 1 through June 30, 2006.  
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** field in the acceptance window.



## 8 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

The expense lines corresponding to rent are generated in two ways:

- The interim rent expense lines are created by AssetCenter when the assets are accepted.
- The expense lines for periodic rent payments are created by AssetCenter Server.

The expense lines corresponding to loan repayments are generated by AssetCenter.

As a consequence, AssetCenter Server must be installed, configured and started on the server.

## To configure AssetCenter Server

- 1 Start AssetCenter Server.
- 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 *AssetCenter Server*, section *Configuring the modules monitored by AssetCenter Server / Calculate rents and loans module (Rent)*.

## Executing AssetCenter Server as background task

- 1 Start AssetCenter Server.
- 2 Connect to your database (*File/ Connect to database* menu).

## Generation of periodic rent and loan repayment expense lines

Once connected, AssetCenter Server verifies at regular intervals whether it needs to generate expense lines. If this is so, it generates them.

---

### Important:

The generation of expense lines for rents depends on the *Acceptance date* (bFromAcceptDate) checkbox: if the box is checked, expense lines related to rents are only generated from the acceptance date of the asset. If the box is cleared, 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, AssetCenter Server stores the date of the last expense line in the *Recalculation effective from* field (dRecalcul).

- If the contract level rent is distributed or allocated to the assets, AssetCenter Server modifies the *Recalculation effective from* (dRecalcul) field that is found in the rent sub-tabs of the *Acquis.* tab of the assets detail.
- If the contract level rent is not distributed or allocated to asset level, AssetCenter Server modifies the *Recalculation effective from* (dRecalcul) field, that is found in the rent sub-tabs of the *Rents* tab of the contract detail.

AssetCenter Server does not recalculate every single expense line each time.

- Projected expense lines associated with a periodic rent are always recalculated.



- The *Recalculation 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 *Recalculation effective from* (dRecalcul) field. This flexibility enables you to recalculate erroneous expense lines in case of a change in tax rates, for example.

## Creation of expense lines for initial payments

Interim rent is a notion which is specific to leasing agreements.

There is an initial payment for each contract type. AssetCenter enables you to specify this in the **Init. payment** field (mIntPay) in the **General** tab of the contract detail. In the case of a "Lease schedule", this initial payment corresponds to the interim rent.

The **Interim rent** field (seIntRentType) in the **Leasing** tab of a given contract detail specifies the method of calculation of the interim rent: according to the acceptance date, a percentage, etc.

As a general rule, the value of the interim rent is calculated on accepting the assets.

Expense lines are linked to initial payments. In the case of leasing agreements:

- These initial payments correspond to interim rent payments.
- There is either an expense line for each asset under contract (corresponding to the **Init. payment** field (mIntPay) in the **Price and conditions** sub-tab of the **Acquis.** tab of the asset detail), or an expense line for each asset of a selection of the assets under contract, or an expense line for all the assets under contract (corresponding to the **Init. payment** field in the **General** tab of the contract detail). In the first two cases, the expense line is allocated to the cost center defined at the top of the **Acquis.** 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

### 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 or cost category used to allocate the expense lines	Allocation of the expense lines
Periodic rents	Prorate and distribute rent to all assets Allocate unit level rent to all assets	An expense line for each asset on the contract	Asset detail, <b>Rent</b> tab, rent sub-tab, <b>Finance</b> sub-tab	Asset and contract
	Prorate and distribute rent to a selection of assets Allocate unit level rent to a selection of assets	An expense line for each selected asset	Asset detail, <b>Rent</b> tab, rent sub-tab, <b>Finance</b> sub-tab	Asset and contract
	Do not allocate or distribute rent to assets	A unique expense line	Contract detail, <b>Rent</b> tab, rent sub-tab, <b>Finance</b> sub-tab	Contract

Origin of the expense lines	For each rent period:			
	Prorata method	Expense lines generated	Cost center or cost category used to allocate the expense lines	Allocation of the expense lines
Interim rents (in the case of leasing agreements)	Prorate and distribute rent to all assets	An expense line for each asset on the contract.	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	Asset and contract
	Allocate unit level rent to all assets	Origin of the amount: Detail of the asset, <b>Acquis.</b> tab, <b>Price and conditions</b> sub-tab, <b>Init. payment</b> (mInt-Pay) field		
	Prorate and distribute rent to a selection of assets	An expense line for each selected asset	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	Asset and contract
	Allocate unit level rent to a selection of assets	Origin of the amount: Detail of the asset, <b>Acquis.</b> tab, <b>Price and conditions</b> sub-tab, <b>Init. payment</b> (mInt-Pay) field		
	Do not allocate or distribute rent to assets	No interim rent is created in this case		

## Modifying the cost center or cost category

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

This is not a problem for future expense lines; AssetCenter Server will recalculate them automatically taking the new cost center and cost category into account.

On the other hand, AssetCenter Server will only recalculate past expense lines if you explicitly specify it as follows:

- 1 Display the contracts (**Contracts/ Contracts** link).
- 2 Display the detail of the contract to modify.
- 3 Select the **Contracts** tab, rent sub-tab.

- 4 Populate the *Recalculation effective from* (dRecalcul) field with the date from the which the new cost center is to be taken into account.

Example:

Until *October 31, 2006*, the rent expense lines are allocated to the cost center *C1*.

From *November 1, 2006*, the rent expense lines are to be allocated to the cost center *C2*.

In the detail of the asset, **Contracts** tab, *RRR* rent sub-tab, you only changed the **Cost center** (CostCenter) field to *C2* on *December 24, 2006*.

To this day, you have generated expense lines for up until *December 31, 2006*.

To have AssetCenter Server allocate the rent expense lines *RRR* for November and December 2006 to the cost center *C2*, simply set the *Recalculation effective from* (dRecalcul) field to *November 1, 2006*.

## Expenses linked to loans

### 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 or cost category used to allocate the expense lines	Allocation of the expense lines
Prorate and distribute rent to all assets	A repayment line for each asset on the contract	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	
Allocate unit level rent to all assets			
Prorate and distribute rent to a selection of assets	A repayment line for each asset on the selected contract	Asset detail, <b>Portfolio</b> tab, <b>General</b> sub-tab	
Allocate unit level rent to a selection of assets			

For each repayment:			
Prorata method	Expense lines generated	Cost center or cost category used to allocate the expense lines	Allocation of the expense lines
Do not allocate or distribute rent to assets	A unique repayment line	No allocation	Contract

## Modifying the cost center or cost category

If you modify, at the asset level, the cost center or cost category for allocating expense lines, the new cost center or cost category 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 AssetCenter Server generate the expense lines.



## 9 Step 7 - Defining loss values

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### Important:

This chapter only concerns contracts when the **Type** field (seType) is set to *Lease schedule*.

---

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

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### 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
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.

Windows client: Once the selected calculation method has been taken into account, click the calculator button to launch the calculation.

## Defining loss value calculation rules

 **Warning:**

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

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

AssetCenter 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.

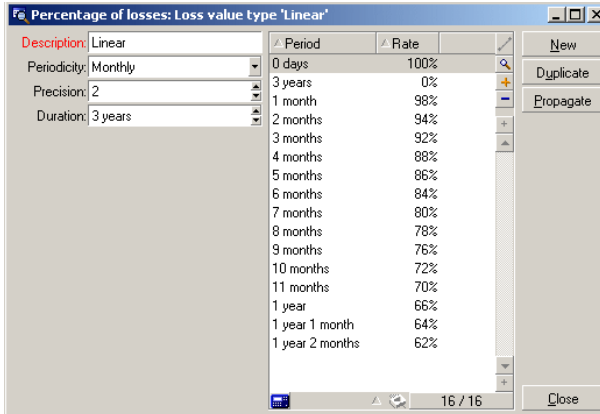
Before being able to calculate the loss value for a group of assets, you must define the calculation rules for this value.

In order to do this:

- 1 Display the lease contract detail and go to the **Leasing** tab.
- 2 Go to the **Rule** field (LossValRule).
- 3 Create a new loss value rule by entering its name and moving to another field (AssetCenter will then offer to let you create the rule on the fly or in detail. Chose the detailed creation).

Here is an example of a loss value rule on assets:

Figure 9.1. Loss value types - "linear" example



Description:	Period	Rate
Linear	0 days	100%
Periodicity: Monthly	3 years	0%
Precision: 2	1 month	98%
Duration: 3 years	2 months	94%
	3 months	92%
	4 months	88%
	5 months	86%
	6 months	84%
	7 months	80%
	8 months	78%
	9 months	76%
	10 months	72%
	11 months	70%
	1 year	66%
	1 year 1 month	64%
	1 year 2 months	62%



## Periodicity (sePeriodicity)

Periodicity of calculation.

## Precision (fPrecision)

Precision used in calculating percentage, which enables you to round off percentages.

Example: 0.1 will ensure that the percentages calculated by linearization will be expressed to 1 decimal after the point.

## Duration (tsDuration)

Length of validity of the rule from the start of the contract.


## Propagate


Use this button if when modifying a loss value you want the changes to be propagated to those contract which are already linked.


## and buttons

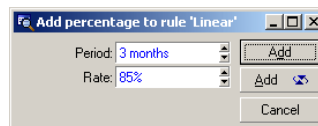
Click  or  to add or remove a loss percentage.

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.

In the case where the loss values follow a straight line relationship between two values, the  icon enables you to calculate them automatically. You just need to:

- 1 Define the *Periodicity* and the *Precision* of the calculation,
- 2 Enter the first and last loss values,
- 3 Select both of these loss values,
- 4 Click : The corresponding percentages between these two values are generated.

If the variation in percentage is not linear, the different loss values have to be entered manually by clicking the  button:



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

### Warning:

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

Once the loss value calculation rule is selected, AssetCenter calculates the loss values using this loss-value calculation rule. There are two ways of calculating loss-values:

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

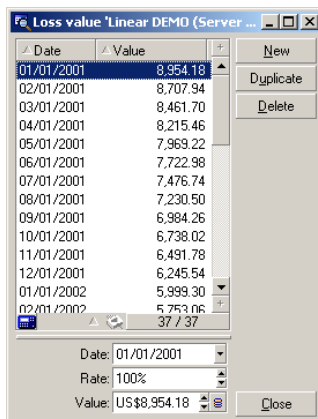
Click the calculator button  to start these calculation procedures.

### Note:

Before launching the calculation of the loss value, you need to confirm the selected method of calculation by clicking **Modify** in the contract detail.

## Calculate for all periods

AssetCenter 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). AssetCenter generates the table loss values specific to the lease contract.



Date	Value
01/01/2001	8,954.18
02/01/2001	8,707.94
03/01/2001	8,461.70
04/01/2001	8,215.46
05/01/2001	7,969.22
06/01/2001	7,722.98
07/01/2001	7,476.74
08/01/2001	7,230.50
09/01/2001	6,984.26
10/01/2001	6,738.02
11/01/2001	6,491.78
12/01/2001	6,245.54
01/01/2002	5,999.30
02/01/2002	5,753.06
	37 / 37

Date: 01/01/2001  
Rate: 100%  
Value: US\$8,954.18

### **Date (dLossVal) and Rate (pRate)**

Date and rate of the line selected. These values are obtained from the selected loss value rule. You can modify this information or save it in the list of loss values of the contract.

### **Value (mValue)**

Loss value corresponding to the line selected in the loss value calculation rule. You can enter the reference value of the asset or of a group of assets.

## Calculate on a given date

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

### **Basis of calculation**

By default, AssetCenter gives you the **Total value of assets** (mMarketVal) (**Leasing** tab in contract).

You can enter the reference value of an asset or of a group of assets.

### **Start of contract**

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 to in order to calculate, for example, the loss value of asset which were taken down after the start of the contract.

### **Calculate button**

Click here 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.

---

## Updating loss values


---

### **Warning:**

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

---

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

- Via the *Administration / List of screens* menu, in the *Loss values* table (amLossValLine) (only the AssetCenter administrator has access to this menu).
- By clicking the  button to the right of the *Rule* field (LossValRule) in the **Leasing** tab of the contract detail.

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.

### Updates done by AssetCenter Server

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

To configure the recalculation of loss values:

- 1 Start AssetCenter Server.
- 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** module according to the instructions given in the *Administration* guide, chapter *AssetCenter Server*, section *Configuring the modules monitored by AssetCenter Server / Calculate stipulated loss values (Rent)*.

To define the frequency of recalculation of loss values, follow the instructions given in the *Administration* guide, chapter *AssetCenter Server*, section *Verification schedules*.

---

# 10 Step 8 - Managing end of term

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 **Important:**

This chapter only concerns contracts when the **Type** field (seType) is set to *Lease schedule*.

---

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

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## 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 called renewing the assets.

To renew assets:

- 1 Display the contract detail.
- 2 Windows client: Click the **Renew** button.

Web client: Select *Renew* from the **Contextual actions** drop-down list.

---

 **Warning:**

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

---

This starts the *Renew assets* wizard.

- 3 Populate the *Select assets to renew* page.

The first window displayed enables you to select the assets to be renewed.

#### **Rent column**

If the *Prorate to assets* option (seProrateRule) in the main rent sub-tab in the **Rents** tab of the contract detail is selected, this column lists the main rents for each asset. Otherwise it shows null rents.

Once the assets are selected, click **Next** to continue the procedure.

- 4 Populate the page *Select the rents to be renewed*

The second window enables you to 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**.

- 5 Populate the page *New rents*

The third window enables you to specify the conditions of application of each of the renewed rents. Select each rent and populate the following fields:

#### **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 **Renewal period** field (tsDefRenDur) in the **Renewal** sub-tab of the **Options** sub-tab of the contract.

#### **Rent**

The new lease rent is calculated by default using the information appearing in the *Renewal by default* frame of the **Renewal** sub-tab in the **Options** tab of the contract

Once the new rents are defined, click **Next** to continue the procedure.

- 6 Populate the page *Renewal of assets*
- 7 Click **Renew** in the final window to confirm.

The final window defines 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.

## Consequences of renewing assets

Click **Renew** in the renewal rents definition window to confirm the procedure:

- AssetCenter creates sub-tabs using the information you have just entered for the new rents in the **Rents** tab of the existing contract. These new rents are calculated and managed in the same way as the previous lease rents.
- These rent sub-tabs can be found in the **Acquis.** tab of the asset detail.

---

## Returning assets

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

To return an asset:

- Windows client: Click the **Return** button in the contract detail.
- Web client: Select *Return* from the **Contextual actions** drop-down list.

AssetCenter creates a return envelope that is associated with the lease schedule.



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

---

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



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

## Contract associated with a return envelope

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

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

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

- 1 Click  (Windows client) or **Add** (Web client) to select the assets in the list of assets concerned by the financing contract that is specified on the **General** tab of the return envelope 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 envelope, its status is automatically modified: The **Acquis. status** field (seAcquStatus) in the **Procurement** sub-tab in the **Acquis.** tab of the asset detail indicates that the asset is **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 envelope:

- 1 Give a date to the **Carried out on** field (dCarriedOut) in the **General** tab of the return envelope.
- 2 Select the assets to retire in the **Assets** tab of the return envelope detail.
- 3 Windows client: Click **Retire**.

Web client: Select *Retired* from the **Contextual actions** drop-down list.

The following fields are then modified for each asset:

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



tab	field	new value
<b>General</b>	<b>Reason</b> (DisposReason)	<i>Return</i> ([Name of the return slip])

## Buying-out assets.

To buy-out assets:

- 1 Windows client: Click **Purchase** in the contract detail.

Web client: Select *Purchase* from the **Contextual actions** drop-down list.

This button and entry are only available if the *Purchase* option (bPurchOpt) in the **Options** tab of the contract detail has been activated.

- 2 Select the assets to buy-out.

AssetCenter calculates the various amounts for the given selection:

- The total of the **Payments** fields (mPayments) in the sub-tabs of the **Acquis.** tabs corresponding to the main rent (**Acquis.** tabs).
- The total, for the selected assets, of the **Market value** (mMarketVal) fields in the **Procurement** sub-tabs of the **Acquis.** tabs.

AssetCenter automatically fills in certain purchase conditions:

- The buy-out value is equal to the total, for the selected assets, of the **Purchase option value** fields (mPurchOptVal) of the **Price and conditions** sub-tabs of the **Acquis.** tabs.
- The buy-out date is by default, the date of end of term.

Enter the **Purchase price** manually and modify the purchase date if necessary. In the *Prorate by* field, specify how the purchase price is to be distributed at the level of the selected assets.

 **Note:**

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

Next, click **Apply** to confirm the operation.

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)	<i>Purchase</i>

tab	field	new value
<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 the parameters defined in the purchase option screen

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

---

## Other cases

- ▶ [Deleting the link between an asset and a contract \[page 45\]](#)

---

# 11 Day-to-day management of ASP contracts

This chapter explains how to manage application-service contracts.

---

## Prerequisites

- 1 Start AssetCenter Server (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 do so by clicking the <Activate> icon on the main window of AssetCenter Server.

---

---

 **Tip:**

For further information on verification schedules in AssetCenter Server, refer to the **Administration** guide, chapter **AssetCenter Server**, section *Configuring the modules monitored by AssetCenter Server / Verification schedules*.

---

In order to use the ASP workflows, you must configure and execute AssetCenter Server:

---

## Connecting to the ASP administration Web page

---

 **Warning:**

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

---

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, etc.).

---

 **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 (**Contracts/ 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 (**Contracts/ 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

---

### Warning:

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

---

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 (**Contracts/ 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

---

### Warning:

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

---

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 (**Contracts/ 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).

A new message addressed to technical support is displayed in your messaging system.

---

## Managing user accounts

### Prerequisites

In order to manage ASP user accounts, you must install, configure and run AssetCenter Server.

#### Configure AssetCenter Server

- 1 Start AssetCenter Server.
- 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 *AssetCenter Server*, section *Calculate rents and loans (Rent) module*.

#### Execute AssetCenter Server as background task

- 1 Start AssetCenter Server.
- 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 **General** 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.

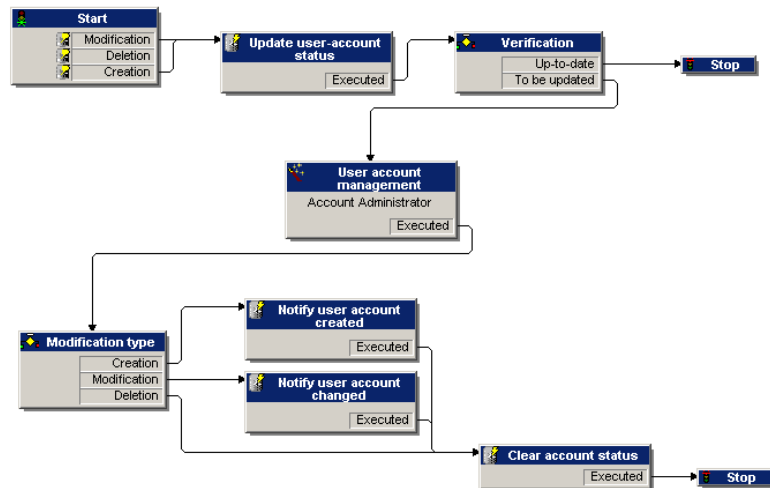
► *Administration* guide, *Messaging* chapter.

## Processes

### Global process

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

Figure 11.1. **User account management** workflow - diagram



### Creating a user account

To create a user account:

- 1 Create the user of the contract in the AssetCenter database:

- Method 1: Using the *Manage software* wizard (sysSamLauncher)
  - a Start the *Manage software* wizard (**Portfolio management/ IT/ Licenses/ Manage software...** link on the navigation bar).
  - b Make sure the current contract is the ASP contract to which you want to add a user account.
  - c On the **Manage software** page, select the **Create/Modify software licenses and installations** option.
  - d Click **Next**.
  - e On the **Licenses and software installations** page, click the **Add an ASP user** button.
  - f This starts the *Add an ASP user...* wizard (sysSamAddAspUsers2Ctr).  
Populate the wizard according to your needs.
  - g Validate all parameters (**Finish** button).  
The wizard adds the users to the contract.
- Method 2: Using the menus
  - a Display the contracts (**Contracts/ ASP/ Application services** link on the navigation bar).
  - b Display the contract detail.
  - c Select the **Employees** tab.
  - d 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 AssetCenter Server, 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 (**Portfolio 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 creates the account on the Web site.
- 5 In the AssetCenter 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 AssetCenter Server updates the user status in the AssetCenter database.  
To consult it:
  - 1 Display the contracts (**Contracts/ ASP/ Application services** link on the navigation bar).
  - 2 Display the contract detail.
  - 3 Select the **Employees** tab.
  - 4 Select 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 AssetCenter database:
  - 1 Display the contracts (**Contracts/ ASP/ Application services** link on the navigation bar).
  - 2 Display the contract detail.
  - 3 Select the **Employees** tab.
  - 4 Display the detail of the contract user (Ⓜ button).  
Modify the following fields:

Field or link

---

Login (ASPLogin)

---



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 AssetCenter Server, 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 (**Portfolio 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 updates the account on the Web site.
- 5 In the AssetCenter 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 AssetCenter Server updates the contract user status in the AssetCenter database.

To consult it:

- 1 Display the contracts (**Contracts/ ASP/ Application services** link on the navigation bar).
- 2 Display the contract detail.
- 3 Select the **Employees** tab.
- 4 Select 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 AssetCenter database:
  - a Display the contracts (**Contracts/ ASP/ Application services** link on the navigation bar).
  - b Display the contract detail.

- c Select the **Employees** tab.
  - d Display the user detail.
- 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 AssetCenter Server, 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 (**Portfolio 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 AssetCenter 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 AssetCenter Server updates the contract user status in the AssetCenter database.  
To consult it:
  - 1 Display the contracts (**Contracts/ ASP/ Application services** link on the navigation bar).
  - 2 Display the contract detail.
  - 3 Select the **Employees** tab.
  - 4 Select 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:
  - Method 1: Using the *Manage software* wizard (sysSamLauncher)
    - a Start the *Manage software* wizard (**Portfolio management/ IT/ Licenses/ Manage software...** link on the navigation bar).
    - b Make sure the current contract is the ASP contract to which you want to add the user account.

- c On the **Manage software** page, select the **Create/Modify software licenses and installations** option.
- d Click **Next**.
- e On the **Licenses and software installations** page, click the **Remove an ASP user...** button.
- f This starts the *Delete an ASP user...* wizard (sysSamDelAspUsersFromCntr).  
Populate the wizard according to your needs.
- g Validate all parameters (**Finish** button).  
The wizard removes the link between the selected users and the contract.
- Method 2: Using the menus
  - a Display the contracts (**Contracts/ ASP/ Application services** link on the navigation bar).
  - b Display the contract detail.
  - c Select the **Employees** tab.
  - d Delete the link between the user and the contract (- button in the Windows client or **Delete** in the Web client).

---

## III Practical cases



---

## 12 Practical cases

This chapter contains four distinct practical cases that illustrate how AssetCenter manages contracts:

- Maintenance contracts
- Insurance contracts (policies)
- Leasing contracts (agreements)
- ASP contracts

A specific practical case showing how to create an alarm is also included.

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

---

### Managing a maintenance contract

#### 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 Creating the portfolio items.
- 7 Create and track the work order on the CPU.
- 8 Create and track the second work order on the monitor.

## Launching AssetCenter

To launch AssetCenter, click the icon that corresponds to the AssetCenter program group.

First open the demonstration database as the AssetCenter administrator ("Admin"). The associated password has been left empty for you.

### Step 1: Create the brand

- 1 Display the brands (**Portfolio management/ 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

 **Warning:**

Natures can only be created by the Window client.

- 1 Display the natures (**Portfolio management/ 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/ 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 (**Portfolio management/ 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 (**Contracts/ 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, 2006
Validity - End (dEnd)	December 31, 2006

- 3 Windows client: Close all windows.

### Step 6: Create the portfolio items

- 1 Display the portfolio items (**Portfolio 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.</b> tab	
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 (**Portfolio management/ Extended portfolio/ 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 (**Contracts/ 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 (**Portfolio 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*.
- 11 Windows client: Close all windows.

---

### Warning:

In order for the automatic processes that link work orders and maintenance contracts to work correctly, the **Maintenance** contract link in the asset detail must be populated.

---

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

- 1 Display the work orders (**Portfolio management/ Extended portfolio/ 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
---------------	-------

### The **General** tab

Work order number (WONo)	PC1 - 002
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 (**Contracts/ 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 (**Portfolio 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*.
- 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 AssetCenter.

---

## Managing an ASP contract

---

### Warning:

The practical case in this section can only be done 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 AssetCenter 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 Import the ASP line-of-business data.
- 2 Create the company Sontay.
- 3 Create the employees (Mr Black, Mr Rami, Ms Dianis).
- 4 Create the ASP contract.
- 5 Configure AssetCenter Server.
- 6 Create the user accounts for the contract.
- 7 Ms Dianis connects to the application service and sends an e-mail to technical support.
- 8 Mr Black deletes Ms Dianis's account.
- 9 Mr Rami reconfigures the application.

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

- 1 Start the AssetCenter 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**.
- 5 Click the **Folder** icon to the right of the **Script to execute** field.
- 6 Select the `asp.scr` file.

This file is located by default in the `C:\Program Files\HP  
OpenView\AssetCenter 5.00 xx\datakit\bestprac` folder.

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

## Step 1: Create the company Sontay

- 1 Display the companies (**Portfolio management/ 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 Windows client: Close all windows.

## Step 2: Create the employees

- 1 Display the employees (**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

### Note:

If the question *Would you like to add the value 'XXX' to itemized list 'YYY'?* is displayed, click **Yes**.

### Profile tab

Login	aspblack
Password	black
Administration rights	Check this box

Field or link	Value
Name (Name)	PC4 - Rami
Title (Title)	Technical support manager

### Note:

If the question *Would you like to add the value 'XXX' to itemized list 'YYY'?* is displayed, click **Yes**.

### Profile tab

Login (UserLogin)	asprami
Password (LoginPassword)	rami
Administration rights	Check this box

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

- 3 Windows client: Close all windows.

### Step 3: Create the ASP contract

#### Contract

- 1 Connect to the demonstration database as Mr Black:

Field	Value
Login	aspblack
Password	black

- 2 Display the ASP contracts (**Contracts/ 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 (seASPTYPE)	ASP
Network access (seASPAccessType)	Internet
The <b>General</b> tab	
Supervisor (Supervisor)	Pc4 - Black
Company (Company)	PC4 - Sontay
Application URL (ASPConnectionURL)	http://h20229.www2.hp.com/index.html
Administration URL (ASPUserRegURL)	www.hp.com/managementsoftware/peregrine_support
Technical support (ASPEmail)	support@sontay.com
Technical contact (Techcnct)	Pc4 - Rami
Click <b>Create</b>	
The <b>Employees</b> tab: Add an employee (+ button)	
User	Pc4 - Rami

---

Login	asprami
Profile	Administrator

---

Note:

If the question *Would you like to add the value 'XXX' to itemized list 'YYY'?* is displayed, click **Yes**.

---

The <b>Employees</b> tab: Add another employee (+ button)	
User	Pc4 - Dianis
Login	aspdianis
Profile	User

---

Note:

If the question *Would you like to add the value 'XXX' to itemized list 'YYY'?* is displayed, click **Yes**.

---

 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 Windows client: Close all windows.

#### Step 4: Execute the AssetCenter Server **Execute workflow rules for execution group 'BST\_ASP'** module.

- 1 Start AssetCenter Server.
- 2 Connect to the demonstration database as *Admin* (**File/ Connect to database** menu):  
The associated password is empty.
- 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 AssetCenter Windows client.
- 2 Display the workflow tasks assigned to Mr Black (**Portfolio 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 needs of the scenario, the Internet support page [www.hp.com/managementsoftware/peregrine\\_support](http://www.hp.com/managementsoftware/peregrine_support) opens automatically. It is assumed that you are connected to the administration page of the ASP contract.
- 6 Go back to the AssetCenter 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 AssetCenter Server.
- 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 AssetCenter Windows client.
- 16 Display the detail of the ASP contract *PC4 - REF001* (**Reference** (Ref) field via the **Contracts/ ASP/ Application services** link on the navigation bar).
- 17 In the **Employees** tab, access the detail of the user Rami, then Dianis: The **Status** field has changed from **To be created** to **Up to date** for both users.
- 18 Windows client: 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

Field	Value
Password	dianis

- 2 Display the employees (**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** and then select **Actions/ Connect to the application service**.
- 6 To send a mail to support:  
Double click the contract detail, then right click the editable zone of the **Contract** field. Select **Actions/ Send an e-mail to support**. A message to *support@sontay.com* is opened automatically.
- 7 Windows client: 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 (**Contracts/ 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'.

### Warning:

The **Employees** tab shows the registered users and administrators of the application service. As a safeguard, AssetCenter does not allow you delete an employee by simply clicking the - button. Deletions must be validated as described below.

- 5 Empty the **Login** field and then click **Modify**.  
The **Status** field is still set to *To be created*.

- 6 Go back to AssetCenter Server.
- 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 AssetCenter Windows client.
- 11 Refresh the detail of Mrs Dianis (press the *F5* key).  
The **Status** field now shows *To be updated*.
- 12 Display the workflow tasks assigned to Mr Black (**Portfolio 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 AssetCenter Server.
- 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 AssetCenter Windows client.
- 22 Refresh the detail of Mrs Dianis (press the **F5** key).  
The **Status** 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 **Contracts/ 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/ Employees** link on the navigation bar, select Mr Rami in the window on the left. The detail for Mr Rami is displayed. From the **Application services** tab, right-click the ASP contract and then select **Actions/ Administer the application service** from the shortcut menu.

---

## Creating an alarm

---

 **Warning:**

The practical case in this section can only be done 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 AssetCenter 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 AssetCenter 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.

### Step 1: Create Mr Rissou.

- 1 Display the employees (**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

Note:

If the question *Would you like to add the value 'XXX' to itemized list 'YYY'?* is displayed, click **Yes**.

<b>Profile</b> tab	
Login (UserLogin)	rissou
Password (LoginPassword)	none

Note:

An empty password nevertheless appears as **\*\*\*\*\*** once all changes have been saved.

Administration rights	Check this box
-----------------------	----------------

- 3 Windows client: Close all windows.

## Step 2: Create the legal department.

- 1 Display the departments (**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 Windows client: Close all windows.

## Step 3: Create Mr Post.

- 1 Display the employees (**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

Note:

If the question *Would you like to add the value 'XXX' to itemized list 'YYY'?* is displayed, click **Yes**.

Department (Parent)	PC5 - Legal
<b>Profile</b> tab	
Login (UserLogin)	post
Password (LoginPassword)	none

Note:

If the question *Would you like to add the value 'XXX' to itemized list 'YYY'?* is displayed, click **Yes**.

Administration rights	Check this box
-----------------------	----------------

- 3 Windows client: Close all windows.

#### Step 4: Create the company Tchesco.

- 1 Display the companies (**Portfolio management/ 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 Windows client: 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</b> tab	
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 menu	Check this box
<b>Messaging</b> tab	
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 Windows client: Close all windows.

## Step 6: Create the contract

- 1 Display the contracts (**Contracts/ 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
Validity - Start (dStart)	Select the following date using the graphical calendar: January 1, 2005
Validity - End (dEnd)	Select the following date using the graphical calendar: December 31, 2005

- 3 Validate your input (**Create** button).

- 4 Click . The alarm creation window is displayed.  
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

Click **OK** then **Modify**.

- 5 Start AssetCenter Server.
- 6 Connect to the demonstration database as *Admin* (**File/ Connect to database** menu).  
The associated password is empty.
- 7 Select the **Action/ Activate** menu.
- 8 Select the *Verify alarms* module.
- 9 Click **OK**.
- 10 Go back to the AssetCenter Windows client.
- 11 Connect to the demonstration database as Mr Rissou (**File/ Connect to database** menu):

Field	Value
Login	rissou
Password	Empty

- 12 A message is displayed to inform you that you have a message to read.
- 13 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 AssetCenter first detects that the 70 day notice period is overrun. Mr Rissou then receives a message when AssetCenter 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.



---

## IV Appendixes



---

# 13 Glossary

---

## 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.

### **AssetCenter database table that describes these objects**

Assets (amAsset)

---

## 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.

### **AssetCenter 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.

### **AssetCenter database table that describes these objects**

Contracts (amContract)

---

## Contract

AssetCenter enables you to manage contracts or agreements made with your business partners.

An asset can be associated with several contracts.

### **Examples**

AssetCenter helps you manage the following types of contracts:

- **Master lease**
- **Lease schedule**
- **Maintenance**
- **Insurance**
- **License**
- **Blanket purchase order**
- **Other**

### **AssetCenter database table 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.

### **AssetCenter 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.

### **AssetCenter database table that describes these objects**

Contracts (amContract)

---

## Loans

In some cases, you may need to borrow funds for leasing agreements.

AssetCenter helps you describe that loan and manage its reimbursement (principal, interest, fees).

### **Corresponding terms**

► [Assignee](#) [page 146]

### **AssetCenter database table that describes these objects**

Loans (amLoan)

---

## Bill cycle day

Time duration before the rent is due.

### **AssetCenter 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.

### **Purchase 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.

AssetCenter 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, purchase 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 called early termination fees.

### **AssetCenter database table that describes these objects**

Contracts (amContract)

---

## 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

► Prorata [page 146]

### **AssetCenter 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.

### **AssetCenter 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.
- 

## 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.

AssetCenter enables you to calculate the overall rent amount for the contract, the rent payments of the assets subject to the contract, and the interim rent payments.

### **AssetCenter 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, etc.), 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 is an important concept in leasing since interim rent, which is specific to this type of contract, only exists for "main" rent payments.

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.

### **AssetCenter 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...**

- ▶ Value of a rent [page 148]

---

## 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.

AssetCenter 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, purchase or renewal dates of notification.

### **AssetCenter database table that describes these objects**

Contracts (amContract)

---

## Periodicity

Rent is determined by the amount of periodic payments and the frequency of payments.

### **AssetCenter 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 he transfers the responsibility of handling financial obligations on the part of the lessee.

This third party is usually a financial body called an assignee.

In general, the assignee collects rent payments from the lessee and the lessor conserves his contractual obligations.

### **AssetCenter 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, etc.) called *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**

► [Allocation](#) [page 142]

### **AssetCenter 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, called 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.

### **AssetCenter 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

### **AssetCenter 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, etc.

They depend on the value of the assets which are lost or destroyed. In general this loss value is contractually defined.

AssetCenter 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.

### **AssetCenter database table that describes these objects**

Loss values (amLossValLine)

Loss value percentages (amLossValRate)

Percentage of losses (amLossValRule)

---

## Prorata value

In certain cases, the rent of an asset is calculated prorata on a reference value. This reference value is called 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, etc.*).

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:

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

### **AssetCenter 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...**

► [Rent amount \[page 145\]](#)

---

## Purchase option 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

- ▶ End of term [page 142]

## AssetCenter 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, etc.

## AssetCenter 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

- ▶ Interim rent [page 144]

## AssetCenter database table that describes these objects

Assets (amAsset)



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