User Guide

Vendor Contract Maintenance

Last updated: November 8, 2022

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1. About

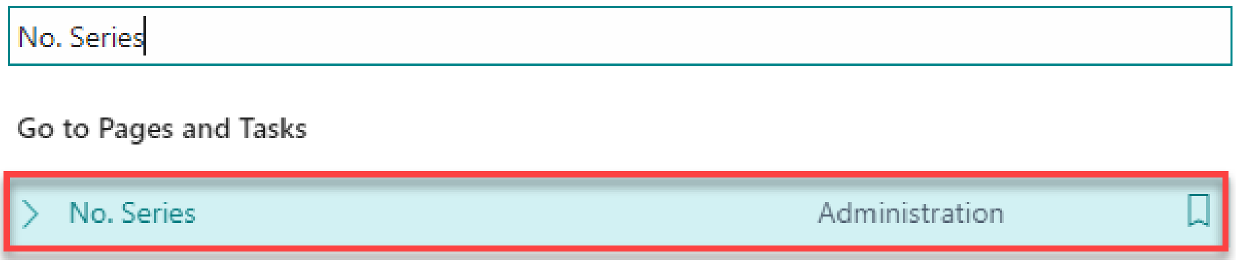
The Vendor Contract Maintenance App allows users to enter key contract details and then begin tracking contract clauses, stakeholders, dates, and milestones. This module facilitates contract maintenance by automating many different processes and allows users to attach notes and documents to the contract, all stored on the cloud.

For more information, please go to https://www.websan.com/vendor-contract-maintenance .

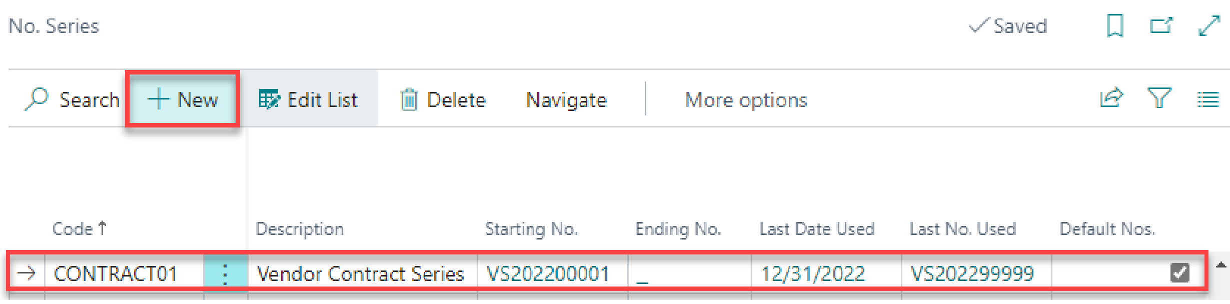
2. Basic Setup

This section covers the basic system setup needed to create new contracts. These steps should be completed prior to using the Vendor Contract Maintenance App.

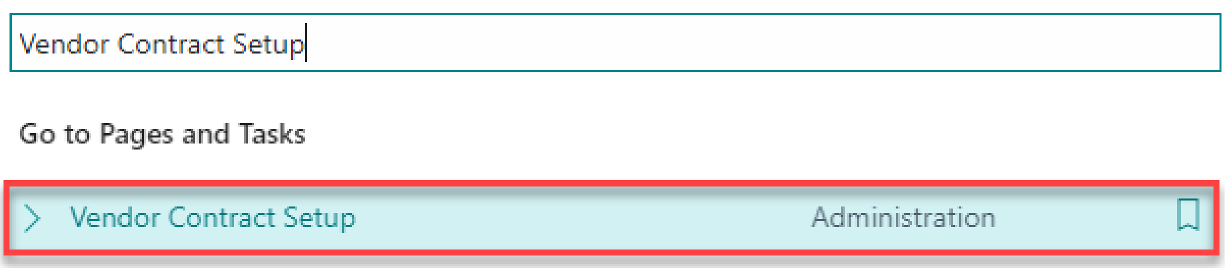
To create a new number series, search for No. Series.



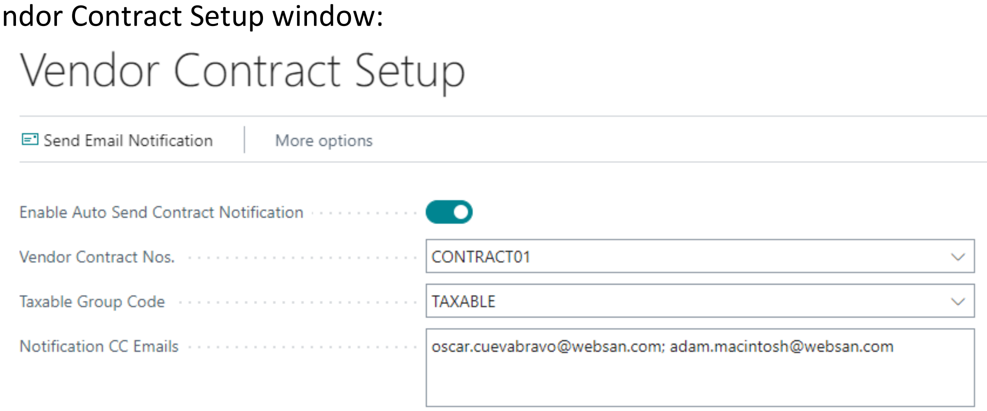
In the window that appears, select New. Then, enter the series' details.



Next, go to the Vendor Contract Setup window.



In the Vendor Contract Setup window:



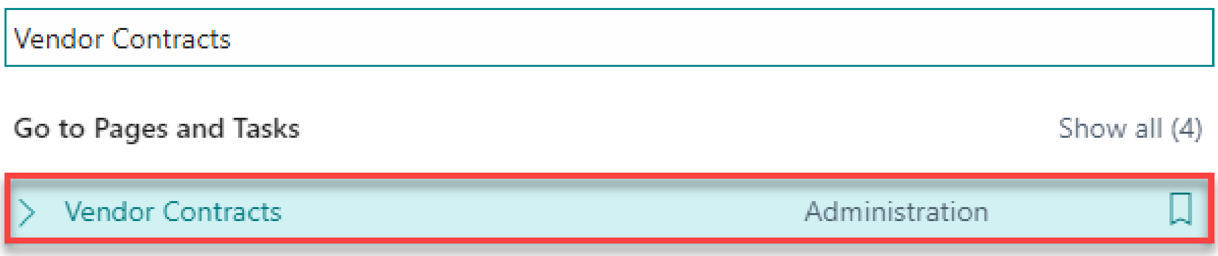
i. From the Vendor Contract Nos. drop-down list, choose the No. Series created in the previous step.
ii. Activate the Auto Send Contract Notification toggle to allow notifications to be auto sent.
iii. Choose a Taxable Group Code.
iv. In the Notification CC Emails textbox, enter the emails of the people that must be copied on all email notifications for every contract. Multiple emails can be entered.

The basic setup process is now complete.

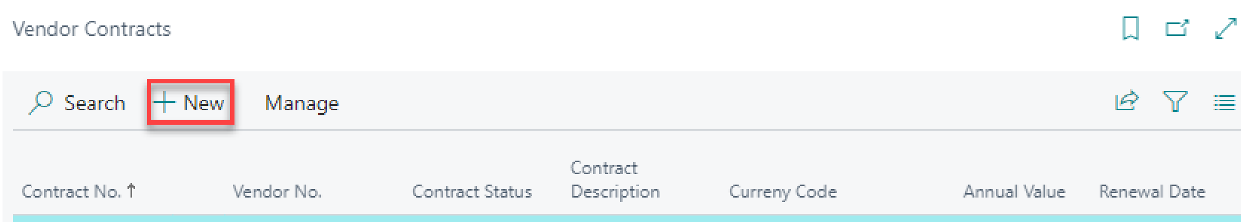
3. FUNCTIONALITY

Creating New Contracts

The Vendor Contract Card allows users to enter and edit the details of their new and existing contracts. To create a new contract, search for Vendor Contracts.



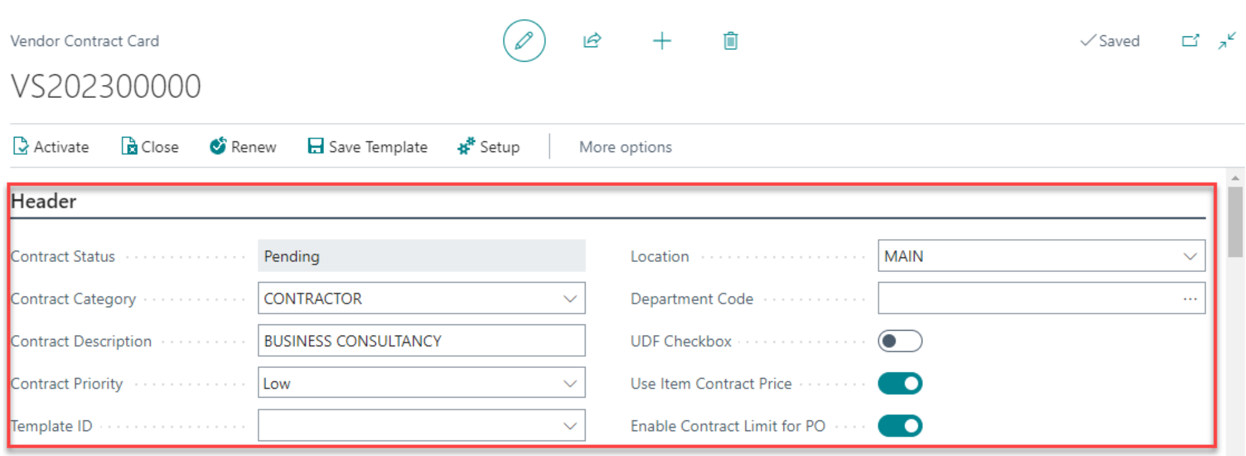
The Vendor Contracts window will display a list of all existing contracts. To create a new contract, select New. This will open the Vendor Contract Card.



Note that users can edit, view, or delete existing contracts by highlighting a contract, then selecting Manage, and choosing the appropriate option.

To enter a new contract information, in the Vendor Contract Card:

i. Start by completing the Header section.



Contract Category and Contract Description are the only mandatory fields in this section and serve the purpose of identifying specific contracts. These fields are completely customizable and depend on company policy.

The Use Item Contract Price toggle allows users to assign item prices that may differ from regular prices due to contractual agreements. The Enable Contract Limit for PO toggle activates a function that sets an upper limit on the dollar amount of purchase orders. These functions will be explored in detail in Step VII of the current section and on the Make a Contract Purchase section of the present user guide.

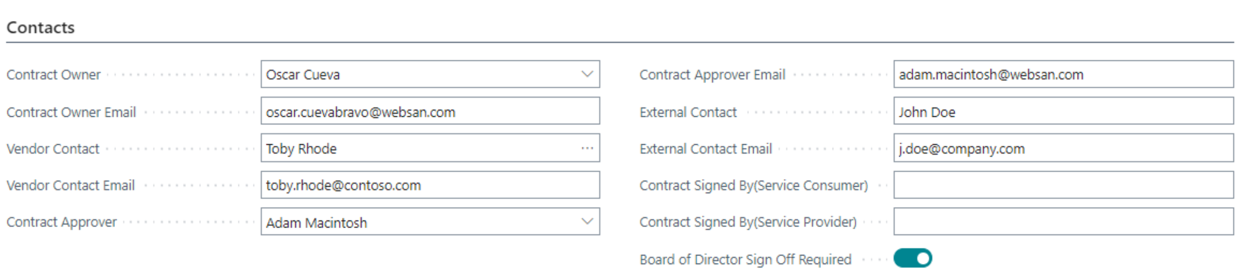
Contract Templates allow users to avoid re-entering the same information for similar contracts. To use a template, select one from the Template ID drop-down list. Users can also assign a Contract Priority, Location, and Department Code to contracts.

ii. Next, complete the Vendor section.

From the Vendor No. drop-down list, choose the vendor with whom your company is signing this contract (the Vendor Name field will auto-populate). Users can also include a Vendor Reference No. when applicable.

Note that Vendors must be already set up in Business Central.

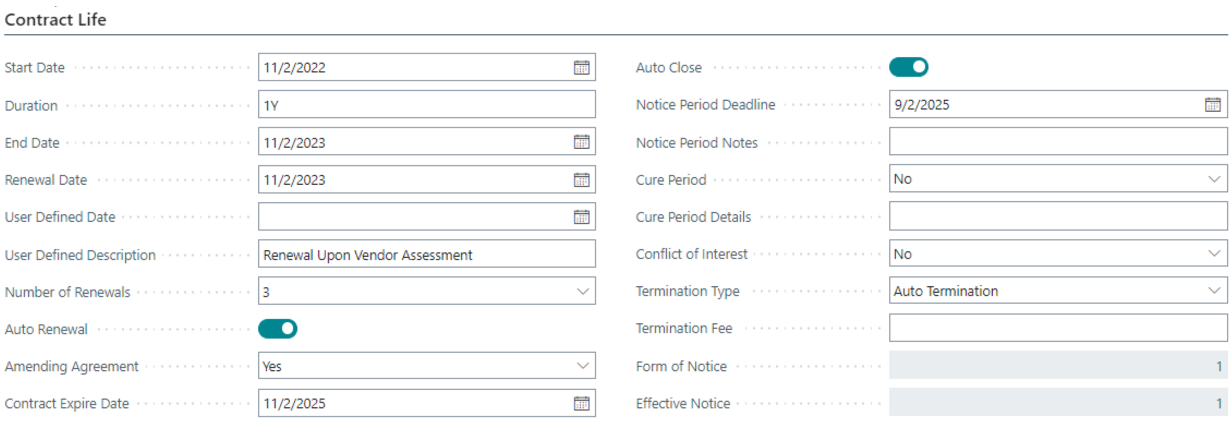
iii. In the Contacts section, enter the information of the parties involved in the contract.



Use this section to enter the name and email of the Contract Owner, Vendor Contact, Contract Approver, and an External Contact if needed. Use the fields Contract Signed By (Service Consumer / Service Provider) to specify the names of the people signing the contract. Users can require the Board of Directors' sign off by activating the toggle in this section.

To set up additional contacts, in the Other Contacts section, click Other Contacts, then select New and enter a Name and email in the window that appears.

iv. In the Contract Life section, enter the details related to the duration of the contract.

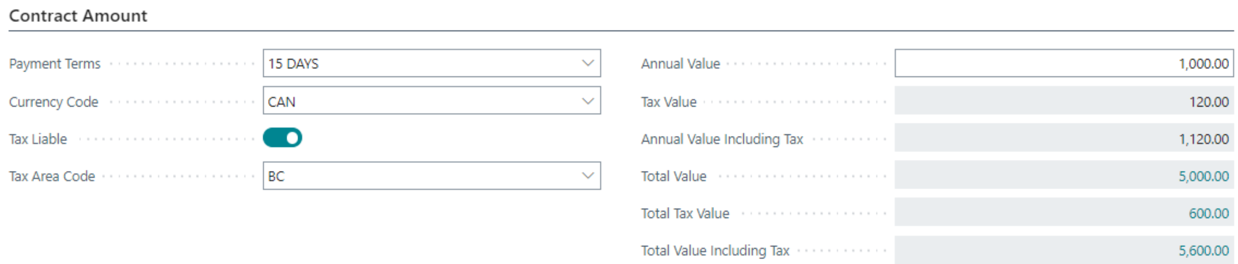


The Start Date field defaults to the date when a contract is created; Duration defaults to 1 year, making the End Date and Renewal Date fields auto-populate to one year after the start date. These fields can be manually modified by clicking the calendar that appears next to each. The Duration field can be manually set to days, months, or years (i.e., 1M, 90D, 1Y).

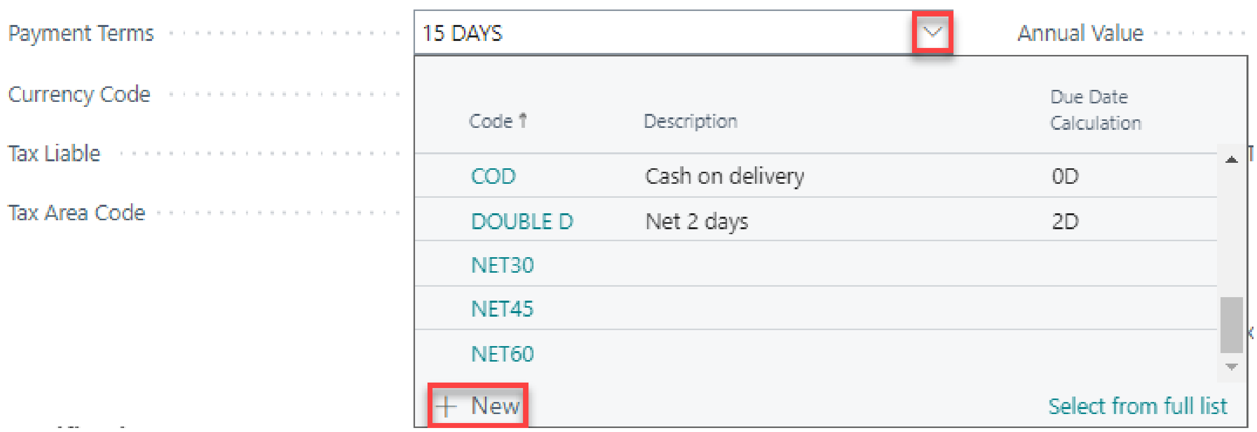
Users can specify the number of times a contract will be renewed by choosing an option from the Number of Renewals drop-down list. According to the value selected, the Contract Expire Date will auto-populate; however, this field can be modified manually. Users may also add a User Defined Date, User Defined Description, and specify if this contract will be amended.

The Auto Close toggle enables the automatic close of a contract after its expiration date. Additional contract close fields allow users to specify a termination type and termination fee. The Notice Period Deadline, Form of Notice, and Effective Notice fields help users keep track of vital information of their vendors' expiring contracts.

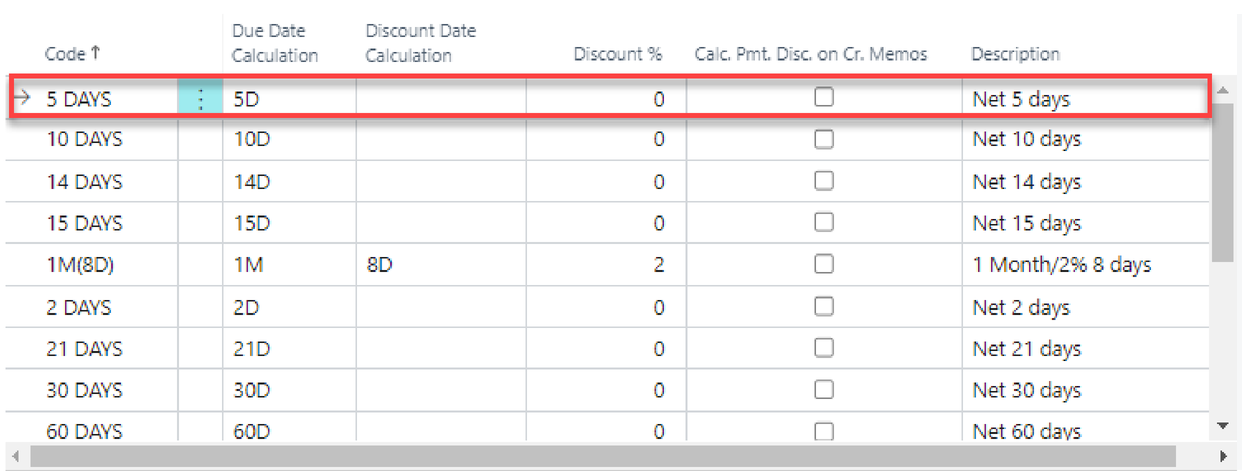
v. In the Contract Amount section, enter the details related to the dollar value of a contract.



Expand the Payment Terms drop-down list to assign a term to this contract. To create a new term, expand the drop-down list, then select New.



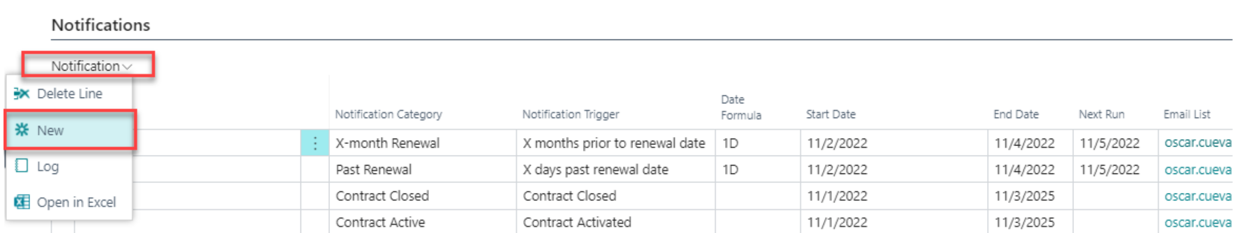
In the Select – Payment Terms window, enter a Code and Description. In the Due Date Calculation column, indicate the payment due date – calculated in days or months after an invoice is created (i.e., 1D, 5D, 1M). Users can also specify a Discount Percentage. Click Ok to Save and Exit.



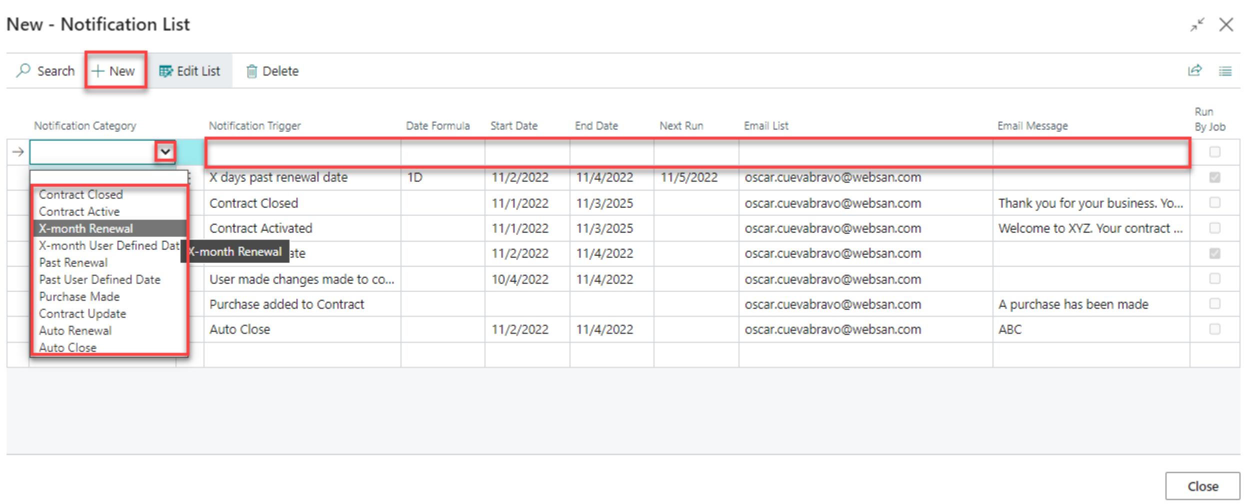
Code ↑	Due Date Calculation	Discount Date Calculation	Discount %	Calc. Pmt. Disc. on Cr. Memos	Description
5 DAYS	5D		0	☐	Net 5 days
10 DAYS	10D		0	☐	Net 10 days
14 DAYS	14D		0	☐	Net 14 days
15 DAYS	15D		0	☐	Net 15 days
1M(8D)	1M	8D	2	☐	1 Month/2% 8 days
2 DAYS	2D		0	☐	Net 2 days
21 DAYS	21D		0	☐	Net 21 days
30 DAYS	30D		0	☐	Net 30 days
60 DAYS	60D		0	☐	Net 60 days

Back in the Contract Amount section, in the Annual Value field, enter the value of the contract. The fields Tax Value and Annual Value Including Tax will be calculated automatically. The Total Value, Total Tax Value, and Total Value Including Tax fields will auto populate. These fields represent the accumulated value of a contract – every time a contract is renewed, the amounts in these fields will increase.

vi. In the Notifications section, create and configure the notifications that will be sent out when pre-specified events occur. To create a new notification, expand the Notification drop down menu, then select New.



In the Edit – Notification List window, start by selecting a Notification Category. According to the notification category selected, and the contact information and contract life details entered in previous sections of the contract, the rest of the fields for this entry will auto populate. In the email message field, users can write a custom message for the email notification that will be sent.



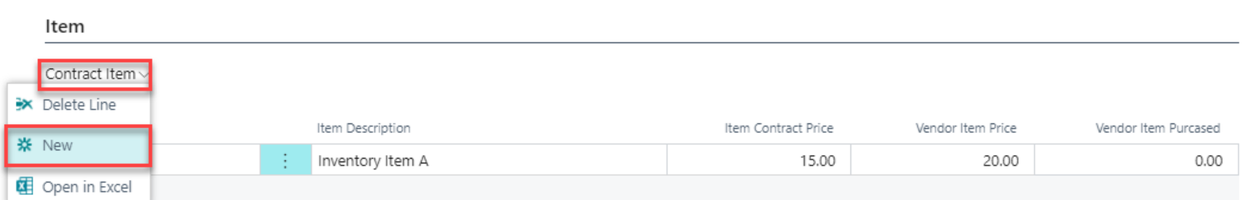
Refer to the following list for an explanation of each Notification Category:

- Contract Closed – to notify that a contract was closed.
- Contract Active – to notify that a contract was activated.

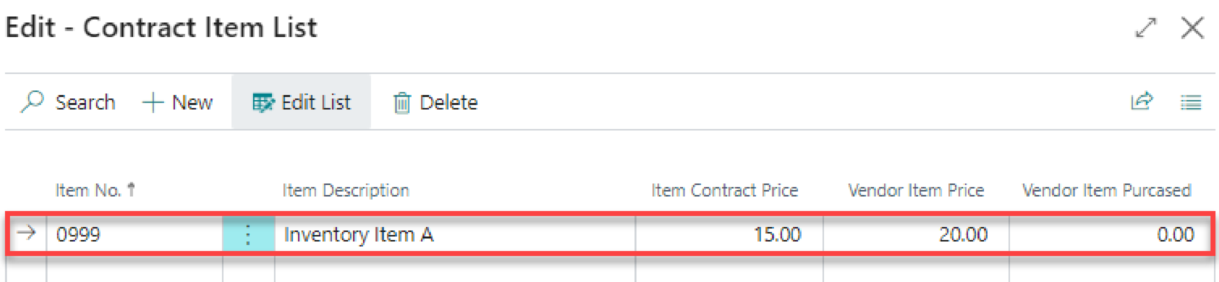
- X-month Renewal – to send a notification an X amount of time before or after the Renewal Date set on the contract.
- X-month User Defined Date – to send a notification an X amount of time before or after the User Defined Date set on the contract.
- Past Renewal – to notify that a contract has passed its renewal date.
- Past User Defined Date – to notify that a contract has passed its date set on the User Defined Date field.
- Purchase Made – to notify that purchase order was created in association with the contract.
- Contract Update – to notify if any changes were done to the contract.
- Auto Renewal – to notify when the contract is automatically renewed – if auto renew is enabled.
- Auto Close – to notify when the contract is automatically closed – if auto close is enabled.

Using the Date Formula field in the New – Notification List window, users can adjust the date when email notifications are sent. For example, by entering the value -1M in the Date Formula field of a Notification Category “Auto Close”, a notification will be sent one month prior to the contract’s Auto Close date. When a Date Formula field is left empty, notifications are sent on the date an event occurs. Note that notifications will only become active when the contract is activated.

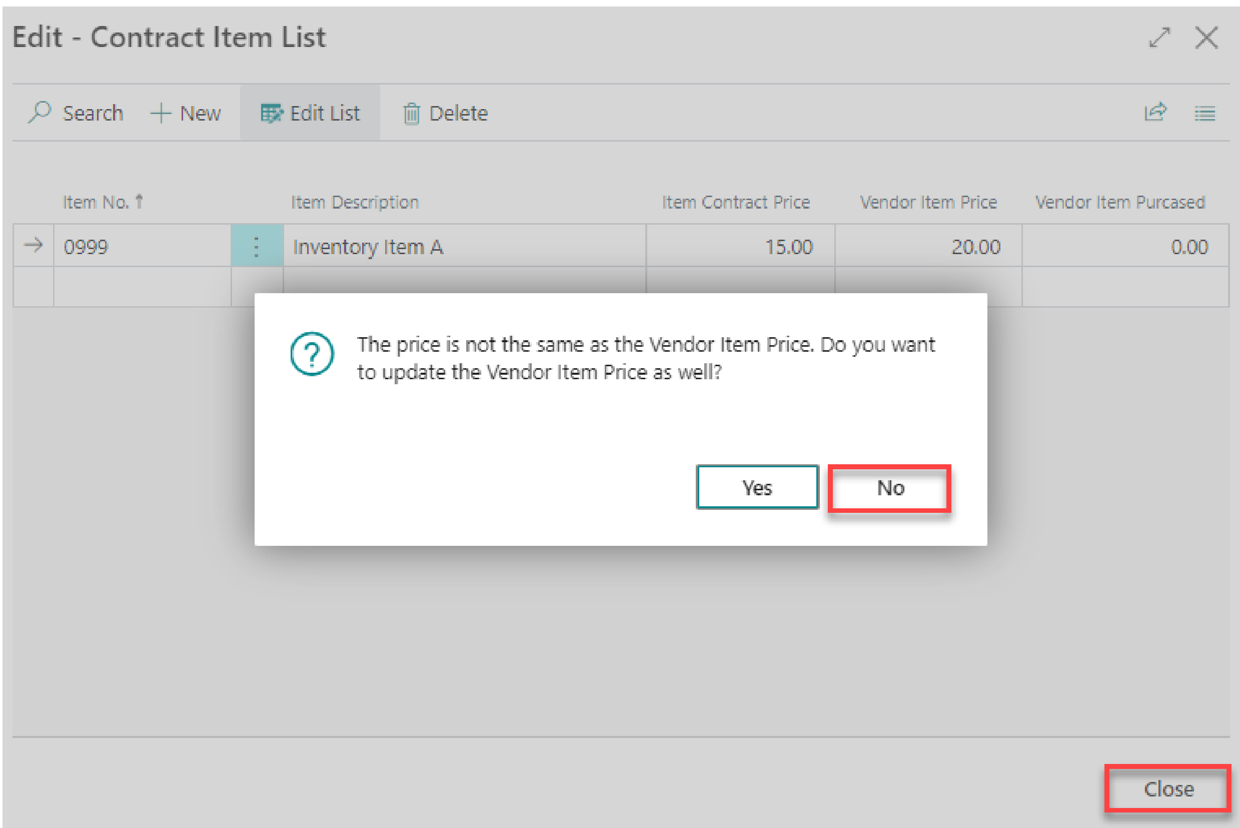
vii. In the Item section, enter the contract items to which special prices have been assigned (different to the regular prices loaded into Business Central), as stipulated in the vendor contract. To load a new contract item, expand the Contract Item drop-down menu, then select New.



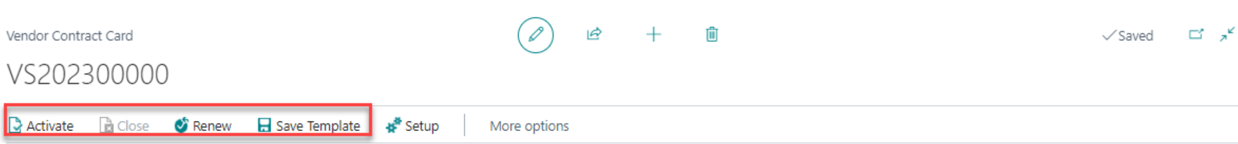
In the Edit – Contract Item List window, click the Item No. field and select an item from the list that will appear. The Item Description and Vendor Item Price fields will auto populate. In the Item Contract Price field, enter the item price that has been stipulated in the vendor contract.



If you want to maintain a different Item Contract Price from your Vendor Item Price, select No in the window that will appear after populating the Item Contract Price field. Select Close to save and exit.



viii. To activate the contract, click the Activate button located at the top of the window.



Users have the option to save a contract as a template, or manually renew or close a contract by selecting the corresponding options.

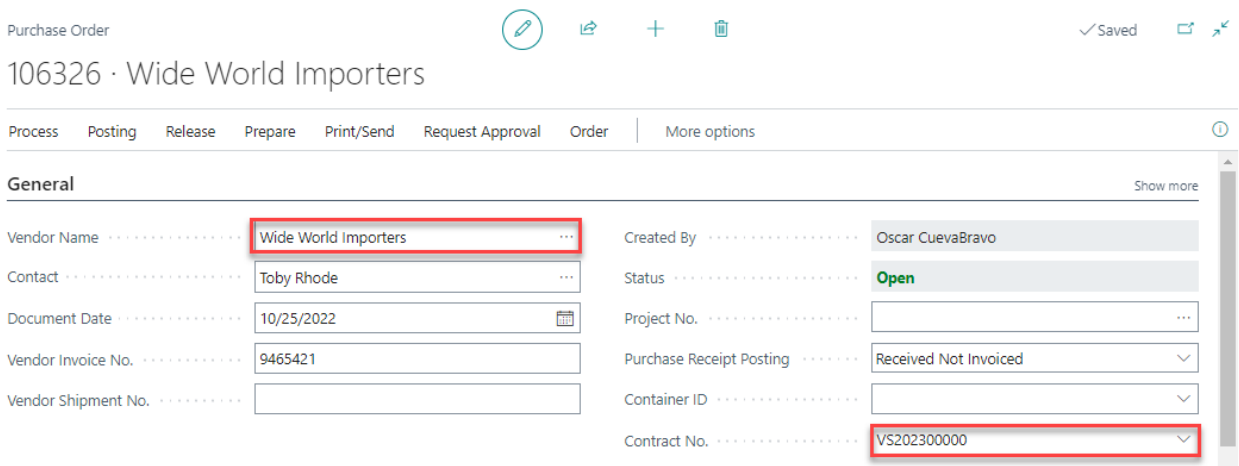
Make a Contract Purchase

To apply a purchase against a contract:

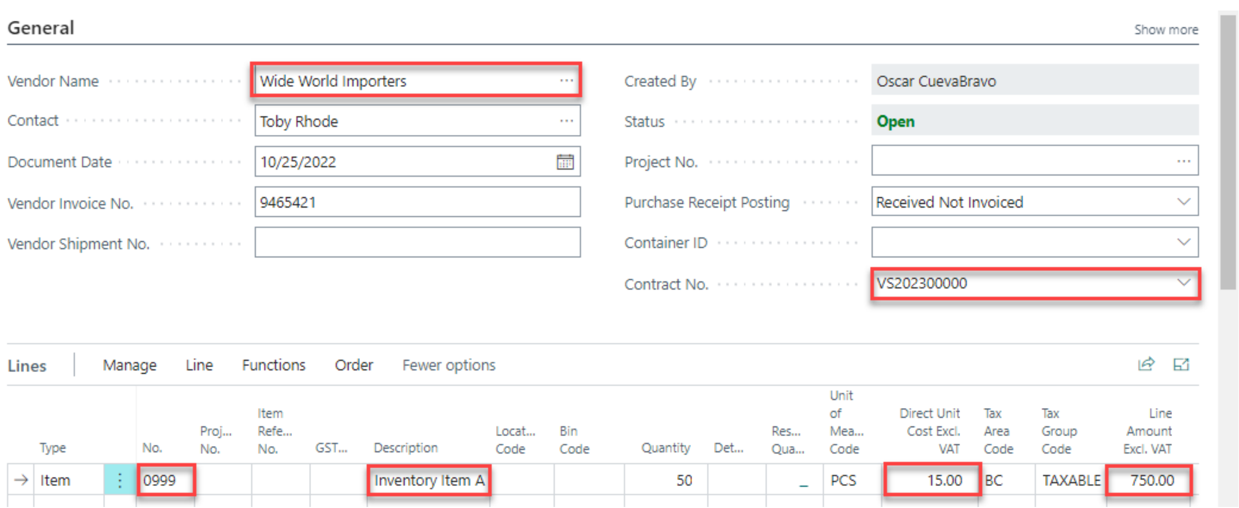
i. Go to the Purchase Order of interest.

ii. Confirm that the appropriate vendor is selected.

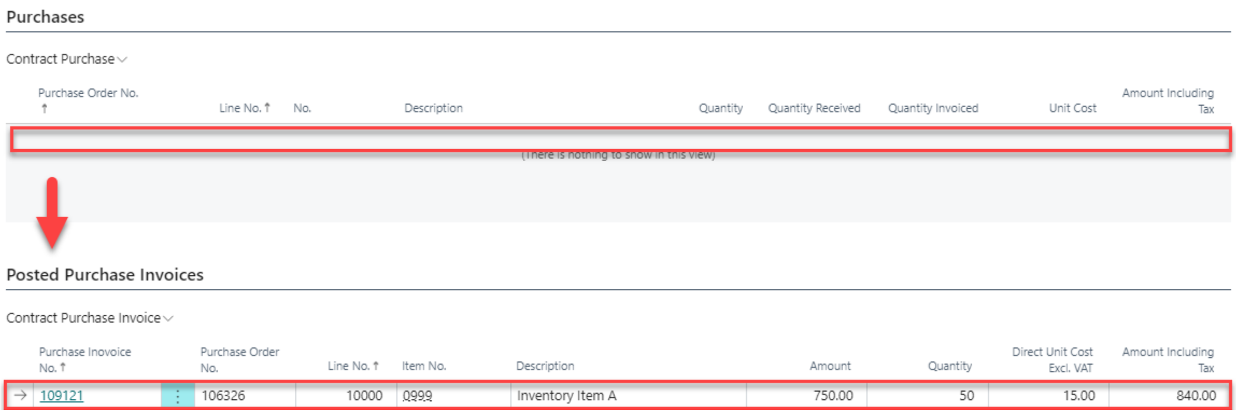
iii. Assign the Purchase Order to the appropriate Contract No.



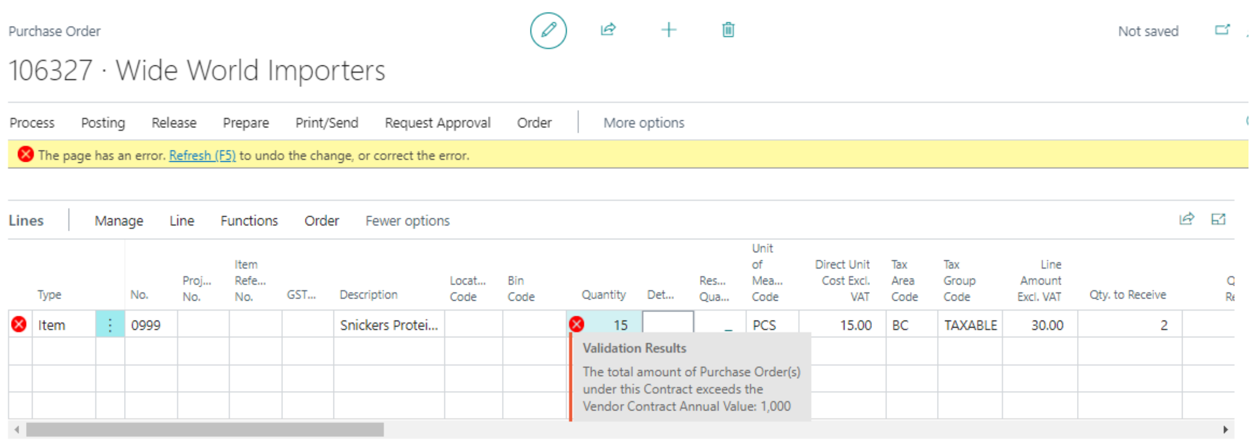
When a Contract Item is selected, the P.O. Direct Unit Cost Excluding VAT will be equal to the Item Contract Price entered in the Contract Items section of the contract – recall that in our example, Item No. 0999 "Inventory Item A" had a Vendor Item Price of $20.00, but its Item Contract Price was only $15.00 – as shown in the Purchase Order found below.



After the Purchase Order is created, it will first appear in the Purchases section of the Vendor Contract Card. It will then be moved to the Posted Purchase Invoices section upon Posting.



Note that if the Enable Contract Limit for PO toggle is activated (found in the Header section of the Vendor Contract Card), Purchase Order(s) will be rejected when the Contract Value limit has been reached.

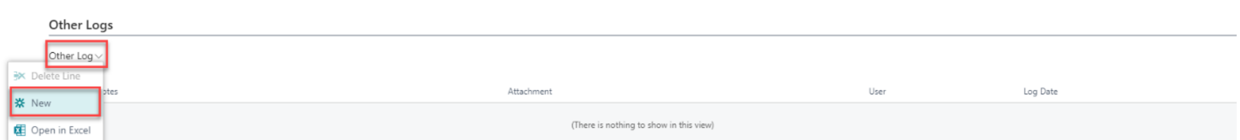


Attach Files to a Contract

The Vendor Contract Maintenance app allows users to attach files to new and existing contracts. Attaching files to contracts helps users maintain files backed-up on the cloud. To attach a file:

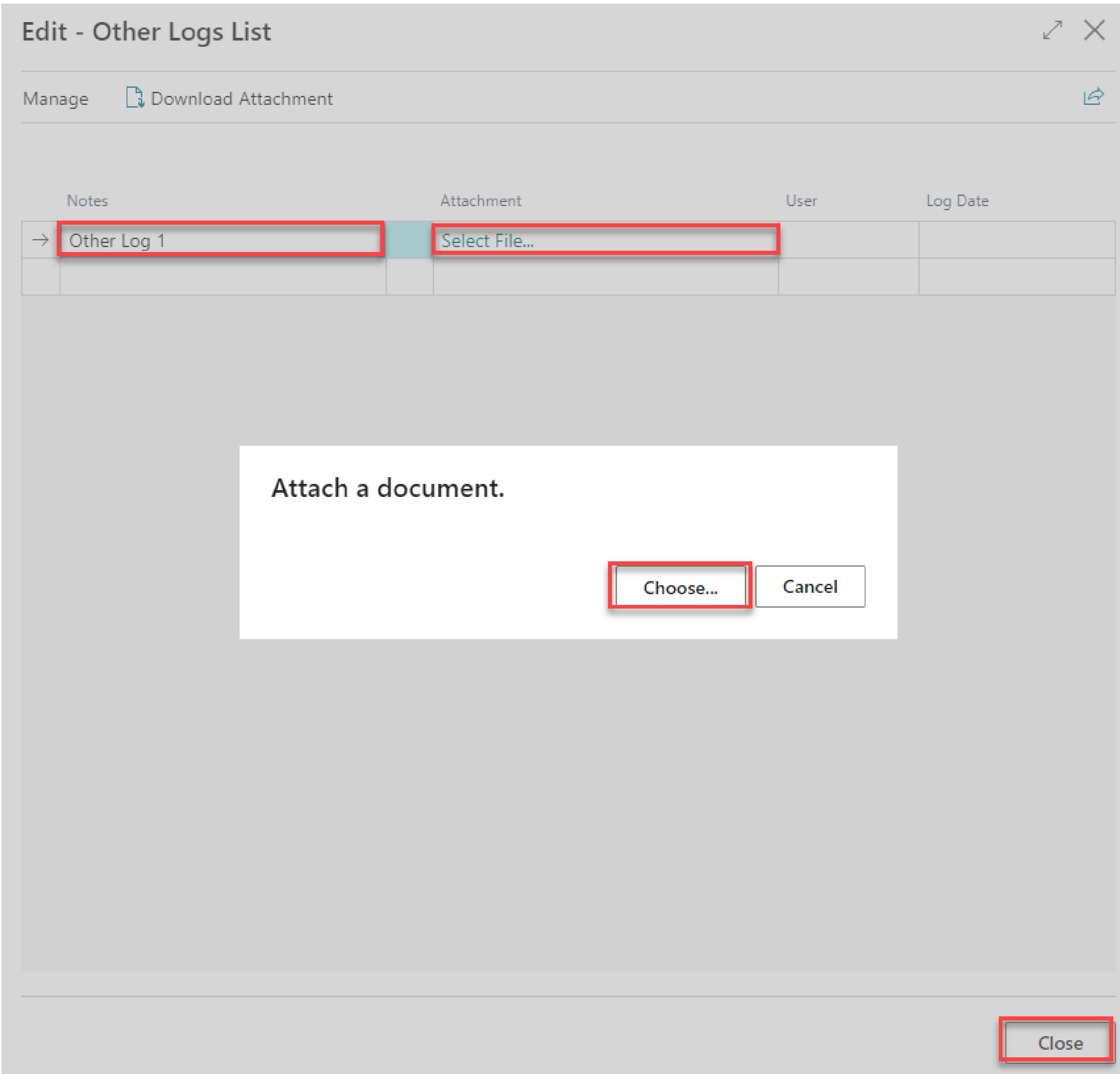
i. Go to the Other Logs section of the Vendor Contract Card.

ii. Click Other Log to expand the drop-down menu and select New.



iii. In the Edit – Other Logs Listed window, enter a reference note or name in the Notes field. Then, click Select File ... in the Attachment field and select Choose. Navigate to the location of the file in your computer, select it and click Open.

iv. In the Edit – Other Logs List window, select Close to save and exit.



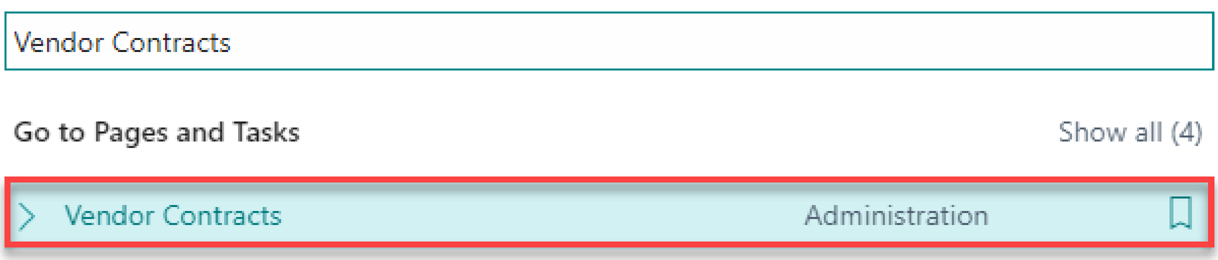
Your file will show under the Other Logs section of the Vendor Contract Card.

4. Reporting

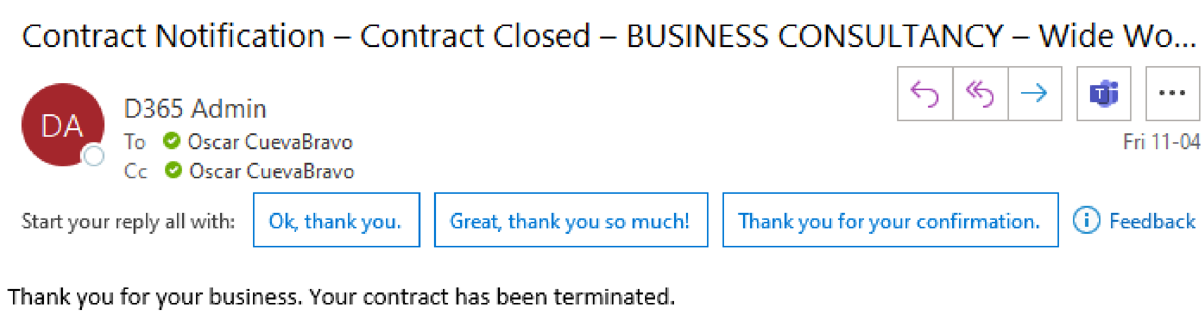
The Vendor Contract Maintenance app allows users to automatically send email notifications to stakeholders when milestones are reached in their contracts. Also, Excel file downloads are available to users who wish to analyze information pertaining to the Other Contacts, Notifications, Item, Purchases, Posted Purchase Invoices, and Other Logs sections of their contracts.

Email Notifications

To set up a new email notification, go to Vendor Contracts, select your contract, and then scroll down to the Notifications section of the Vendor Contract Card. To learn more about setting email notifications, refer to Functionality > Creating New Contracts > Step VI in the present user guide.

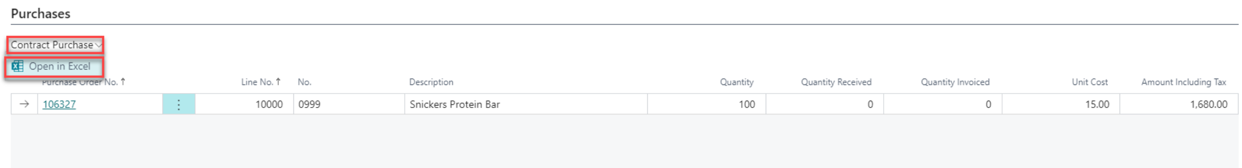


The following is an example of an automatic email notification sent to a stakeholder. Note that email messages can be customized.



Excel Reports

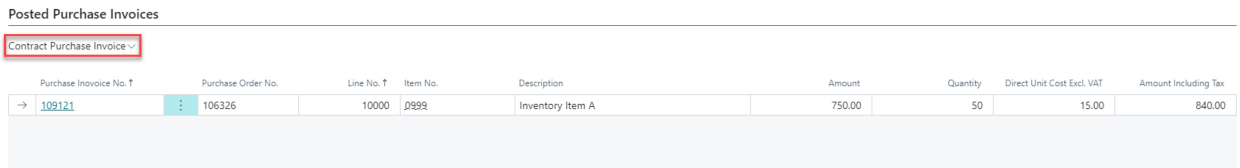
To download an Excel report file, in the Contract Vendor Card, go to the section of your interest, expand the section's drop-down menu, then click Open in Excel.


Purchases

Contract Purchase

Open in Excel

Purchase Order No. ↑	Line No. ↑	No.	Description	Quantity	Quantity Received	Quantity Invoiced	Unit Cost	Amount Including Tax
106327	10000	0999	Snickers Protein Bar	100	0	0	15.00	1,680.00


Posted Purchase Invoices

Contract Purchase Invoice

Purchase Inovoice No. ↑	Purchase Order No.	Line No. ↑	Item No.	Description	Amount	Quantity	Direct Unit Cost Excl. VAT	Amount Including Tax
109121	106326	10000	0999	Inventory Item A	750.00	50	15.00	840.00

Note that Excel report files are available for the following sections:

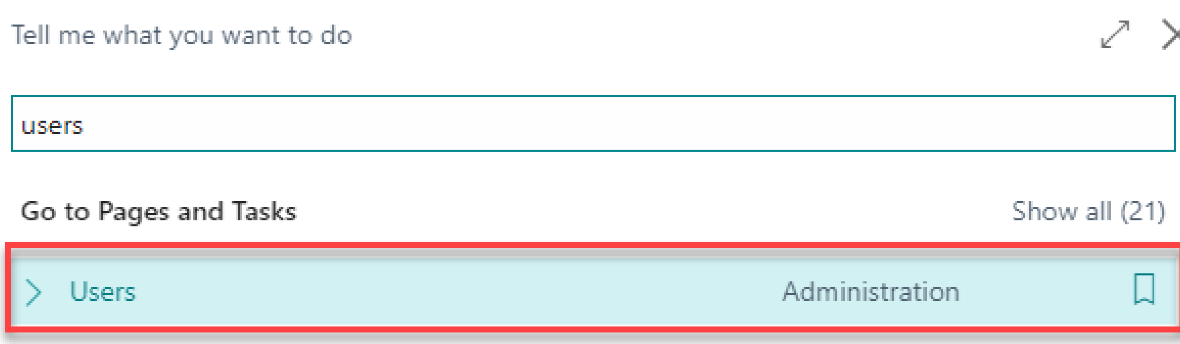
- Other Contacts
- Notification
- Item
- Purchases
- Posted Purchase Invoices
- Other Logs

5. SECURITY

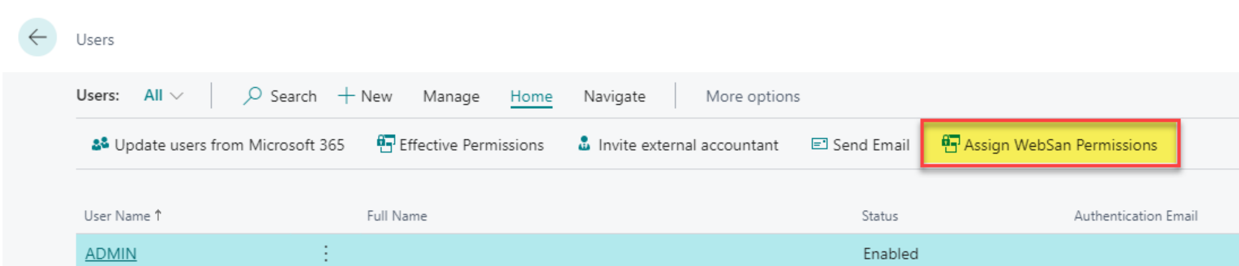
The Item Attributes for Dynamics 365 App, along with the rest of WebSan Inc.'s Dynamics 365 apps, have a built-in AutoPermission security functionality. When a user with the proper credentials installs an App, the AutoPermission function automatically triggers and assigns or updates the user's permissions. No other action is needed from the user.

When a user without the proper credentials installs an App, the AutoPermission function allows the installation, but user permissions are not changed. In this case, a user with the proper security credentials can change the user's permissions later.

To change user permissions, search and go to the User list.

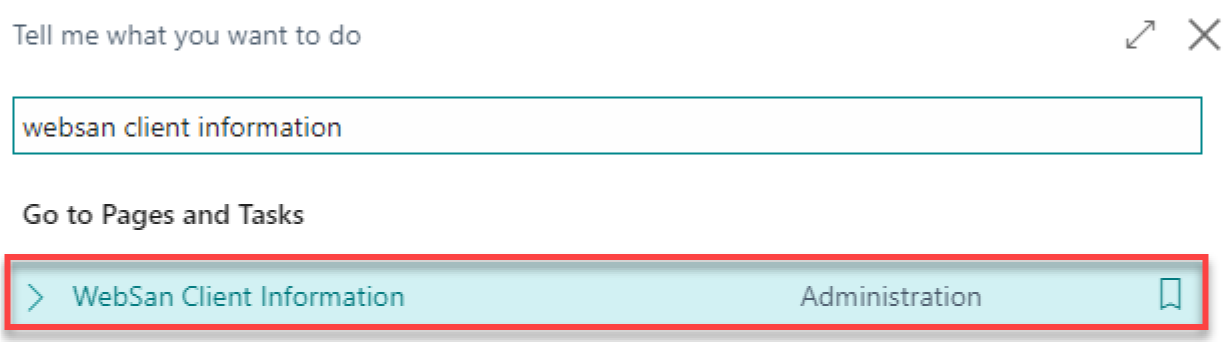


In the Users window, select Assign WebSan Permissions to assign all users the WebSan Permission Set.



6. REGISTRATION

To register a WebSan Inc.'s application, in Business Central, search WebSan Client Information and select WebSan Client Information – Administration.



In the WebSan Client Information window, enter your company's contact and billing information. After your information is complete, select Transmit Data.