



# Infor LN Service User Guide for Service Quotes

### **Important Notices**

The material contained in this publication (including any supplementary information) constitutes and contains confidential and proprietary information of Infor.

By gaining access to the attached, you acknowledge and agree that the material (including any modification, translation or adaptation of the material) and all copyright, trade secrets and all other right, title and interest therein, are the sole property of Infor and that you shall not gain right, title or interest in the material (including any modification, translation or adaptation of the material) by virtue of your review thereof other than the non-exclusive right to use the material solely in connection with and the furtherance of your license and use of software made available to your company from Infor pursuant to a separate agreement, the terms of which separate agreement shall govern your use of this material and all supplemental related materials ("Purpose").

In addition, by accessing the enclosed material, you acknowledge and agree that you are required to maintain such material in strict confidence and that your use of such material is limited to the Purpose described above. Although Infor has taken due care to ensure that the material included in this publication is accurate and complete, Infor cannot warrant that the information contained in this publication is complete, does not contain typographical or other errors, or will meet your specific requirements. As such, Infor does not assume and hereby disclaims all liability, consequential or otherwise, for any loss or damage to any person or entity which is caused by or relates to errors or omissions in this publication (including any supplementary information), whether such errors or omissions result from negligence, accident or any other cause.

Without limitation, U.S. export control laws and other applicable export and import laws govern your use of this material and you will neither export or re-export, directly or indirectly, this material nor any related materials or supplemental information in violation of such laws, or use such materials for any purpose prohibited by such laws.

### **Trademark Acknowledgements**

The word and design marks set forth herein are trademarks and/or registered trademarks of Infor and/or related affiliates and subsidiaries. All rights reserved. All other company, product, trade or service names referenced may be registered trademarks or trademarks of their respective owners.

### **Publication Information**

Release: Infor LN 2022.x

Publication Date: December 5, 2022

Document code: ln\_2022.x\_tsquotug\_\_en-us

# Contents

<b>About this Guide.....</b>	<b>5</b>
Contacting Infor.....	5
<b>Chapter 1: Service quotes overview.....</b>	<b>7</b>
<b>Chapter 2: Data setup for Quotes.....</b>	<b>8</b>
<b>Chapter 3: Quotes process.....</b>	<b>9</b>
Creating and processing a quote.....	9
<b>Chapter 4: Quotes in Depot Repair.....</b>	<b>11</b>
Creating quotes from Maintenance Sales Order and Work Order.....	14
Creating and processing a quote after closing a work order.....	15
Accepting a Quote.....	15
Using Fixed Prices for Quotes.....	15
Using the Master Routing for Quotes.....	16
Using Price Origin for the Quote Lines.....	16
Reopening a Quote.....	16
Quote revisions.....	17
Quote amount calculation methods.....	17
Tax calculation on Maintenance Sales Quote.....	19
<b>Chapter 5: Quotes in Field Service.....</b>	<b>20</b>
Creating a quote from the Quotes (tsepp1100m000) session.....	20
Creating a quote from an existing service order.....	21
Processing a quote to service order.....	21
Tax for quotes.....	22
Travel Lines for Quotes.....	23
Alternatives for quotes.....	23
Creating service order quotes.....	23
Processing service order quotes to service orders.....	24

Moving service-order quotes to history.....	25
<b>Chapter 6: Quote Requests in Service.....</b>	<b>26</b>
<b>Chapter 7: Contract quotes.....</b>	<b>28</b>
Using contract quotes.....	28
Contract quote status.....	29
Creating contract quotes.....	30
Printing contract quote documents.....	30
<b>Chapter 8: Turn Around Time for Quotes.....</b>	<b>31</b>
Creating TAT Document for a Contract Quote.....	31
Creating TAT Document for a Maintenance Sales Quote.....	31
Creating TAT Document for a Service Order Quote Line.....	32
<b>Index.....</b>	<b>47</b>

## About this Guide

This guide provides information about the various concepts such as service quotations, quotation status and quotation calculation methods in Service Quotations.

### Objectives

This document is designed to meet the following objectives:

Understand the following concepts

- Service Quotations
- Quotation Status
- Quotation Calculation Methods

In this document, you are assumed to already have an understanding of LN Service.

### Document summary

This guide describes the various concepts in the Service Quotations.

### How to read this document

This document is assembled from Online Help topics.

For details, refer to the online Help of Service module.

To locate a section referenced in this document, refer to the table of contents.

Underlined terms indicate a link to a glossary definition. If you view this document online, you click on underlined text to jump to the glossary definition at the end of this document.

## Contacting Infor

If you have questions about Infor products, go to Infor Concierge at <https://concierge.infor.com/> and create a support incident.

The latest documentation is available from [docs.infor.com](https://docs.infor.com) or from the Infor Support Portal. To access documentation on the Infor Support Portal, select **Search > Browse Documentation**. We recommend that you check this portal periodically for updated documentation.

If you have comments about Infor documentation, contact [documentation@infor.com](mailto:documentation@infor.com).

## Chapter 1: Service quotes overview

A quote is a written proposal to offer goods or services for a certain price and terms of sale to a prospective customer.

Products today have a higher service component than in previous decades. To help keep the business operating smoothly and efficiently, it is important that products are maintained and serviced periodically.

Customers who approach the service providers for item service/repair require a quote or a price proposal for the service/repair work before the actual service/repair is performed.

In Infor LN Service, you can create quotes for:

### **Contracts**

A quote to a business partner for the provision of a service contract.

### **Maintenance Sales Orders (Depot Repair)**

A quote to a business partner for the provision of maintenance for an item.

### **Service Orders (Field Service)**

A quote to a business partner for the provision of service for an item.

## Chapter 2: Data setup for Quotes

To use the quotes functionality for Maintenance Sales Orders and Service Orders, you must set up this data in the **Service Quote Parameters (tsepp0100m000)** session:

- **Quote Duration:** The number of days for which the quote is effective. Infor LN uses this value to calculate the expiry date of the quote.
- **Proposal Method:** The method used to calculate the invoice amount.
- **Use Revisions:** Indicates if the Revisions functionality must be used for quotes.
- **Use Alternatives:** Indicates if the Alternatives functionality must be used for quotes.
- **Use Quote Requests:** Indicates if quote requests can be created for Maintenance Sales Orders and Service Orders.
- **Number Group:** The number group to create the quotes or quote requests for Maintenance Sales Orders and Service Orders.
- **Step Size:** The step size for quote lines and quote cost lines.

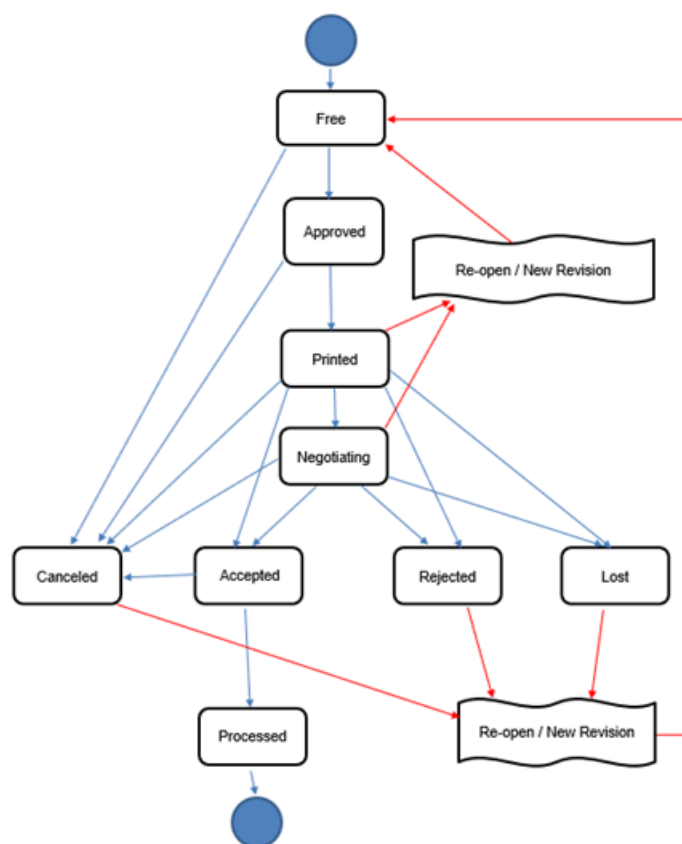
To use the quotes functionality for Contracts you must set up this data in the **Contract Management Parameters (tsctm0100m000)** session:

- **Number Group:** The number group for the contract quote.
- **Step Size for Quote Term Number:** The step size for the quote term numbers.
- **Step Size for Quote Configuration Line:** The step size for the quote configuration lines.
- **Effectivity Period:** The number of days for which the quote is effective. Infor LN uses this value to calculate the expiry date of the quote.
- **Number of Copies:** The number of extra quote copies printed in the **Print Contract Quote Documents (tsctm2400m000)** session.
- **History:** The contract quote data that is stored when a quote is moved to history. The information is stored when you run the **Move Service Contract Quotes to History (tsctm2280m000)** session.



## Chapter 3: Quotes process

This flowchart depicts the processing of a quote in Service:



## Creating and processing a quote

- 1 Select **LN Menu > Service > Quotes > Quotes**. The **Quotes (tsepp1100m000)** session is displayed.
- 2 Click **New**. The **Quote (tsepp1100m100)** session is displayed.
- 3 Select the order type in the **Related Order** field. Infor LN creates the corresponding order when the quote is processed, and the order number is populated in the **Order Number** field adjacent to the **Related Order** field.

- 4 Specify the Quote details.
- 5 Click **Save**. The quote status is set to **Free**.
- 6 Create the quote lines for the quote in the **Quote Lines (tsepp1110m000)** session, displayed as a satellite session.
- 7 Create the cost lines for the quote in the **Quote Cost Lines (tsepp1120m000)**, displayed as a satellite session.
- 8 Select **Actions > Approve**. The status of the quote and the related lines is updated to **Approved**.
- 9 Select **Actions > Print > Quote Documents**. The **Print Quote Documents (tsepp1400m000)** session is displayed wherein you must:
  - Set the **Print What** field to **External Documents**.
  - Click **Print**. The documents are printed and the status of the quote and the related lines is updated to **Printed**.
- 10 Select **Actions > Accept**. The status of the quote and the related lines is updated to **Accepted**.
- 11 Select **Actions > Process**. The status of the quote and the related lines is updated to **Processed**. The order is generated based on the value set in the **Related Order** field.

**Note:** The status of a quote with the Printed status can also be updated to:

  - **Canceled**, using the **Cancel** option when the quote is canceled by the user who creates the Quote. A canceled quote can be re-opened, or you can create a new revision for the quote.
  - **Negotiating**, using the **Negotiating** option when the Quote is being negotiated with the customer.
  - **Rejected**, using the **Rejected** option when the proposed Quote is rejected by the customer.
  - **Lost**, using the **Lost** option when the customer selects another supplier.

## Chapter 4: Quotes in Depot Repair

Customers who approach service providers for item service or repair, require a quote or a price proposal for the service/repair before the actual service/repair is performed. You can create the quotes for the estimated service/repair cost, from the service objects such as a work order, a call or a part maintenance line.

### Creating quotes from Maintenance Sales Order and Work Order

To create a quote from a maintenance sales order part line, you can use the **Maintenance Sales Order - Part Lines (tsmsc1110m000)** session. When the quote is created:

- All work order activities and resource lines (of all related work orders) linked to the part line are copied to the quote.
- The **Interrupted** check box is selected for the part lines and all the related work orders. Infor LN selects this check box to prevent the changes to the part line and the related work orders data. This check box is cleared after the quote is processed.

When the quote is processed, the **Method** of the Part Line is set to **Quote Fixed Plus** and the related work orders are linked to the quote.

Based on the Method and the price of a part line, a coverage line of type **Quote Invoice** is created in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session. When multiple quotes are created, for each work order having a quote, a coverage line is created.

To create a quote from a work order, you can use the **Create Quote** option in the **Work Orders (tswcs2100m000)** session. When the quote is created:

- The activities and resource lines linked to the Initiating Work Order are copied to the quote (request).
- The **Interrupted** check box is selected only for the selected work order to prevent any change to the work order data. This check box is cleared after the quote is processed

During processing, the **Method** of a Part Line is not updated on the quote. Only the initiating work order is linked to the quote.

### Creating multiple Quotes from a part maintenance line

You can create multiple quotes from the **Maintenance Sales Order - Part Lines (tsmsc1110m000)** session. After the quote is created, the **Method** of the part line is set to **Quote Fixed Plus**.

Based on the **Method** and the price of a part line, a coverage line of type **Quote Invoice** is created in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session. When multiple quotes are created, for each work order having a quote, a coverage line is created.

You can use the **Convert to FixedPlus Quote** option in the **Maintenance Sales Order - Part Lines (tsmsc1110m000)** session to change the **Method** of the part line manually.

### Creating and processing a Quote after closing a work order

You can create a quote for a Closed work order, if the coverage lines linked to the work order are not set to **costed** in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session. In this scenario, only the resource lines from that specific order are used for the quote.

**Note:** If the quote is created from the part maintenance line, all related work orders are included. You can create a quote from the part maintenance line only if a quote or a quote request is not associated with the part line or (one of the) work order(s).

If a quote linked to the work order, is processed and (actual) maintenance sales coverage lines linked to this work order exist, the value of the Sales related fields are set to zero for the coverage line.

The coverage lines of the type **Fixed Order Price/ Fixed Activity Price** (if existing) are replaced with the type **Quote Invoice** coverage lines in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session.

If the quote is created from the part line and the quote proposal method is **Quote Fixed**, existing coverage lines of type **Additional Line**, that are linked to the part line, are updated

### Accepting a Quote

You can set the quote status to **Approved** in the **Quotes (tsepp1100m000)** session if the customer accepts the proposed quote. When you set the quote status to **Processed**, the quote related data is updated on the related part line and the work order.

### Using Fixed Prices for Quotes

To support the maintenance sales order activities, reference activities and master routings with fixed prices for quotes, the **Method** field is added to the **Quote Lines (tsepp1110m000)** session. When a reference activity that has a Fixed Order Price is specified for a quote line, the Method of the quote line is set to **Fixed** and the prices on the related quote coverage lines are set to 0. When a quote line is created from a part line or a work order, the Method of the quote line is defaulted from the **Maintenance Sales Order Activity Lines (tsmsc1111m000)** session. However, you can modify this value.

If the **Method** is modified manually, Infor LN does not set this value to the default value for the quote and the quote lines, when the prices are calculated using the **Calculate** option. Also, the sales prices and the amounts of the related quote coverage lines are updated.

### Using Price Origin for the Quote Lines

To prevent the sales amount from being updated automatically when the quote lines are added or deleted, the **Price Origin** field is added to the **Quotes (tsepp1100m000)** session. By default, the **Price Origin** field is set to **other**. If the sales amount is modified manually, the **Price Origin** field is set to **Manual** and the sales amount is not updated automatically.

To prevent the sales amount on the line from being updated automatically when the quote coverage lines are added or deleted, the **Price Origin** field is added to the **Quote Lines (tsepp1110m000)** session.

When the prices are calculated using the **Calculate** option, the **Price Origin** of the quote and the quote lines is set to the default value.

### Using the Master Routing for Quotes

If the master routing is specified manually in the **Quote Lines (tsepp1110m000)** session, you can use the **Fixed Order Price** specified for the master routing. The routing options are not displayed for the quote. However, when the quote is processed, maintenance sales activity lines and work order activities are generated based on the routing options linked to the master routing specified for the quote.

You can use the **Generate Lines for Master Routing** option in the **Quotes (tsepp1100m000)** and the **Quote Lines (tsepp1110m000)** sessions to generate the quote lines based on the specified **Master Routing**. Infor LN creates the quote lines in the **Quote Lines (tsepp1110m000)** session and defaults the **Method** based on the routing options. For each routing option linked to the master routing, Infor LN creates a quote line.

### Reopening a Quote:

To reopen a quote, you can use the **Reopen** option in the **Quotes (tsepp1100m000)** and the **Quote (tsepp1100m100)** sessions, for the quotes that have the status **Canceled**, **Lost** or **Rejected**. You cannot reopen a quote that has been processed, you must create a revision for the quote.

You can use the **Reopen Quote (tsepp1202m000)** session to reopen a quote. When a quote is reopened, the status of the quote is set to **Free**. The status of the related quote lines is modified based on the check boxes you select in the **Reopen Quote (tsepp1202m000)** session.

You can reopen a quote line that is not processed, only if the status of the related quote is set to **Free**.

When a Quote is reopened, the related work orders and the part lines are interrupted.

### Quote Revisions:

You can create a new revision for a quote only if the **Use Revisions** check box is selected in the **Service Quote Parameters (tsepp0100m000)** session.

### Creating a new Quote revision:

You can create a new revision for a quote that has been processed. The new revision can be created manually or by using the quote request. To create a revision using a quote request, the **Use Quote Requests for Maintenance Sales** check box must be selected in the **Service Quote Parameters (tsepp0100m000)** session. Else, you must create the new revision manually.

When a new revision is created for a quote:

- Infor LN copies all the quote lines and the cost lines of the existing revision to the new revision of the quote.
- The status of the new revision quote is set to Free.
- The status of the existing quote lines is not modified when copied to the new revision.
- The status of the new quote lines is set to Free.

The new quote lines can be added manually or can be created based on the quote request.

**Note:** If the **Use Revisions** check box is selected in the **Service Quote Parameters (tsepp0100m000)** session, the first revision is set to 1. Else, the revision is set to 0.

#### Processing a new Quote revision:

The processing of a revision (of a quote) is similar to the existing quote processing functionality. For quote lines with status other than **Accepted**, the quote revision is updated for the related objects such as:

- Maintenance Sales Order
- Part Maintenance Lines
- Maintenance Sales Coverage Lines
- Estimated Coverage Lines (only for status Free and Planned)
- Work Order(s)
- Work Order Activities
- Work Order Resource lines for material, labor and other costs

## Creating quotes from Maintenance Sales Order and Work Order

To create a quote from a maintenance sales order part line, you can use the **Create Quote** option in the **Maintenance Sales Order - Part Lines (tsmsc1110m000)** session.

When the quote is created:

- All work order activities and resource lines (of all related work orders) linked to the part line are copied to the quote.
- The **Interrupted** check box is selected for the part lines and all the related work orders. Infor LN selects this check box to prevent the changes to the part line and the related work orders data. This check box is cleared after the quote is processed.

When the quote is processed, the **Pricing Method** of the Part Line is set to **Quote Fixed Plus** and the related work orders are linked to the quote.

After the quote is created, the **Pricing Method** of the part line is set to **Quote Fixed Plus**.

Based on the Pricing Method and the price of a part line, a coverage line of type **Quote Invoice** is created in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session. When multiple quotes are created, for each work order having a quote, a coverage line is created.

To create a quote from a work order, you can use the **Create Quote** option in the **Work Orders (tswcs2100m000)** session. When the quote is created:

- The activities and resource lines linked to the Initiating Work Order are copied to the quote (request).
- The **Interrupted** check box is selected only for the selected work order to prevent any change to the work order data. This check box is cleared after the quote is processed.

During processing, the **Pricing Method** of a Part Line is not updated on the quote. Only the initiating work order is linked to the quote.

## Creating and processing a quote after closing a work order

You can create a quote from a **closed** work order, if the coverage lines linked to the work order are not set to **costed** in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session.

In this scenario, only the resource lines from that specific order are used for the quote.

**Note:** If the quote is created from the part maintenance line, all related work orders are included. You can create a quote from the part maintenance line only if a quote or a quote request is not associated with the part line or (one of the) work order(s).

If a quote linked to the work order, is processed and (actual) maintenance sales coverage lines linked this work order exist, the value of the Sales related fields are set to **0** for the coverage line.

The coverage lines of the type **Fixed Order Price** or **Fixed Activity Price** (if existing) are replaced with the type **Quote Invoice** coverage lines in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session.

If the quote is created from the part line and the quote proposal method is **Quote Fixed**, existing coverage lines of type **Additional Line**, that are linked to the part line, are updated.

## Accepting a Quote

You can set the quote status to **Approved** in the **Quotes (tsepp1100m000)** session if the customer accepts the proposed quote.

When you set the quote status to **Processed**, the quote related data is updated on the related part line and the work order.

## Using Fixed Prices for Quotes

To support the maintenance sales order activities and reference activities with fixed prices for quotes, the **Pricing Method** field in the **Quote Lines (tsepp1110m000)** session is used.

When a reference activity that has a **Fixed Order Price**, is specified for a quote line, the **Pricing Method** of the quote line is set to **Fixed** and the prices on the related quote coverage lines are set to **0**. When a quote line is created from a part line or a work order, the **Pricing Method** of the quote line is defaulted from the **Maintenance Sales Order Activity Lines (tsmsc1111m000)** session. However, you can modify this value.

If the **Pricing Method** is modified manually, Infor LN does not set this value as the default value for the quote and the quote lines, when the prices are calculated using the **Calculate** option. Also, the sales prices and the amounts of the related quote coverage lines are updated.

## Using the Master Routing for Quotes

To support master routings with fixed prices for quotes, the **Pricing Method** field in the **Quote Lines (tsepp1110m000)** session.

You can use the **Generate Lines for Master Routing** option in the **Quotes (tsepp1100m000)** and the **Quote Lines (tsepp1110m000)** sessions to generate the quote lines based on the specified **Master Routing**. Infor LN creates the quote lines in the **Quote Lines (tsepp1110m000)** session and defaults the **Pricing Method** based on the routing options. For each routing option linked to the master routing, Infor LN creates a quote line.

If the master routing is specified manually in the **Quote Lines (tsepp1110m000)** session, you can use the **Fixed Order Price** specified for the master routing. The routing options are not displayed for the quote. However, when the quote is processed, maintenance sales activity lines and work order activities are generated based on the routing options linked to the master routing specified for the quote.

## Using Price Origin for the Quote Lines

When the quote lines are added or deleted, the **Price Origin** field is added to the **Quotes (tsepp1100m000)** session to prevent the sales amount from being updated automatically.

By default, the **Price Origin** field is set to **other**. If the sales amount is modified manually, the **Price Origin** field is set to **Manual** and the sales amount is not updated automatically.

To prevent the sales amount on the line from being updated automatically when the quote coverage lines are added or deleted, the **Price Origin** field is added to the **Quote Lines (tsepp1110m000)** session.

When the prices are calculated using the **Calculate** option, the **Price Origin** of the quote and the quote lines is set to the default value.

## Reopening a Quote

To reopen a quote, you can use the **Reopen** option in the **Quotes (tsepp1100m000)** and the **Quote (tsepp1100m100)** sessions, for the quotes that have the status **Canceled**, **Lost** or **Rejected**.

You cannot reopen a quote that has been processed. However, you can create a revision for the quote.

You can use the **Reopen Quote (tsepp1202m000)** session to reopen a quote. When a quote is reopened, the status of the quote is set to **Free**. The status of the related quote lines is modified based on the check boxes you select in the **Reopen Quote (tsepp1202m000)** session.

When a Quote is reopened, the related work orders and the part lines are interrupted.

You can reopen a quote line that is not processed, only if the status of the related quote is set to **Free**.



## Quote revisions

You can create a new quote/quote line revision manually or by using the quote request. To create a revision using a quote request, the **Use Requests** check box must be selected in the **Service Quote Parameters (tsepp0100m000)** session. Else, you must create the new revision manually.

When a new revision is created for a quote:

- Infor LN copies all the quote lines and the cost lines of the existing revision to the new revision of the quote.
- The status of the new revision quote is set to **Free**.
- The status of the existing quote lines is not modified on copying to the new revision.
- The status of the new quote lines is set to **Free**.

**Note:** If the **Use Revisions** check box is selected, the first revision is set to **1**. Else, the revision is set to **0**.

### Processing a new Quote revision

The processing of a revision (of a quote) is similar to the existing quote processing functionality. For quote lines with status other than **Accepted**, the quote revision is updated for the related objects such as:

- Maintenance Sales Order
- Part Maintenance Lines
- Maintenance Sales Coverage Lines
- Estimated Coverage Lines (only for status Free and Planned)
- Work Order(s)
- Work Order Activities
- Work Order Resource lines for material, labor and other costs

## Quote amount calculation methods

A customer who is seeking service/repair for an item, requests for a quote or a proposal from the service provider for the estimated cost of the service/repair that needs to be performed as part of preventive maintenance or breakdown repair.

To calculate the price proposal amount, LN considers these factors:

- Discounts
- Warranty
- Contract
- Repair Warranty

LN retrieves the sales price for all cost lines (a cost line is any type of cost that is incurred in maintenance/repair execution) in case the default values exist.

### Proposal Methods

You can create a proposal based on these methods:

**Fixed**

For this proposal method, the quote sales amount remains fixed even after you specify additional cost lines in maintenance sales order (MSO)/work order. These lines are added to account for additional resource requirements, if any, when a work order is processed. The new cost lines are not invoiced to the customer.

LN creates a maintenance sales order (MSO) for the quote after you process the quote. LN creates a **Coverage Line** of type **Quote Invoice** with the same amount as the quote sales amount when a work order that is linked to the created MSO is closed. You can invoice only this Coverage line linked to the maintenance sales order to the customer.

If you add a new cost/coverage line to the work order/maintenance sales order after Infor LN creates the maintenance sales order, Infor LN informs you that the quote from which the MSO originated is a fixed price proposal quote. The cost line amount, which is not covered by discount, warranty, or contract is added to the quote. The net invoice amount for the cost line is zero.

**Fixed Plus**

This price proposal method is similar to the **Fixed** price proposal method, except that the additional cost lines are invoiced separately.

When you cost the maintenance sales order, you can invoice the new cost/coverage line and the quote invoice line.

**Note:** To change a price proposal method of a quote from **Fixed** to **Fixed Plus**:

- From the appropriate menu, select **Convert to FixedPlus Quote** in one of these sessions:
  - **Quotes (tsepp1100m000)**
  - **Maintenance Sales Order - Part Lines (tsmsc1110m000)**
- In the Maintenance Sales Order - Coverage Lines (tsmsc1120m000) session, clear the **Quotation** check box.

**Budget Indicator**

You can invoice all the coverage lines to the customer. Infor LN updates the quote sales amount whenever a quote cost line is added, modified, or deleted. The quote sales amount in the price proposal is an approximate amount. The actual amount can vary.

Infor LN does not create a Quote Invoice line in the MSO for this price proposal method. All the coverage lines are independently invoiced to the customer.

**Invoicing the Quote cost lines based on Proposal Method**

You must specify the details of the item to be repaired in the **Quote Lines (tsepp1110m000)** session. For each Quote Line, you must define labor, material and other costs in the **Quote Cost Lines (tsepp1120m000)** session. You must send the quote to the customer for acceptance. The **Proposal Method** that Infor LN uses to calculate the quote sales amount is specified in the **Quotes (tsepp1100m000)** session and can be set to:

- **Fixed:** Only the cost lines linked to the quote are invoiced. The additional cost lines must not be invoiced.
- **Fixed Plus:** The cost lines linked to the quote and the additional cost lines are invoiced.
- **Budget Indicator:** Infor LN indicates that cost lines linked to the quote are estimates. All the actual cost lines must be invoiced.

If the customer accepts the proposal, a maintenance sales order is generated in the **Maintenance Sales Orders (tsmsc1100m000)** session. For this Maintenance Sales Order a Part Maintenance Line is created. Infor LN generates Work Order (cost lines) for each Part Maintenance Line and the service quote is linked to this Work Order (cost lines).

The Work Order must be processed for each cost line and a Maintenance Sales Order Coverage Line must be generated in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session.

When this WO is processed, Infor LN creates a Maintenance Sales Order Coverage Line in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session and the invoice amount is calculated based on the **Proposal Method** set in the **Quotes (tsepp1100m000)** session:

- **Fixed or Fixed Plus:** An additional coverage line with **Cost Type** field set to **Quote Invoice** is created in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session. The new coverage line must be created with the invoice amount of the total cost lines on the quote. The invoice amount for all the other coverage lines must be zero.
- **Budget Indicator:** The invoice amount for all the coverage lines is calculated from the sales amount.

## Tax calculation on Maintenance Sales Quote

The amounts specified for the Maintenance Sales Quote are transferred to Invoicing for tax calculation, which is based on the bill produced. A late payment surcharge must be levied on the amount which is not received on time. The tax must be paid for this late payment surcharge and Infor LN must calculate and print this surcharge.

### Tax Defaulting on a Maintenance Sales Order Coverage Line

- If a coverage line is linked to a Maintenance Sales Quote, the tax related fields (Tax Classification and VAT Based On) in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session are defaulted from the **Quotes (tsepp1100m000)** session.
- If the **Cost Type** field is set to **Quote Invoice** in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session, the tax related fields (Tax Classification and VAT Based On) in the **Maintenance Sales Order - Coverage Lines (tsmsc1120m000)** session must be defaulted from the **Quotes (tsepp1100m000)** session. If a coverage line is linked to a specific cost line in the **Quote Cost Lines (tsepp1120m000)** session, the tax related fields are defaulted from the linked quote cost line.

## Chapter 5: Quotes in Field Service

You can define the quote data for service orders in the **Quotes (tsepp1100m000)** session or the **Service Order Quote** session.

The **Use Service Order Quotes for Service Orders** check box in the **Service Order Parameters (tssoc0100m000)** session determines if the quote data can be defined in either of these sessions or only in the **Quotes (tsepp1100m000)** session.

If the **Use Service Order Quotes for Service Orders** check box is selected, Infor LN allows you to define the quote data for the service orders in the **Service Order Quote** session. If this check box is cleared, you can define the quote data for service orders only in the **Quotes (tsepp1100m000)** session.

You must set up this master data in the **Service Quote Parameters (tsepp0100m000)** session:

- Select the **Use Quote Requests for Service Orders** check box to generate quote requests for service orders.
- Specify the number group in the **Service Order Quotes** field.
- Specify the number group in the **Service Order Quote Requests** field.

If the **Use Alternatives** check box is selected in the **Service Quote Parameters (tsepp0100m000)** session, you can create alternative quote lines and quote material cost lines for a quote. You can create alternatives only if the quote is created using the **Quote (tsepp1100m100)** session, and not created from a service order.

### Estimates for service order cost lines

If the **Use Coverage Calculation for Estimates** check box is selected in the **Service Order Parameters (tssoc0100m000)** session, Infor LN creates the estimated service order cost lines during the processing of a quote to a service order. The quote data is defaulted on the estimated cost lines. When the related quote is modified during the estimated phase (service order status is Free or Planned), the corresponding estimated cost lines are also updated.

## Creating a quote from the Quotes (tsepp1100m000) session

You must set up this data:

- In the **Service Quote Parameters (tsepp0100m000)** session:

- Select the **Use Quote Requests for Service Orders** check box to generate quote requests for service orders.
- Specify the number group in the **Service Order Quotes** field.
- Specify the number group in the **Service Order Quote Requests** field.
- In the **Quote (tsepp1100m100)** session, set the **Related Order** field to **Service Order** to indicate that a service order must be created when the quote is processed.

## Creating a quote from an existing service order

You can create a quote from an existing service order using the Create Quote option in the Service Orders (tssoc2100m000) or the Service Order (tssoc2100m100).

Infor LN creates the quote based on the data specified for the service order. The quote lines and the quote cost lines are created based on the service order activities and the cost lines. Infor LN selects the **Interrupted** check box for the service order when a quote is created.

This check box is cleared when the related quote **Status** is set to:

- **Processed**
- **Rejected**
- **Canceled**

If a quote is created for a service order in the estimated phase (the order **Status** is **Free** or **Planned**), and the quote cost lines data is modified in this phase, Infor LN synchronizes the modified quote data with the actual cost line data.

## Processing a quote to service order

Infor LN creates a service order based on the data specified for the quote. The service order activities and the cost lines are created based on the quote lines and the quote cost lines linked to the quote.

During the processing of a quote to a service order, Infor LN creates the estimated service order cost lines if the **Use Coverage Calculation for Estimates** check box is selected in the **Service Order Parameters (tssoc0100m000)** session. The quote data is defaulted on the estimated cost lines. When the related quote is modified during the estimate phase (service order status is **Free** or **Planned**), the corresponding estimated cost lines are also updated.

### Note:

- If the quote for an existing service order is processed, the service order header data, the activities and the cost lines are updated based on the **Proposal Method** specified for the quote. A new service order is not created.
- You can use the **Related Orders** option in the **Quote (tsepp1100m100)** session, to access the **Related Orders (tsmdm4500m000)** session wherein the Quote and the related service order are displayed.

When a quote is processed to a service order, the **Pricing Method** of the service order is updated based on the value the quote **Proposal Method** is set to:

- If the **Proposal Method** of the quote is set to **Fixed**, the **Pricing Method** is set to **Quote Fixed** for:
  - The service order.
  - The service order activities and the additional service order activities, if any.**Note:** You cannot modify this value.
- If the **Proposal Method** of the Quote is set to **Fixed Plus**, the **Pricing Method** is set to **Quote Fixed Plus** for:
  - The service order.
  - The service order activities and additional service order activities, if any.**Note:** You can modify the **Pricing Method** only for the additional service order activities. Consequently, the related cost lines are also updated.
- If the **Proposal Method** of the Quote is set to **Budget Indicator**, all the cost lines linked to the related service order are invoiced separately based on the tax details specified for each cost line.

**Note:**

- You can modify the **Proposal Method** of a quote from **Fixed** to **Fixed Plus**, using the **Convert to Fixed Plus Quote** option in the **Quote (tsepp1100m100)** session.
- You can modify the **Pricing Method** of a service order from **Quote Fixed** to **Quote Fixed Plus**, using the **Convert to Fixed Plus Quote** option in the **Service Order** and **Service Order (tssoc2100m100)** sessions.

For the service order, a cost line with the **Cost Type** field set to **Quote Invoice**, is created in the **Service Order Other Costs (tssoc2142m000)** session, if the **Proposal Method** for the related quote is set to **Fixed** or **Fixed Plus**. The agreed quote amount is specified on this cost line and this amount is considered for invoicing.

If the **Quote** check box is selected for the service order cost lines linked to the quote, the **Invoice Amount** for these cost lines is set to zero and the cost lines cannot be invoiced. You cannot clear this check box.

By default, this check box is also selected for the additional cost lines and you can clear the check box for these lines only if the **Pricing Method** of the service order/activity is set to **Quote Fixed Plus**. You cannot clear this check box if the **Pricing Method** is set to **Quote Fixed**. Consequently, the additional cost lines are not invoiced.

The prices and discounts cannot be recalculated for:

- A cost line if the **Quote** check box is selected.
- For a service order or the activity if the **Pricing Method** is set to **Quote Fixed** or **Quote Fixed Plus**.

## Tax for quotes

The tax related data is maintained for a quote in the **Quote (tsepp1100m100)** session.

When a service order is created for a quote with the **Proposal Method** set to **Fixed** or **Fixed Plus**, Infor LN creates a cost line with the **Cost Type** field set to **Quote Invoice**, in the **Service Order Other Costs (tssoc2142m000)** session. This cost line contains the tax related data that is applicable for the service order.

When a quote is processed to a service order, the tax data is also processed. The tax details can be maintained on the actual and the estimated cost lines.

## Travel Lines for Quotes

To calculate the travel cost for a quote, this information must be specified for a quote and the cost line:

- **Service Area**
- **Location Address**
- **Travel Planning Method** (only for a quote header)
- **Travelling Specification Type** (only for a cost line)

**Note:** When these values are modified, Infor LN does not recalculate the costs for the travel lines. You must use the **Recalculate Travel Cost Lines** option in the **Quote (tsepp1100m100)** session for the recalculation of the costs.

## Alternatives for quotes

You can create alternative quote lines and quote material cost lines for a quote if:

- The **Use Alternatives** check box is selected in the **Service Quote Parameters (tsepp0100m000)** session.
- The quote is created using the **Quote (tsepp1100m100)** session, and not from a service order.

## Creating service order quotes

If price agreements are required only once, service-order quotes are used instead of service-contract quotes. You can easily amend the service-order quote to optimize the agreements with the customer, which is the advantage of creating a quote first rather than creating a service order. To create a service order quote:

- 1 Define Service Order Quotes using the **Service Order Quote** session.
- 2 Define the serialized item/activity lines using the **Service Order Quote Configuration Lines (tsctm1110m400)** session.  
You can maintain the item, serialized item, and reference activity covered by the service-order quote. Infor LN copies the reference activity's requirement lines, if defined, from Service Planning & Concepts data to the service-order quote's cost terms.
- 3 Define the additional coverage terms in:
  - **Service Order Quote Traveling Terms (tsctm1130m400)**
  - **Service Order Quote Material Terms (tsctm1131m400)**
  - **Service Order Quote Labor Terms (tsctm1132m400)**
  - **Service Order Quote Other Terms (tsctm1136m400)**
- 4 Define the coverage phase in the **Service Order Quote Coverage Terms (tsctm1120m400)** session for the cost terms.
- 5 Define the surcharges/discount terms in the **Service Order Quote Configuration Line Totals (tsctm1502m400)** session. You can define surcharges/discounts for each service-order quote, as well as for each coverage type, or both.

- 6 Print the service-order quote documents after you specify all the coverage/cost terms, coverage phases, and surcharge/discount terms using the **Print Service Order Quote Documents (tssoc1400m000)** session.
- 7 Update the quote status to **Accepted** if the sold-to business partner has accepted the service order quote.
- 8 Approve the service order quote using the **Approval** option from the appropriate menu in the **Service Order Quote** session. A new window is displayed wherein you must click **Accept**.

**Note:**

- To modify the service order quote if the sold-to business partner requests changes to the service-order quote:
  - a Access the **Service Order Quote** session and set the Quote status to **Free**.
  - b Click **Correction** on the appropriate menu.
  - c Click **Modify** in the window that is displayed.
  - d Repeat the process from step 3.
- If the sold-to business partner rejects the service-order quote, you must update the quote status to **Cancelled**. To reject the service order quote, access the **Service Order Quote** session and, on the appropriate menu, click **Part Receipt Lines** and in the dialog box that appears, click **Reject**. You can now move the service-order quote to history.

## Processing service order quotes to service orders

Use this process to transfer an accepted *service-order quote* to a service order.

If the business partner accepts the service order quote, you can use the **Process to Service Orders (tssoc1200m000)** session to transfer the service order. You can select a range of quotes to be processed to a service order.

### Preliminary conditions

A service-order quote can only be processed to a service order if these conditions are met:

- The status of the business partner (BP) must be **Active**.
- The invoice-to BP and ship-to BP must be specified for the service-order quote.
- The status of the service-order quote must be **Accepted**.

The planning dates are copied to the service order. The terms linked to the service-order quote are copied to the estimated cost lines of the service order. These terms are defined in these sessions:

- **Service Order Quote Material Terms (tsctm1131m400)**
- **Service Order Quote Labor Terms (tsctm1132m400)**
- **Service Order Quote Traveling Terms (tsctm1130m400)**
- **Service Order Quote Other Terms (tsctm1136m400)**

LN copies:

- The material terms to the **Service Order Estimated Material Costs (tssoc2120m000)** session.
- The labor terms to the **Service Order Estimated Labor Costs (tssoc2130m000)** session.



- The remaining terms to the **Service Order Estimated Other Costs (tssoc2140m000)** session.

## Reports

You can select these reports:

- **Process report:** This report lists all quotes that are successfully processed to a service order, and also displays the service order number.
- **Error report:** This report lists the quotes that are not processed to a service order, and displays the reason why the quotes are not processed to a service order.

## Moving service-order quotes to history

Use the **Copy Service Order Quotes to History (tssoc1205m000)** session to archive and delete *service-order quotes*. The *serialized item* and activity lines are also posted and deleted. You can specify the range of quotes that must be processed.

### Preliminary conditions

Only the service-order quotes with these status can be archived and deleted:

- **Canceled**
- **Processed**

If service order quotes and related lines are transferred to history, you can update these history sessions:

- **Service Order Quote History (tssoc8510m000)**
- **Service Order History (tssoc8551m000)**
- **Service Order Activities History (tssoc8552m000)**
- **Service Order Material Cost History (tssoc8555m000)**
- **Service Order Labor Cost History (tssoc8556m000)**
- **Service Order Other Cost History (tssoc8557m000)**

## Chapter 6: Quote Requests in Service

Quote requests are used by internal employees who perform the actual task or activity on the installation of a product. Employees who perform the commercial activities, review and convert the request to the quote which is sent to the customer.

### Creating a Quote Request:

You can create quote requests only if the **Use Quote Requests for Maintenance Sales** or the **Use Quote Requests for Service Order** check box is selected in the **Service Quote Parameters (tsepp0100m000)** session.

A quote request can be created using the **Create Quote Request** option in the sessions related to the originating objects such as a work order, call, maintenance notifications or maintenance sales order. You cannot create a quote request directly.

When a quote request is created in the **Quote Requests (tsepp1100m200)** session, only the logistic data (Business Partner, Address, Dates and so on) is copied to the request; the commercial data (Currency, Rate Type, Tax Classification and so on) is not copied. The commercial data is included in the resulting quote or quote revision when the quote request is processed.

When a request is created from a work order, Infor LN selects the **Interrupted** check box in the **Work Orders (tswcs2100m000)** session to prevent the modification in the work order data while the quote request is being processed.

Infor LN allows you to create a quote request for an object only if an Active quote request does not exist. If an Active quote request exists for the object, you must cancel or reject the request, before you create a new request.

### Processing a Quote Request

You must use the **Process** option in the **Quote Requests (tsepp1100m200)** session to process the quote requests with the status **Free**.

For each new quote request, a new quote can be created in the **Quotes (tsepp1100m000)** session.

If the **Use Revisions** check box is selected in the **Service Quote Parameters (tsepp0100m000)** session and quote request is processed to an existing quote, a new quote revision is created.

When a quote request is processed, the status of the quote request is set to **Processed** and Infor LN creates a record in the **Related Orders (tsmdm4500m000)** session. The quote lines and the cost lines linked to the request are copied to the quote and the quote line status is set to **Free**.

You can also **Cancel** or **Reject** the quote requests. If the customer changes the supplier, the quote request status is set to **Lost**.

**Note:** If the quote request is created from a work order, the **Interrupted** check box in the **Work Orders (tswcs2100m000)** is cleared only after the related quote is processed. This check box is also cleared when the quote request is **Canceled**, **Rejected** or **Lost**.

### **Deleting a Quote Request**

You cannot delete a quote request manually. Infor LN deletes the quote requests when the originating object is deleted.

## Chapter 7: Contract quotes

You can use the Call Management to register a request for a service-contract quote, or a service contract.

A service-contract quote consists of:

- The *service-contract quote header*, which contains, for example, information about the *business partners*, invoicing, and installments.
- The terms and conditions for the service-contract quote, the extent of coverage and the pricing.
- The *installation group* and/or *serialized items* covered by the service-contract quote.
- Details of the *maintenance plans* that belong to any of the selected Installation groups or models.

You can use the type of terms and the specification to change the conditions of the service-contract quote in a flexible manner. For example, the cost amounts and the sales amounts are varied and the calculated result is displayed.

You can manually create a service-contract quote, or use service-contract templates

After you create a service-contract quote, you can simulate the prices. For example, you can vary the pricing methods to calculate and display various final totals. You can select the best pricing method within the required gross margin.

After the details of a service contract quote are finalized, you can print the *service-contract quote documents* and send the documents to the business partner. The details are finalized and you cannot make any further changes to the service-contract quote terms

The business partner can review the service-contract quote to accept, cancel, or modify the service-contract quote.

You can make the modifications as required by the business partner and process the accepted service-contract quote to activate the service contract.

You can post the processed and cancelled service-contract quotes to history and delete the quotes.

**Note:** The information that is posted to history is controlled by settings in the **Contract Management Parameters (tsctm0100m000)** session.

You must specify an installment template for a service-contract quote.

## Using contract quotes

The service-contract quote functionality is used to:

- Specify the terms and conditions of what is to be covered by the service-contract quote.
- Modify the cost parameters to achieve the required returns (or profits).
- Manage the stages of a service-contract quote.

After the service-contract quote is created, price simulations can be performed. By varying, for example, the *pricing method*, different final totals can be calculated and displayed. You can then choose the one that is within the *gross margin* required, or you can search permission to quote outside this range.

Quote status indicates the various stages of the service-contract quote. Based on the interaction with the business partner, you can update the quote status in the **Contract Quote** session.

The status can be set to:

- **Free**
- **Printed**
- **Accepted (for Contract)**
- **Processed**
- **Canceled**

## Contract quote status

The contract quote status determines the type of activities you can execute for the contract quote.

### **Free**

After creation, the service-contract quote status is set to **Free**. You can change the details of the service contract quote.

### **Printed**

When the contract quote documents (external) are printed using the **Print** option in the **Contract Quote** session, the status is updated to **Printed**.

**Note:** To modify the status of a service-contract quote, you can click **Correction** in the **Contract Quote** session and change the status to:

- **Free**
- **Accepted (for Contract)**
- **Canceled**

### **Accepted (for Contract)**

For the selected service-contract quote, click **Approval** in the **Contract Quote** session. The service contract quote status must be **Printed**. You can perform these activities:

- **Accept:** The business partner has approved the service contract quote, and the status changes to **Accepted (for Contract)**.
- **Modify:** The business partner wants some changes made to the service contract quote. The status reverts to **Free**.
- **Reject:** The business partner does not accept the proposed service contract quote. The status changes to **Canceled**.
- **Cancel**

**Processed**

You can use the **Process Quote to Contract (tsctm2200m000)** session for processing the service contract quote with the **Accepted (for Contract)** status to a service contract.

**Canceled**

The service contract quotes that are **Canceled** can be posted to history and are then deleted.

## Creating contract quotes

- 1 Specify the service-contract quote header details in the **Contract Quote** session.
- 2 Access the **Contract Quote Configuration Lines (tsctm1110m200)** session using the **Configuration Lines** option in the **Contract Quote** session.
- 3 Link items, *serialized items*, or *installation group* to the service-contract quote.  
**Note:** At least one item or Installation group must be linked to the service-contract quote.
- 4 Select the required quote configuration line if the terms must be specified in detail.
- 5 Use the **Coverage Terms** option to access the **Contract Quote Coverage Terms (tsctm1120m200)** session, and add a new coverage term. You can also select an existing coverage term, if required.
- 6 Use the **Cost Terms** option to access the related cost term session. For example, the **Contract Quote Traveling Terms (tsctm1130m200)** session, and add a new cost term.
- 7 Print the *service contract quote documents* using the **Print Contract Quote Documents (tsctm2400m000)** session, after you specify all the required terms and conditions..

**Note:** To print all service-contract quotes, use the **Print Contract Quotes (tsctm2401m000)** session.

## Printing contract quote documents

For a *service-contract quote*, you can print:

- A list of service-contract quotes.
- Documents that must be sent to the *business* partner.
- Print a copy for internal review.

You can use the **Print What** field in the **Print Contract Quote Documents (tsctm2400m000)** session to print the required service-contract quote documents. You can set the **Print What** field to:

- **Internal Document:** A copy of the document that must be sent to the business partner is printed for internal review. Financial approval can be provided based on these documents, before the final documents are printed. You can also modify the service-contract quote details after the review. The status of the service contract quote is not updated.
- **External Document:** The final documents that must be sent to the business partner are printed. The status of the service contract quote is updated to **Printed** and the service-contract quote details cannot be modified further.

## Chapter 8: Turn Around Time for Quotes

The Turnaround Time (TAT) is an important factor of an agreement between a customer and an MRO Service Provider.

The TAT is the duration for which the MRO Service Provider can work on a task. This duration is calculated as an average of previous such periods. The TAT is measured using the TAT-clock, which can be started or stopped based on the defined events. TAT is always expressed in days, which can be Calendar Days or Working Days. If Working Days are used, a calendar and an availability type must be defined. Based on this calendar/availability type, the number of working days in a time period can be defined. KPIs can also be specified that enable you to compare the agreed TAT with the actual TAT.

### Creating TAT Document for a Contract Quote

The TAT Document created for a contract quote configuration line is considered for the contract quote. A TAT Document is created for the configuration line based on:

- The *business partner* specified for the contract quote in the **Contract Quote** session.
- The **Item** and the **Serial Number** specified in the **Contract Quote Configuration Lines (tsctm1110m200)** session.

For new configuration lines (of a contract quote), LN creates a TAT document only if applicable term is available in the **Turnaround Time Terms (tcttm0110m000)** session. Else, the configuration line is created without the TAT Document and a warning message is displayed.

For the existing configuration lines that do not have a TAT Document linked, you can use the **Create Turnaround Time Document** option in the **Contract Quote Configuration Lines (tsctm1110m200)** session to create the Document. This option is enabled only for the configuration lines linked to the contract quote with the status, **Free**.

### Creating TAT Document for a Maintenance Sales Quote

The TAT Document created for a quote line is considered for the maintenance sales quote. A TAT Document is created for the quote line based on:

- The *business partner* specified for the maintenance sales quote in the **Quote (tsepp1100m100)** session.

- The **Item** and the **Serial Number** specified in the **Quote Lines (tsepp1110m000)** session.

The document is created only if an applicable term is available in the **Turnaround Time Terms (tcctm0110m000)** session. Else, the quote line is created without the TAT Document and a warning message is displayed.

In case a service contract is linked to the business partner, item or the serial number specified for the quote line, the TAT Document data of the service contract is copied to the new TAT Document created for the quote line.

For the existing quote lines that do not have a TAT Document linked, you can use the **Create Turnaround Time Document** option in the **Quote Lines (tsepp1110m000)** session to create the Document. This option is enabled only for the quote lines with the **Status, Free or Negotiating**.

## Creating TAT Document for a Service Order Quote Line

LN creates a TAT Document when a service order quote configuration line is created in the **Service Order Quote Configuration Lines (tsctm1110m400)** session. The document is created only if an applicable term is available in the **Turnaround Time Terms (tcctm0110m000)** session. Else, the quote configuration line is created without the TAT Document and a warning message is displayed.

In case a service contract is linked to the item or the serial number specified for the quote configuration line, the TAT Document data of the service contract is copied to the new TAT Document created for the quote configuration line.

For the existing quote configuration lines that do not have a TAT Document linked, you can use the **Create Turnaround Time Document** in **Quote Lines (tsepp1110m000)** session to create the Document. This option is enabled only for the quote configuration lines with the status, **Free**.



## Chapter 9: Introduction

This chapter provides a brief introduction of the Service Quotations functionality.

### Contract types

Service contracts can be categorized based on common features such as line of business area, country, products, and so on. Examples of contract types include the following:

- Full service contract
- Help desk contract
- Annual contract

You can use contract types to classify different types of contracts.

Use the **Contract Types (tsctm0105m000)** session to define the contract types.

### Service Quotations

Products today have a higher service component than in previous decades. To help keep the business operating smoothly and efficiently, it is important that products are maintained and serviced periodically.

Customers who approach the service providers for item service/repair require a quotation or a price proposal for the service/repair work before the actual service/repair is performed. Contract Management module allows you to create a price proposal/quotation of the estimated service/repair cost for a customer.

## Chapter 10: Service Quotations Concepts

This chapter provides a brief description of the concepts in the Service Quotations module.

### Quotation Status

Customers who approach the service providers for item service/repair require a quotation/price proposal of the service activity before the actual service is performed. LN assigns several statuses to a price proposal before a maintenance sales order is created so that the repair work can start.

LN changes the status of a price proposal based on the action performed on the proposal:

#### Quotation Status

- **Free:** When a quotation is created, the status is **Free**.
- **Printed:** When a quotation is printed as an external document and sent to a customer for review, the status of the quotation is changed to **Printed**.

In case the customer wants to negotiate the quotation, the status of the quotation is again changed to **Free**. After the necessary changes are incorporated in the quotation, the quotation is again printed and sent to the customer for review. A customer can review the quotation many times before the quotation is finally accepted.

#### Note

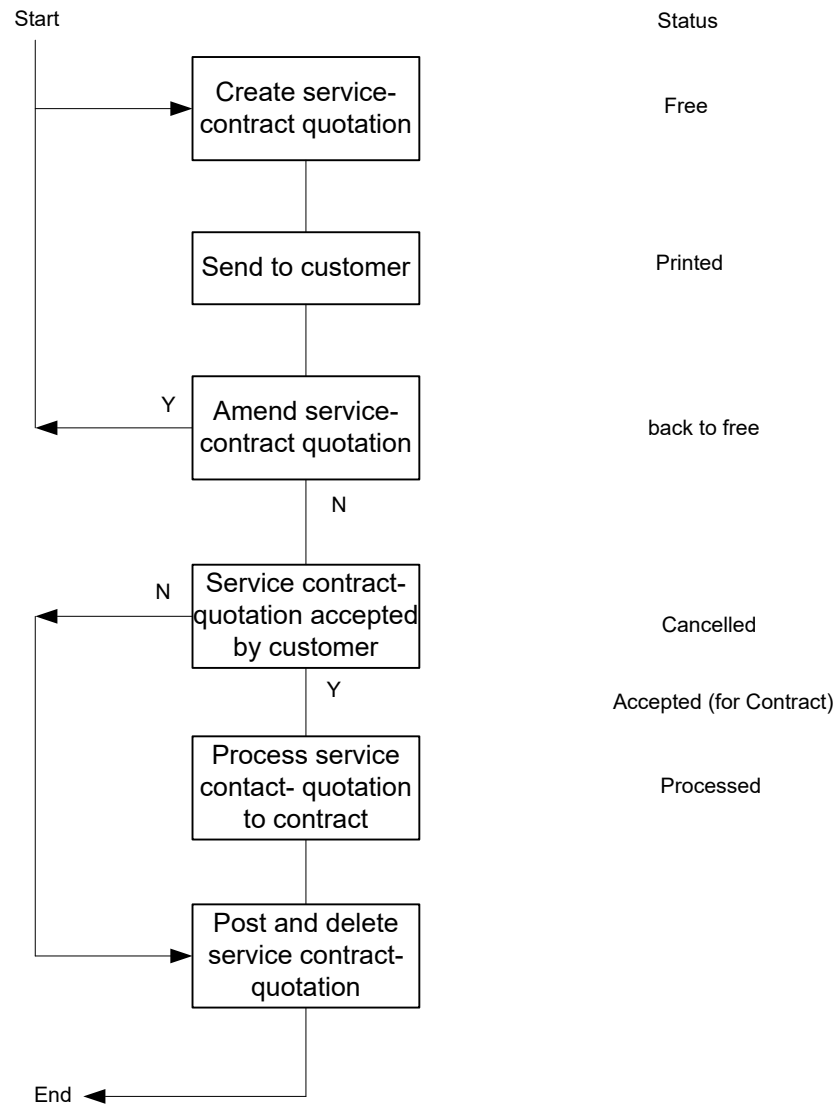
To change the status of the quotation from **Printed** to **Free**, use the option **Make Correction** in the *appropriate* menu of the following sessions:

- **Quotes (tsepp1100m000).**
- **Quote (tsepp1100m100).**
- **Accepted:** After the customer accepts the quotation, the status of the quotation changes to **Accepted**.
- **Processed:** After the customer accepts the proposal, use the option **Process to Maint. Sales Order** in the *appropriate* menu to create a maintenance sales order from the quotation data. The status of the quotation changes to **Processed**. All the quotation lines that are linked to the quotation are copied to the maintenance sales order as Part Maintenance Lines.
- **Cancelled:** In case the customer rejects the quotation, the status of the quotation changes to **Cancelled**.

**Note:** Only the effective quotations with the **Accepted** status are processed to a maintenance sales order. LN classifies a quotation as effective when the current date falls between the effective date and the expiry date of the quotation.

# Contract quotation process

**Contract quotation process:**



## Service contract process

## To use service-contract templates

Service-contract templates enable you to prepare specific details of a service-contract quotation, or of a service contract in advance. The creation time for the service-contract quotation or the service contract is reduced, and the same terms and conditions are applied in similar circumstances.

The Contract Template session enables you to enter the following details:

- The description.
- The *contract type*.
- The *installment template* and the currency.
- The sales-related data, such as effectivity and expiry dates.
- The duration of the proposed service contract or quotation.
- The *pricing method*.
- The *item* to which the terms will be attached, if any.
- If overtime will be allowed.
- If *service-contract changes* apply.

After you define the header data of the template, on the *appropriate* menu, choose **Coverage Terms** to specify the *coverage terms*.

To use service-contract templates:

- 1 Define the template(s) that you want to use.
- 2 Enter the *header data* of the service contract or the quotation.
- 3 On the *appropriate* menu, choose **Configuration Lines** to start the **Contract Configuration Lines (tsctm1110m300)** session (or the **Contract Quote Configuration Lines (tsctm1110m200)** session).
- 4 Specify *installation group* or *serialized items*.
- 5 Specify the appropriate contract template.

## Service-contract price simulation

LN provides various views of the information to enable you to control and review the costs associated with the terms and conditions.

Select the *service contract* in the **Service Contract** session. The References menu in this session includes the following commands:

- **Totals:** Click to view the service contract totals in the **Contract Totals by Term Type (tsctm1501m300)** session. The displayed totals contain any surcharges or discounts applied at both header level and *terms* level. The view is sorted by *cost type* and the totals are derived from all the Installation groups attached to the service contract.
- **Contract Terms:** Click to view the service contract totals, sorted by *service type*, in the **Contract Totals by Coverage Type (tsctm1505m300)** session. The displayed totals contain the surcharges or discounts applied at the terms level. The totals are derived from the Installation group selected (if the service contract is split by the Installation group. Otherwise, the totals refer to all the Installation groups attached to the service contract.

- To view the costs attributed to a particular term, sorted by cost type, select the desired term in the **Contract Totals by Coverage Type (tsctm1505m300)** session, and choose the Detailed by Cost Type command in the *appropriate* menu to use the **Configuration Line Totals by Coverage Type and Term Type (tsctm1500m300)** session.

## Search path for labor rates (Service contract)

For service contracts and service quotations, LN allows you to specify the search criteria to retrieve labor rate code when you define labor cost terms. Based on this defaulted labor rate code the cost and sales rates are used to calculate the cost and sales amount of the labor cost term.

The Path for Labor Rates field in the Contract Management Parameters (tsctm0100m000) session allows you to define three attributes that the LN uses to retrieve labor rate codes.

LN retrieves the labor rate in the following order:

- Level 1
- Level 2
- Level 3

LN uses this search criterion to determine the labor rate for a service contract or a service quotation. If the labor rate is not specified at Level 1, the labor rate specified at level 2 is considered. If the labor rate is not specified at Level 2, the labor rate specified at level 3 is considered.

The labor rate can be defaulted from the following possible values defined for each level:

- Department
- Service Area
- Serialized Item Group
- Installation Group
- Reference Activity
- Task
- Skill
- Not Applicable

---

### Example

Default labor rate code is retrieved from the Task associated with the labor cost term defined in the Contract Labor Terms (tsctm1132m300) session. If no Task is specified, it is retrieved from the Reference Activity defined in the Contract Configuration Lines (tsctm1110m300) session. If no labor rate code is defined for the Reference Activity, the labor rate code is retrieved from the Service Department of the Reference Activity.

**Note:** ERP Enterprise does not allow you to select the same option at any two levels. For example, if level 1 is set to Department, the second and third level cannot be set to Department.

The second level can only be set when the value in first level is not set to 'Not Applicable'. The third level can only be set when the value in second level is not set to 'Not Applicable'.

# Contract Terms for Service Contract and Service Contract Quotation

For a contract, you can specify whether a contract line is a coverage line, a pricing line, or a combination of two.

## Coverage terms

A coverage term stores agreements on the duration, the cost covering method, and the costs of the agreements. This can be created for (a combination of) a service contract (quotation), installation group, coverage type, term type, or sequence number. The cost and sales amounts of the term are also stored. The defined coverage terms are valid for the duration of the service contract. It is also possible to phase these terms, depending on time or on the value of the main counter of a counter model. The coverage terms can be specified in the cost terms.

The contract quotation **Coverage Term** and the contract **Coverage Line** are defined in **Contract Quote Coverage Terms (tsctm1120m200)** and **Contract Terms (tsctm1120m300)** sessions.

## Pricing terms

You can configure the pricing terms for the configuration line in the service contract or service contract quotation. This configuration pricing term can also be used as a pricing template. For a configuration line, you can select a price term of the type time and material (with detailed pricing data) or the fixed repair price. The time & material is used to define a sales price for the material, labor, or other costs. The fixed price is used as a fixed repair price for the maintenance and/or service performed for the item. To set up the pricing term, you must set the **Contract Price Type** field to **Time and Material** or **Fixed Repair Price** in the **Contract Configuration Lines (tsctm1110m300)** session.

### Note:

- The **Contract Price Type** field is enabled only if the **Prices** check box is selected in the **Contract Configuration Lines (tsctm1110m300)** session.
- The pricing terms can be used only when the **Use Prices in Service Contracts** check box is selected in **Contract Management Parameters (tsctm0100m000)** session.

## Contract coverage and contract pricing terms

For a service order, you can configure the coverage terms as well as the pricing terms (of the type time and material only) for the same configuration line. The sales prices for the transactions are first defined by LN and then the coverage terms are defined. The sales price on the cost terms is the agreed price, however, the covered sales amount and covered cost amount is the coverage.

### Note:

- The **Contract Price Type** field is enabled only if the **Prices** check box is selected in the **Contract Configuration Lines (tsctm1110m300)** session.
- The pricing terms can be used only when the **Use Prices in Service Contracts** check box is selected in **Contract Management Parameters (tsctm0100m000)** session.

## Fixed prices

To define the contract pricing term of the type **Fixed Repair Price**, you can set the **Contract Price Type** field to **Fixed Repair Price** in the **Contract Configuration Lines (tsctm1110m300)** session. A fixed price is a commitment based on an agreed price. When more or less time, material, etc., is spent, only the gross margin is affected and the customer pays only the agreed price. If a fixed price is configured per order, each transaction (field service activity or maintenance sales order part maintenance line) is invoiced for the specified service contract price; irrespective of the cost booked against that order.

## To renew multiple contracts

To renew multiple contracts, perform the following steps:

- 1 In the **Service Contract** session, on the *appropriate* menu, choose **Generate Contract Changes**. The **Generate Contract Changes (tsctm3202m000)** session appears.
- 2 Specify a range.
- 3 Select the Contract Renewal check box.
  - To activate the change for all the contracts, select the Activate Created Renewal check box. If you do not select this check box, you must activate the change for every contract separately.
  - To apply indexation and renew the service contract simultaneously, select the *renewal with indexation* check box. Indexation is applied based on the indexation template selected.
- 4 Click **Process**.

## Using price terms and coverage terms

You can use coverage terms and/or price terms for a service contract applicable for service orders/maintenance sales orders.

### Using price terms of the type Time and Material for service orders

- For service orders, LN retrieves the sales price from service contract price terms. This sales price is used for the service cost lines. The **Price Origin** is set to **Contract**.
- If service contract price terms are not defined, the sales price is defaulted from the price books, labour rates (regular pricing data); the **Price Origin** is set to **other**.
- If the sales price is not applicable because the service cost line is covered by a fixed price, the **Price Origin** is set to **Not Applicable**.

For service order actual costs:

- The sales price defined for the price term is retrieved from the service contract price terms. The **Price Origin** is set to **Contract**.



- If the sales price is not found, the sales price on the material cost lines is based on the regular pricing data, the sales price on the labor cost lines is based on applicable labor rates, and the sales price on the other cost line is based on applicable regular pricing data. The **Price Origin** is set to **other**.
- If the sales price is changed manually then the **Price Origin** is set to **Manual**.
- If the sales price is not applicable because costs are covered by a quotation or a fixed price, the **Price Origin** is set to **Not Applicable**.

**Note:** If a price term for labor is defined for the pricing contract, the labor rate is defaulted with the sales price defined for the price term. If the sales price is not defined for the price terms, the labor rate is defaulted based on the search path defined in the **Service Order Parameters (tssoc0100m000)** session. The contract is not included in the search path because the contract is always leading.

### Using price terms of the type Time and Material for maintenance sales orders

- For maintenance sales orders, LN retrieves the sales price defined for the price term related to the cost type. The **Price Origin** is set to **Contract**.
- If the sales price is not found, the sales price is based on the regular pricing data. The **Price Origin** is set to **other**.
- If the sales price is changed manually, the **Price Origin** is set to **Manual**.
- If the sales price is not applicable because costs are covered by a quotation or a fixed price, the **Price Origin** is set to **Not Applicable**.

### Using contract coverage and price terms of the type Time and Material

When coverage cost terms as well as the pricing terms are applicable for every transaction, LN first applies the price term (time and material) for the transactions and then the coverage terms. Since a service contract can be used for price terms (for time & material) as well as coverage terms, LN uses an indicator to determine if price terms are applicable or coverage terms are applicable.

### Using price term of the type Fixed Price for service orders

For service orders, LN retrieves the sales price from service contract price terms. The service order, service order activity is invoiced for the agreed sales price defined in the service contract, irrespective of cost booked against that order. The service order invoice line is created in **Service Order Fixed Prices (tssoc2115m000)** session, that includes the sales price and the invoice data. The sales price on the service order invoice line is the agreed sales price defaulted from the agreed fixed price in the service contracts. The **Price Origin** is set to **Contract**.

### Using price term of the type Fixed Price for maintenance sales orders

For maintenance sales order part lines, if the pricing method is set to **Fixed Order Price**, the sales price in the maintenance sales order part line is the agreed sales price. The sales price is defaulted only if the item is defined in the **Maintenance Sales Order - Part Lines (tsmsc1110m000)** session.

For part maintenance lines with pricing method set to **Fixed Order Price**:

- The sales price is retrieved from the service configuration lines. The **Price Origin** is set to **Contract**.
- If the sales price is not defined for the service configuration line, the sales price is based on the **Sales Price** defined in the **Items - Service (tsmdm2100m000)** session. The **Price Origin** is set to **other** in **Maintenance Sales Order - Part Lines (tsmsc1110m000)** session.

- If the sales price is added manually, the **Price Origin** is set to **Manual**.
- If the sales price is not defined, the sales price is based on the regular pricing data.

The coverage line is created with the price term set to Fixed Repair Price method, to save the sales price and invoice data. The sales price on the service order invoice line is the agreed sales price, which is defaulted by the agreed fixed price in service contracts. The price origin on this line is populated with the price origin of the maintenance part lines. For all other coverage lines linked to the maintenance part lines, the **Price Origin** is set to **Not Applicable** in the **Maintenance Sales Order - Part Lines (tsmsc1110m000)** session.

### Search path for applicable pricing terms and/or coverage terms

To determine the applicable pricing terms and/or coverage terms, LN uses the following search path:

- Based on installation group and item without a serial number. LN searches for:
  - 1 The terms defined for the installation group and the item.
  - 2 The terms defined for the installation group only.
  - 3 The terms defined for the item.
- Based on installation group. LN searches for the terms defined for the installation group.
- Based on serialized item. LN searches for:
  - 1 The terms defined for the serialized item
  - 2 The terms defined for the parent item of the serialized item (if a parent item exists)
  - 3 The terms defined for the installation group and the item.
  - 4 The terms defined for the installation group only.
  - 5 The terms defined for the item.

## Using Historical Rates for Service Contract Revenue Recognition

When calculating the contract revenue amount for a fiscal period, the invoiced installment amount in the home currency must be used to retrieve the historical currency rates instead of currency rates defined for the contract (transaction) currency and the company's home currency.

### Invoicing Contract Installment

The net installment amount is invoiced only in the transaction currency. When the billable line is processed in the **Contract Installments (tsctm4100m000)** session, the invoice amounts are calculated in home currency using the date applicable on the invoice. The contract installment is updated with the invoice/revenue amount in the home currency and the installment **Status** is set to **Posted**.

When the contract **Recognize Revenue** method is set to **Direct by installment** in the **Contract Management Parameters (tsctm0100m000)** session, an integration transaction is generated in the **Invoicing 360 (cisli3600m000)** session with the **Source Document** type field set to **Service Contract**.

## Calculating Contract Revenue

The contract revenue amount expressed in the transaction currency is used to calculate the revenue amounts in the company's home currency, when contract revenues are calculated for a revenue periods. To calculate the contract revenues, the currency rates are applied from contract installment posted in the **Contract Installments (tsctm4100m000)** session.

To recognize the contract revenue, LN searches for the posted installment, based on the entire contract or individual contract configuration.

The contract installment may or may not be linked to the configuration lines.

If contract installments are not linked to contract configuration lines, all the posted installments are considered.

If contract installment are linked to the contract configuration lines, LN only considers the contract installment for the linked configuration lines i.e. at the time of revenue recognition, posted contract installment with a change number and configuration line number must be same as change number and configuration line number of the revenue line.

### Note:

- For revenue recognition, the contract **Installment Type** must be set to **Periodic Installment** or **Manual Installment** or **Closure Installment** in the **Contract Installments (tsctm4100m000)** session.

When the contract installments are not available, the currency rates for calculating the revenue amount in home currency are retrieved based on the new rate on the specific date and the contract's exchange rate type. When contract installments are available, the first contract installment with the possibility for revenue allocation is selected. When previous revenue periods are not available, the revenue amount in home currency is calculated using the rates of the first posted contract installment.

## Calculating Contract Revenue Manually

When the contract revenue is calculated manually, the allocations are not based on the posted contract installments. When you manually define the revenue amount in the transaction currency, you must also specify the revenue amount for the home currencies. The currency rates (based on the System date) are used for calculating the revenue amount in the home currency.

## Recognising Revenue

When the contract revenues are recognised, the revenue line **Status** is set to **Recognized** in the **Contract Revenues (tsctm4160m000)** session and a financial integration transaction is created in the **Invoicing 360 (cisli3600m000)** session with the **Source Document** type set to **Service Contract**. When the contract **Recognize Revenue** method is set to **Direct by installment** and the contract installment **Status** is set to **Posted** in the **Contract Management Parameters (tsctm0100m000)** session , the integration transaction is created.

## Close Service Contract

You can close the service contract only if the **Status** of all the contract installment is set to **Posted** or **Canceled** in the **Contract Installments (tsctm4100m000)** session and the **Status** of the contract revenue must be set to **Posted** in the **Contract Revenues (tsctm4160m000)** session.

The total contract invoice amount in the home currency must be equal to the total contract amount in the home currency if the **Use Multiple Functional Currencies** check box **Companies (tcomm1170m000)** session.

## Order and Activity based Pricing (Contract (quotation) configuration lines)

The **Time and Material Price** and the **Fixed Price** check boxes are included in the contract configuration sessions.

- Fixed order and Fixed activity prices

You can access the **Fixed Price Terms (tsctm1111m000)** session using the **Fixed Price Terms** option from the Action menu in the **Contract Quote Configuration Lines (tsctm1110m200)** session. This session is used to specify fixed order and fixed activity sales prices. The sales prices can be defined for specific reference activities, master routings and/or routing options. This session is also used to specify fixed order and/or fixed activity prices for an installation. This session is available only if the **Fixed Price** check box is selected on the configuration line.

This new session is included as a satellite to the **Service Contract Configuration (tsctm1610m300)** session and can be accessed using the **Fixed Price Terms** option from the Action menu in the **Contract Configuration Lines (tsctm1110m300)** session. **Note:** This session is available only if the **Fixed Price** check box is selected on the configuration line.

This option and the session is not visible if the **Use Prices in Service Contracts** check box is not selected in the **Contract Management Parameters (tsctm0100m000)** session.

In this session, fixed sales price can be defined for multiple objects.

The **Price Level** can be set to **Reference Activity**, **Master Routing Or Routing Option** to define a fixed order/activity price for a reference activity, master routing and/or routing option.

The **Price Level** options, **Any Order** and **Any Activity** are used to define a fixed price for an installation. These prices are used as fixed order or fixed activity price on the objects that have the same installation as defined on the configuration line. These fixed prices are also used for all the reference activities or master routing/options for which specific fixed prices are not defined.

- Contract Linking and (fixed) sales price search logic

The pricing contracts can be linked to a service orders, service order activities and part maintenance lines, based on the **Time and Material Price** and the **Fixed Price**.

You can specify both, however, LN searches for the **Fixed Price** first.

If the installation of the related object is the same as the configuration line and the **Fixed Price** checkbox is selected, LN checks for the **Fixed Price Terms**, specified in the **Fixed Price Terms (tsctm1111m000)** session.

LN searches for the fixed price (fixed order price or fixed activity price) based on the reference activity, master routing and routing option. If a **Fixed Order Price** or **Fixed Activity Price** is available, the **Pricing Method** for the related object is set to **Fixed Order Price** or **Fixed Activity Price**. The sales price is defaulted from the pricing term and the pricing contract is linked to the related object.

If the fixed price is not available, and the **Time and Material** check box is selected, the pricing contract is linked and the **Pricing Method** for the related object is set to **Time and Material Price**.

### Service Contract (Quotation) Processing

When a service contract or a contract quotation is processed, the **Fixed Price Terms** are also considered. The pricing information is also copied at the time of creating a contract change, and is printed at the time of printing the contract. The data in the **Fixed Price Terms (tsctm1111m000)** session is copied to the **Fixed Price Terms - History (tsctm8521m000)** session.

## To define coverage terms at configuration level

Service enables you to define *coverage terms* at configuration level. This means that a service contract can cover specific items, *serialized items* or *installation group*. If required, general coverage is also possible for remaining items of the installed base for which no specific information is provided in the service contract. The Installation group or serialized item that must be covered under a service contract, is listed in the **Contract Configuration Lines (tsctm1110m300)** session. An *anonymous item* with no Installation group information can also be covered under a service contract.

If you read service contracts hereafter, you can also read service-contract quotations. Note that the sessions related to service contracts differ from the sessions related to service-contract quotations.

- 1** In the **Service Contract** session, select the appropriate contract, and on the *appropriate* menu, choose **Configurations**.  
In the **Service Contract** session, select the appropriate contract, and on the *appropriate* menu, choose **Configurations**.
- 2** In the **Contract Configuration Lines (tsctm1110m300)** session, link the items or Installation groups to the service contract.  
In the **Contract Configuration Lines (tsctm1110m300)** session, link the items or Installation groups to the service contract.
- 3** In the same session, perform one of the following steps:  
In the same session, perform one of the following steps:
  - Retrieve the coverage terms by specifying a contract template or reference activity.
  - Choose **Contract Terms** on the *appropriate* menu, to add the terms manually in the **Contract Terms (tsctm1120m300)** session.
- 4** In the **Contract Terms (tsctm1120m300)** session, click **Cost Terms** to specify the *cost terms* in the cost term sessions, for example the **Contract Traveling Terms (tsctm1130m300)** session, for the combination of coverage and configuration line.  
In the **Contract Terms (tsctm1120m300)** session, click **Cost Terms** to specify the *cost terms* in the cost term sessions, for example the **Contract Traveling Terms (tsctm1130m300)** session, for the combination of coverage and configuration line.
- 5** Repeat this process until all required coverage terms are entered.  
Repeat this process until all required coverage terms are entered.

**Note:**

- Service contract installments are generated for each configuration.

- To add terms to a service contract that are valid for all Installation groups, create a blank configuration line in the **Contract Configuration Lines (tsctm1110m300)** session, then define the terms in the **Contract Terms (tsctm1120m300)** session.

## Contract management history

Use contract management history to view the details of any terms and conditions that are posted to history.

The data is derived from contract quotations, service contracts, and contract installments.

You can use the data to examine customer history, gross margins actually achieved, and other details. Trends can be observed and used to determine the sources of costs incurred.

### **Note:**

Use the **Copy Service Contracts to History (tsctm3280m000)** session to move service contracts to history.

Use the **Move Service Contract Quotes to History (tsctm2280m000)** session to move service contract quotations to history.

No separate session is available to move service contract installments to history.

# Index

## C

- Configuration level
  - define coverage terms [45](#)
- Contract history [46](#)
- Contract management
  - contract quotes [28](#)
  - create contract quotes [30](#)
  - use contract quotes [28](#)
- Contract quotation process [35](#)
- Contract quote documents
  - print [30](#)
- Contract quotes
  - create [30](#)
  - overview [28](#)
  - status [29](#)
  - use [28](#)
- Contract Terms [39](#)
- Contract types [33](#)
- Coverage terms
  - configuration level [45](#)

## D

- Delete service-order quotes [25](#)

## P

- Post service-order quotes to history and delete [25](#)
- Price simulation
  - service contract [37](#)
- Print
  - contract quote documents [30](#)
- Print service-contract quotes [30](#)
- Process
  - contract quotation [35](#)

- Process service-order quotes to service orders [24](#)
- Proposal Method [17](#)

## Q

- Quotation / Price Proposal [34](#)
- Quote
  - service order, create [23](#)

## S

- service contract [37](#)
- Service contract
  - price simulation [37](#)
- Service contract process [36](#)
- Service Contracts and Quotations [38](#)
- Service order quotes
  - create [23](#)
- Service Quotations [33](#)
- service-contract quotation [37](#)
- Service-order quotes to history
  - post, and delete [25](#)
- Service-order quotes to service orders
  - processing [24](#)
- Status
  - contract quotes [29](#)

## T

- template [37](#)

## U

- Using contract terms [40](#)