



**akuiteo**  
BUSINESS SOFTWARE

User Guide

# RECURRING BILLING

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# 1 Preface

## 1.1 REVISIONS

<b>Revision 2</b>	Published in January 2022 <ul style="list-style-type: none"><li>• Minor corrections.</li></ul>
<b>Revision 1</b>	Published in November 2021

## 1.2 HELP DESK

Akuiteo S.A.S. highly values your satisfaction.

To share your feedback or contact the help desk, feel free to visit our website page:

<https://www.akuiteo.fr/akuiteo.clients/>

## 2 What is recurring billing?


Recurring billing enables you to bill a fixed or fluctuating amount on a regular basis, following a payment schedule (monthly, yearly, etc.). This optional feature can be accessed via **Help Desk > Contracts > Customer contracts** (whereas the unit payment feature is accessed via **Management > Sales > Orders**).

### 2.1 PREREQUISITES

#### 2.1.1 Setting up maintained products

##### Note

This setup is only useful if you use the IT equipment feature in the Help Desk module.

- 1 Go to **Help Desk > Maintained products** and click on , making sure you select the product templates in order to have a maintained product per customer (instead of a generic one).
- 2 Under the **General** tab, enter the following information:
  - The product code and call name (which must match the customer's call name).
  - A name to describe the product and the product type.
  - The product classification (family, phase, sub-phase).
- 3 Add further information about maintained products under the **Custom data** tab.

In case you are dealing with maintained products that correspond to softwares, you can manually (or through technical interfaces) update version numbers or information about the installation environment.

There are two ways to access the products:

- By searching for maintained products per contracts.
- By clicking on a product link from a Help Desk issue.


#### 2.1.2 Setting up sold products

Refer to the Sales guide.

#### 2.1.3 Setting up the customer record sheet

Refer to the Third party guide.

# 3 Creating a sales contract record sheet

- 1 Go to **Help Desk > Contracts > Customer contracts** > .
- 2 Under **General information**, enter the information about the numbering when creating contracts.
- 3 Specify the type of classification for contracts, families, sub-families and progress to facilitate searches.
- 4 Set up the status codes:
  - Quotations, Signed and pending: the contract is ready, but cannot yet be billed
  - In progress: the status code that must be used to enable billing
  - Final notice, On hold, Terminated, Disputed termination, Archived: the contract cannot be billed

To mark a contract as non-billable, you can also use the end dates, the "Contract not billable" checkbox, etc.
- 5 Under **Customer**, enter the relevant information about the customers. There are three types of customers:
  - Customer on the contract: the main customer linked to the contract, that can be found by default in Akuiteo.
  - Customer to bill: the customer that will be displayed on the invoice generated by the contract. In most contracts, the main customer is also the customer to bill.
  - Beneficiary customer: the contract can be linked to several customers if the "n beneficiary customer" box is checked. However, this cannot be used to break down a contract billing over multiple customers. Only one invoice will be created for the single customer to bill, but several customers will be referenced to create help desk issues.
- 6 Under the sections for addresses, enter the information about the sites or addresses of the contract's customer. You can also choose a maintenance and billing site, that will be displayed on the invoice generated by the contract.
- 7 Under **Managers**, enter information about the relevant managers, i.e. the Salesman / Administrative / Technique managers.
  - This information enables you to categorize contracts in order to easily find them; there are no management rules linked to these values.
  - You must have previously defined the use of contract managers.
- 8 Under **Project**, enter the information about the project if needed.

#### Note

Customer contracts can be used with other features in Akuiteo (in addition to billing): maintained products related to IT equipment, help desk and help desk module in the customer portal, suppliers recurring contracts.

Once you enter all this information, you must click on the **Billing** tab to take the next step.

## 4 Putting in place billing terms and conditions

The information to enter under the **Billing** tab are essential to bill the contract.

- 1** In the **Arrangements** section, enter the following information:
  - Effective on: the date when the contract becomes effective (it is different from the validation date found in the Main tab).
  - "Valid until" date, termination date, contract duration
  - Renewal option: you must enter TR (for Tacit Renewal) or leave the field empty. This information has an impact on the "valid until" date, that is automatically calculated (effective date + contract duration). The "valid until" date is required if the Renewal field is empty.
  - Renewal date, reminder date.
  - The contract's billing periodicity: Annual, Half-yearly, Quarterly, Monthly or Unique.
- 2** In the **Terms and conditions** section, indicate the method and the number of pays for paying.
- 3** In the **Billing and due date** section, enter the following information:
  - In advance, in arrears.
  - Last billing, next due date.
  - Indicate if you are using manual billing or blocked billing.
  - Billing renewal and trigger: both values enable you to sort contracts based on your renewal and billing processes.
- 4** Save and choose **Yes** to directly add a service to the contract (required).



# 5 Entering the contract lines

## 5.1 DEFINING SERVICES

### 5.1.1 What is a service?

In an Akuiteo contract, there is an intermediate level between the contract and its lines: the **contract service**.

This level is required as it enables you to group together contract lines, in a coherent way (e.g. software maintenance, computers maintenance, servers maintenance, etc.)

Information can be the same for different lines, but it cannot be saved on the contract header as it does not cover all the lines in the contract, such as:


- Price review index and next review date
- Prorata prices
- Information about help desk issues: work group, issues default values, Guaranteed Response Time / Guaranteed Fault Response Time, alerts, etc.

### 5.1.2 Examples of services

Software contracts: software maintenance, SaaS, Subscription, Hosting, Premium maintenance

Equipment contracts: maintenance services five days a week, 4-hour GFRT maintenance, etc.

To add a service:

- 1 First prepare a list of template services, using the same codification (i.e. the template service code) for all the contracts.
- 2 Under the **Services** tab, click on .
- 3 Under **Index**, enter the index coefficient that was used (e.g. Syntec) and its revision.
- 4 Under **Prorata prices**, specify the prorata rule to apply. Otherwise, the formula remains disabled. This prorata is not linked to the index.
- 5 Save.

## 5.2 DEFINING LINES

Under the **Lines** tab (or the contract details), enter the lines that will ultimately be the invoice lines.

To do so:

- 1 Click on  then on .

- 2** Specify the maintained product associated with the contract (e.g.: software, service or maintenance of an equipment billed monthly), the quantities, the amounts, the detailed labels, and the project code (if not mentioned on the Main tab of the contract).
- 3** In the **Identification** field, enter the label of the invoice line.
- 4** In **Valid from...to**, indicate the dates when the lines must be taken into account for billing. These fields can be useful when adding a line, as they enable you to calculate the price based on the due date. Indeed, these dates trigger a prorata calculation when they fall within the period to bill.
- 5** In the **Index date** field, indicate the date that enables you to specify - on the line - when the index must be taken into account. The index value is automatically filled in, depending on the setup.
- 6** Check **Fixed UP** to prohibit any fluctuation of the unit price. Fields related to the **UP** are used to take into account the billing period if no management rule has been enabled.
- 7** Fill in the **Title**, **Sub-title** and **Sub-title 2** fields if you want to categorize the contract lines and later create grouping titles and sub-titles for delivery lines generated from contracts. Therefore, the contract lines with the same title, sub-title and/or sub-title 2 are grouped together.

To enter a sub-title, the title must have already been indicated. In the same way, to enter a sub-title 2, the title and the sub-title must have been indicated.

#### Note

These fields are automatically filled in for contract lines generated from order lines that belong to a level 1, 2 or 3 title.

The prices entered by the user on the contract lines can:

- Be always yearly, whatever the contract periodicity
- Be always monthly, whatever the contract periodicity
- Depend on the contract periodicity

# 6 Starting the billing process

Akuiteo enables the user to bill sales service contracts, via delivery notes that can later be turned into invoices.

A sales contract contains all the billing information:

- Billing and payment terms
- Periodicity
- Details about the products to bill
- Validity dates
- Price review by index variation, etc.

Contracts can be billed separately or all at once; the same stands for price review by index variation.

## 6.1 UPDATING CONTRACTS

To update contracts, you must do the following:

### 6.1.1 Checking the contracts

Before any update, you have to make sure every information on the contract is correct.

### 6.1.2 Reviewing prices and indexes

Akuiteo gives you the possibility to manage multiple indexes (e.g.: Syntec index). The user can set up a reference value for that index, for each month of the calendar year.

Akuiteo also enables the user to perform price review on multiple contracts at once, provided these contracts have been marked as "reviewable" on a given index:

- Index code indicated on the contract service, along with the next price review date
- Index value and the relevant date on each line of the contract
- The previous index value is saved in the database

Price review can be done for a contract or for multiple contracts at once, at a specific date set for price review.

#### Note

Make sure you clearly define the way price review indexes will be used when dealing with contracts.

Example:

At a specific date D, you have the following elements:

- a known amount AM;
- a known index IN.

When calculating the new amount, these previous values change into N-1 and you therefore have:

- an amount AM-1, which corresponds to the previous amount AM;
- an index IN-1, which corresponds to the previous index IN;
- a new index IN (known);
- a new amount MN (unknown).

Since both indexes are known, you can therefore calculate the relationship R that defines the progress:  
 $R = IN / IN-1$

On a service, you can set a coefficient (between 0 and 1), that we name C.

This coefficient is the portion on which the price review will apply. In other words, an index of 1 means the whole price will be reviewed. An index of 0.8 means that only 80% of the price will be reviewed, the remaining 20% will not be changed. This also means an index of 0 implies that the indicated price will remain fixed, whatever the index movement.

The formula to calculate the new amount is the following:

$$AM = AM-1 \times [ C \times (R-1) + 1 ]$$

For example:

Amount N-1 = 3840

Index N-1 = 245.10

Index N = 272

- $R = 272/245.10 = 1.10975$

Coefficient = 0.8

The new amount =  $3840 \times ( 0.8 \times ( 1.10975 - 1 ) + 1 ) = 4177.15$

If we reason differently:

The index only applies to 80% of the amount, so  $AM = 3840 \times 80\% \times 1.10975 + 3840 \times 20\% = 4177.15$

### 6.1.3 About periods and prorata prices

Akuiteo automatically calculates the periods corresponding to the amount on the issued invoice, applying a prorata if needed.

The period is calculated based on:

- the next due date;
- the billing periodicity.

The start date of the period can be adapted based on:

- the effective date (in arrears mode);
- the validity start date of a contract line.

The end date of the period can be adapted based on:


- the validity end date of the contract;
- the effective termination date of the contract;
- the "Anniversary" code, entered in "MMDD" format (2 figures for the month + 2 figures for the day), that will determine the next due date (corresponds to the invoice end date + 1 day);
- the validity end date of a contract line.

Depending on the period calculated on each line of the contract, Akuteo calculates the price applying the prorata indicated on the Services tab of the contract.

- Month started = due
- Exact number of days
- Based on 360 days: considers all the months as made up of 30 days
- Full month if ends after the 15th

## 6.2 GENERATING MULTIPLE DELIVERIES

To generate multiple deliveries:


- 1 Start a search for billable contracts at a specific due date.
- 2 In the search result, select the contracts to bill.
- 3 Click on .

Deliveries are generated. To access them, go to **Management > Sales > Deliveries**.

## 6.3 BILLING MULTIPLE DELIVERIES

**Prerequisites:** all the amounts entered in the deliveries must be correct.

To bill multiple deliveries:

- 1 Start a search for non-billed deliveries, via **Management > Sales > Deliveries**.
- 2 Select the deliveries to bill and click on .
- 3 Confirm your choice and indicate the billing date in the window that displays.

## 6.4 BOOKING MULTIPLE INVOICES

To book multiple invoices:

- 1 Start a search for non-booked invoices.
- 2 Right-click on your selection and select **Book the selected invoices/credit notes**.

**Important**

Make sure you book the invoices, otherwise they will not be taken into account. This will generate the relevant accounting entries and invoices can no longer be modified.

# 7 Automating the creation of contracts - temporary contracts

If there are too much contracts to create, you can set up the automatic creation of a temporary contract. However, you will have to fill in that contract before you can generate the recurring billing.

The information about the recurrence must also be set up on the relevant sold products indicated in the quotations.

## 7.1 AUTOMATING A CONTRACT

### 1 Create a quotation:

- Use the sold product that gives a description of the service being billed and used on a regular basis. You can also give further information about the recurrence on the quotation lines (periodicity, start date, etc.).
- Other products can be added. They will be billed product by product, following the standard process.

### 2 Turn the quotation into an order.

### 3 Deliver the order:

- The recurring sold product will not be included in the delivery.
- The recurring product will not be billed from the delivery.
- Akuteo gives the opportunity to create the temporary contract that corresponds to recurring sold products: this is how these products will be billed.
- The other non-recurring sold products will be included in this delivery.
- If you do not create the temporary contract directly, you will still be able to create it at a later date from the delivered order (that still contains the recurring sold product but is not included in the delivery).

### 4 Add the contract's billing terms and conditions in the temporary contract.

## 7.2 PRODUCTS THAT GENERATE TEMPORARY CONTRACTS

Some information about the recurrence must be set up on sold products:

- A template service
- A percentage (100% = retrieves the amount entered in the order)
- The billing periodicity
- The contract's start date (keyword that automatically generates the default date; it can be the 1st day of the following month)
- The contract duration (in months)

- The "Renewal" (Tacit Renewal) indicator
- The "In advance" or "In arrears" options

Sold products related to the management of IT equipment and used to create maintained products, must be set up:

- Product managed as an IT equipment
- Template code
- Product type, classification, brand
- Recurring sold product linked to the product managed as an IT equipment (e.g.: a "Printer" sold product managed as an IT equipment is linked to the "Equipment maintenance" product set up with the recurrence information)

## 7.3 EXAMPLE OF A TEMPORARY CONTRACT WITH LICENSE AND MAINTENANCE

A quotation must have a line for license sales and a line for maintenance sales:

- The "License" sold product contains the "Product managed as an IT equipment" information.
- The "Maintenance" sold product contains the "Linked service" and "Recurrence" information.

When these 2 lines are delivered:

- The "License" line is to be billed in the delivery note.
- The "License" sold product generates a new maintained product linked to the customer (managed as IT equipment).
- Akuteo requests you create a temporary contract. A list is displayed with the "Maintenance" lines to which you must link the "License" product.
- The "Maintenance" sold product will not be included in the delivery note (as the line is turned into a contract line).

The temporary contract contains:

- The recurrence information set up on the "Maintenance" sold product.
- The contract line with the amount for the "Maintenance" and the maintained product generated from the "License" sold product.

### Note

A management rule enables you to determine whether the "License" sold product generates a new maintained product or updates an existing maintained product.



## 7.4 SETUP EXAMPLE FOR LICENSE AND MAINTENANCE SOLD PRODUCTS

Grouping	ERP XL	ERP XL
Reference	MAINTENANCE ERP XL	LICENSE ERP XL
Family	ERP XL	ERP XL
Sub-family	MAINTENANCE	LICENSE
Recurrence	Periodicity: Yearly  Keyword start date: DATE_DEB_ MOIS_M+1  Duration: 24  Due date: In advance  Tacit renewal: Yes	Unique
Linked service	Template service: Billing  Percentage: 100%	Sold product reference: MAINTENANCE ERP XL
Product managed as an IT equipment		Yes
Template code		ERP XL
Product type		ERP XL
Classification		LOG
Brand		

## 7.5 EXAMPLE OF A TEMPORARY CONTRACT WITH LINKED EQUIPMENT AND MAINTENANCE

The principle is the same if you replace the license sold product with the equipment sold product.

If the equipment is serialized:

- the maintained product already exists and has a serial number;
- there is a temporary contract with a contract line that contains the "Maintenance" amount and the maintained product linked to the serialized product.

## 7.6 EXAMPLE OF A TEMPORARY CONTRACT WITH A UNIQUE PRODUCT

This example is for Hosting or SaaS products.

If the recurring product is also the maintained product used in the help desk module, there will only be a single sold product, on which you will set up information about the recurrence and the IT equipment management.

# 8 Defining contracts versions and amendments

You can also manage contract versions in order to log any modification made on a help desk contract, to partially bill these modifications and to manage customers' amendments. A contract version must not necessarily be an amendment from a customer: we therefore talk of internal version.

This feature is optional, you decide on which contracts you want to use it.

When to use versions?

One of your customers want to amend his/her contract for a period that was already billed. How do you proceed?

Example: you have created and billed a sales contract for the current year (January to December), checking the option "In advance". E.g.: 12,000 euros. Within the year (04/01), your customer decides to amend the contract (module, option, etc.). E.g.: option at 6,000 euros.

2 solutions are possible:

If this situation rarely happens, your best option is to manually enter the line and the invoice.

- Open your contract and, under the **Lines** tab, manually add your contract line.
- Manually create your invoice, after having calculated the prorata to apply on the invoice.

If this situation happens on a regular basis and you want to track each modification, then you can use the **contract versions** feature in order to take into account the prorata to calculate for the year. The following are the prerequisites:

- Adapting the process to generate delivery notes in order to bill a version.
- Your contract must be validated before you add any contract version.
- This setup is applied on each contract and not on all the contracts at once.
- When you switch to the contract versions mode, you must follow this principle.