

## QUICK GUIDE

### Contract Management in LRM

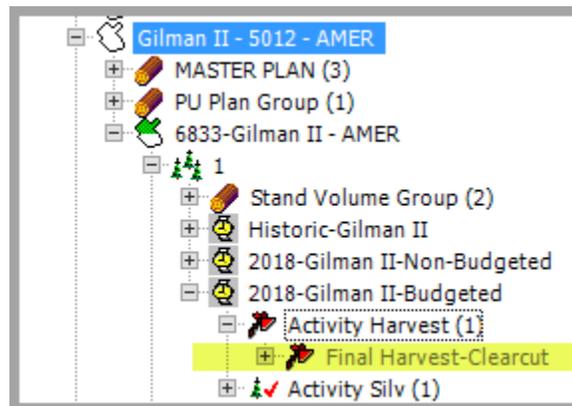
#### ➤ Harvesting Contracts

Entering a contract in LRM is the first step in the creation of a contract going forward. Do not try to add a contract after the legal document has been finalized. The whole process and activity names have been standardized so old contracts with non-standard activities won't match LRM. Please follow these steps first before issuing a paper contract, never backwards.

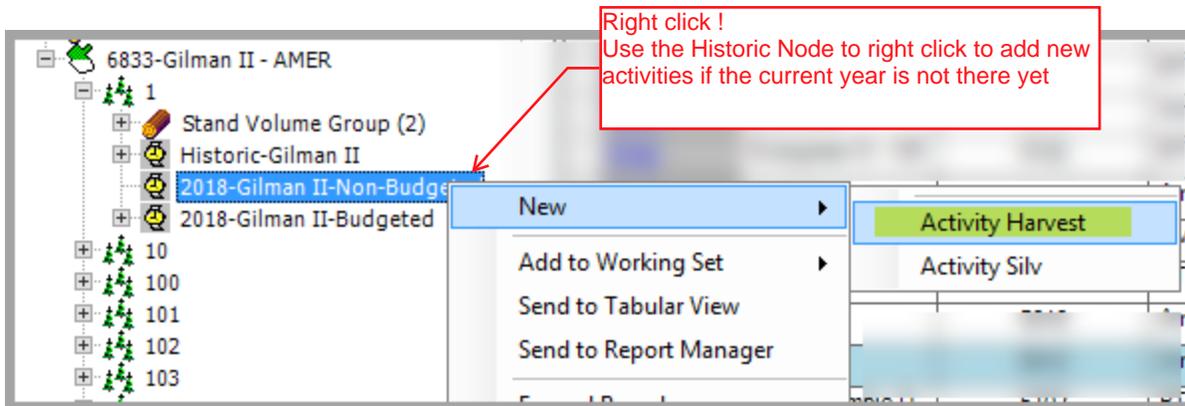


**STEP 1:** To enter a new timbersale contract in LRM, open the tree view and navigate to the stand(s) that will be involved in the timber sale. You will see a “budgeted” and “non-budgeted” option under the stand that includes the year and purchase unit in the naming convention.

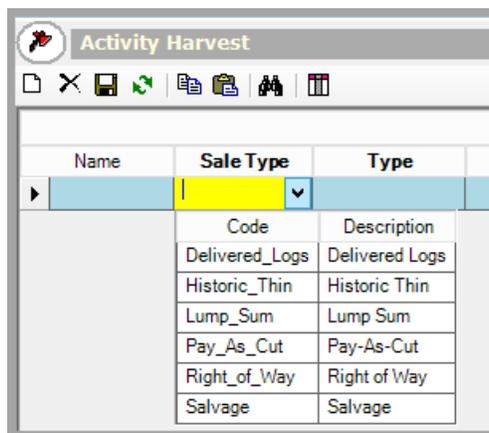
**Budgeted Timbersale Action:** If a timbersale was entered during the budgeting process, you will see the activity under the “budgeted” option. **If your timbersale is budgeted, skip to STEP 2.**



**Non Budgeted Timbersale Action:** If this is a non-budgeted timbersale, you will have to manually add this timber sale action once an agreement is reached with your asset manager. Right click on the “Non-Budgeted” option, select “New” and then finally select “Activity Harvest”.



The fields in **BOLD** font are required on the Activity Harvest page.



Once populated, click the save icon on the activity harvest section. If the annual budget has been locked, this will place the Activity under the Non-Budgeted header. If, however, the budget has not been locked yet, the Activity will be placed under the Budgeted header.

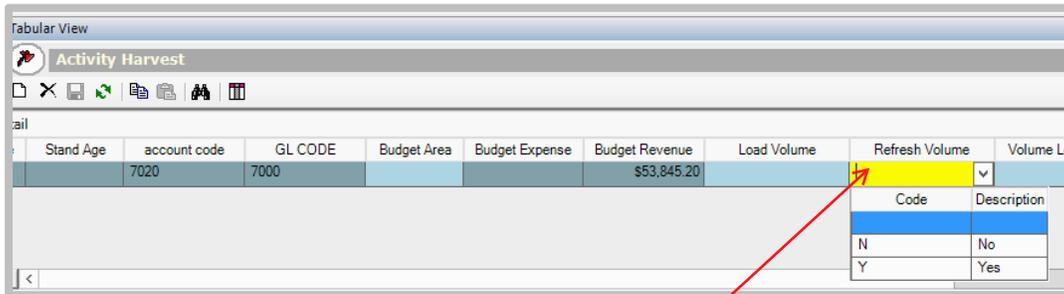
**STEP 2:** Once a timbersale activity is selected, verify that the values under the Harvest Volume tab are correct. This would have either been populated during the budgeting process or entered during the non-budgeted process outlined in STEP 1. If the information (volumes, species, products, prices) need to be updated since the budgets were loaded, you can edit each line item and select the save icon under the Activity Harvest page. **Only region specific booked Species/Products are available to enter here; contracted Species/Products will be entered and aligned with the booked products in the contract creation step. If there will be multiple contracted products depleting from one booked product, an estimated blended price should be entered.**

Species	Product	Volume	Price	Rev Total
Pine	CHIP N SAW	830.88	24.50	20399.84

Do not forget to enter prices after you reload volumes!

To update the harvest volumes with the inventory data based on the start date of the activity, scroll to the right and under the "Refresh Volume" field, select Y and save the record. The

Budgeted revenue and volumes will be automatically updated. It's always advisable to double check the volumes after this procedure and enter the prices correctly before saving.



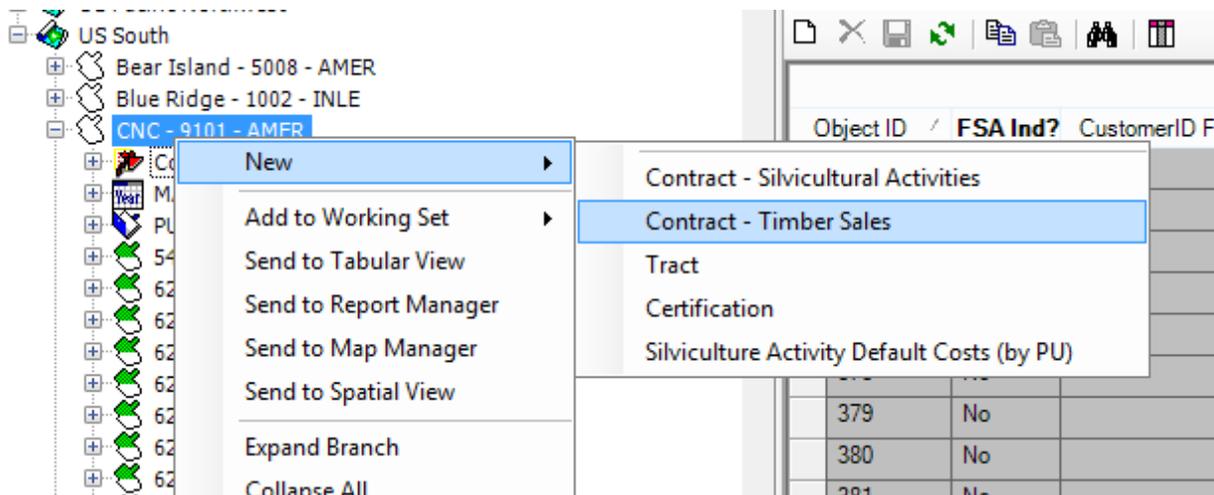
Do not forget to do this !

**STEP 3:** Once you are ready to add this planned activity to a contract, switch the status of the activity to “ACTIVE” on the Activity Harvest page. **The timbersale activity WILL NOT be available to add to a contract until the status is updated during this step.** Repeat for all stands that need to be added to the same contract before proceeding to the next step.



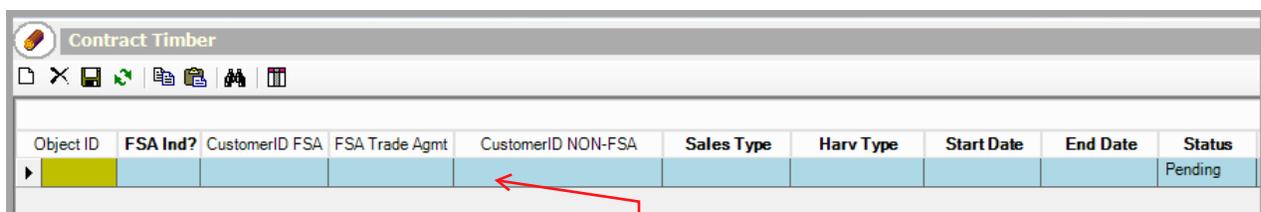
Do not forget to do this !

**STEP 4:** In the Tree View, click on the Purchase Unit that you wish to add a timbersale contract against. Right click and select “New” and “Contract-Timber Sales”.



**STEP 5:** After processing, LRM will bring up the Contract Timber page where you will need to populate the header fields. Once the items below are completed, click the save icon.

- **FSA Ind?:** Is this timbersale part of a Fiber Supply Agreement (FSA)
- **CustomerID FSA:** If FSA Ind? Is populated with “YES” then select the customer for the FSA
- **CustomerID Non-FSA:** If FSA ind? Is populated with “NO” then select a customer for a regular timbersale contract.
- **Sales Type:** PAC, Lump Sum, Salvage, Delivered, etc.
- **Harvest Type:** Final Harvest, Thin, etc.
- **Start/End Date:** Select dates
- **Status:** Leave as “Pending” until you are sure that you are ready to send to accounting. Once completed, a contract will be initiated in D365 so this is why it needs to be left as pending for this step.



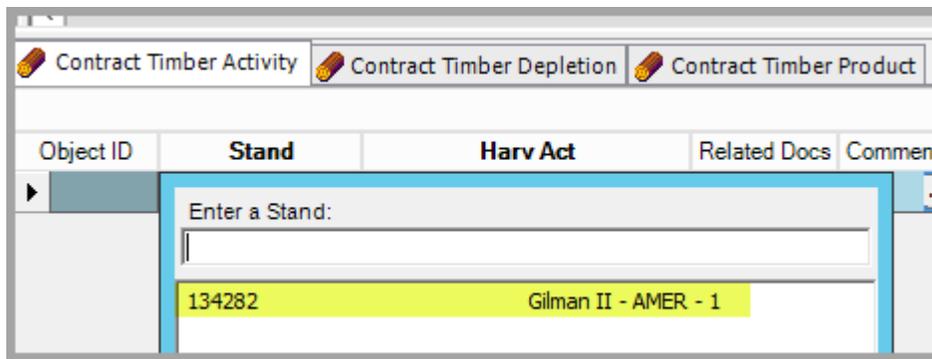
If your customer/vendor is not on the list you have to e-mail Fund Admin to get it setup. There's a process in place with background check, ACH and W-9 setup that need to be done before it shows up in this list automatically

**STEP 6:** Once saved, the child tables of the Contract Timber page will be available. Under Contract Timber Activity table, right click and select Insert.

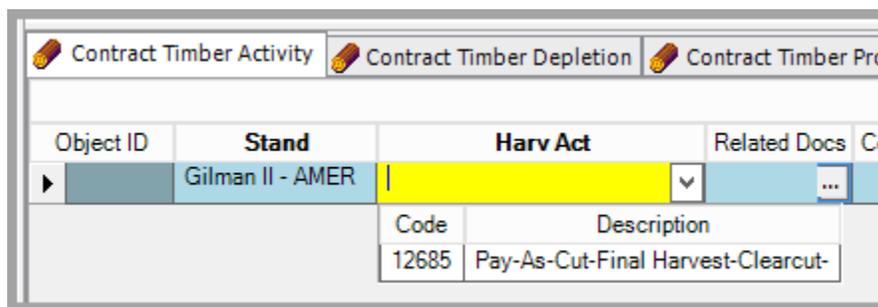


You have to right click

Select the stands that you wish to add to the contract. Keep in mind that only the stands that will be available here are the ones that were set to “Active” in Step 3.



Once the stand has been selected, populate the “Harv Act” field and then select the save icon on the Contract Timber page.



Do not forget to fill in prices and quantities - must be the same as the legal documents. For lump-sum sales you might need to use MV unit prices prorated up to actual total sale price

**STEP 7:** Once saved, LRM will populate the Contract Timber Product tab with the Species, Products, and Quantities from the inventory that were verified in Step 2 above.

Inventory Species	Contract Species	Inventory Product	Contract Product	D365 Prod.Code	Sales Type	Harv type	Quantity	Sale Price	Sale Price UOM
Hardwood	Hardwood	Pulpwood	Pulpwood	<a href="#">210PW</a>	Pay_As_Cut	Final Harvest	2422.65	10.00	Tons
Hardwood	Hard Hardwood	Sawtimber	Sawtimber	<a href="#">130SAW</a>	Pay_As_Cut	Final Harvest	1936.20	40.00	Tons
Hardwood	Soft Hardwood	Sawtimber	Sawtimber	<a href="#">332SAW</a>	Pay_As_Cut	Final Harvest	0.00	27.00	Tons
Pine	Pine	Pulpwood	Pulpwood	<a href="#">500PW</a>	Pay_As_Cut	Final Harvest	103.40	12.00	Tons
Pine	Pine	Sawtimber	Sawtimber	<a href="#">500SAW</a>	Pay_As_Cut	Final Harvest	460.45	23.50	Tons
Pine	Pine	Sawtimber	Poles	<a href="#">500POL</a>	Pay_As_Cut	Final Harvest	0.00	38.00	Tons

The Species/Product columns default to auto-populate from the stand inventory information selected as part of the contract. However, it’s common for products to be included in the contract in more detail than they are being carried on the books, and these must be correctly assigned to the Inventory Species/Product to ensure the depletions are handled correctly. In the example above, the contract includes specific prices for Hard and Soft Hardwood Sawtimber and Pine Poles, which aren’t in the inventory for the PU. The user entered these into the Contract Species and Contract Product columns and then verified that the correct Inventory Species and Product were being auto-populated for depletion purposes. **If you have completed this step and feel the incorrect Inventory Species/Product is being populated, please notify Joabel Barbieri and/or David Duncan.**

D365 Product Code must match exactly the product/species code Accounting has in the books. If that doesn't happen the contract will be rejected by D365 and the property manager will be asked to fix it. If you don't have a copy of the current booked species/products in your Purchase Unit, please contact Fund Admin before putting the contract in LRM. Once sent to D365 it's very difficult to revert !



- For Lump Sum sales, please enter your best estimate as to what the buyer paid for each individual Species/Product currently in the inventory. **On a Lump Sum sale, the sum of Quantity \* Sales Price must match the actual payment value in the contract.**
- For Pay As Cut sales, the quantity can be zero but you must enter a Sale Price for every record.
- If you're selling products in units other than what is currently in the inventory for that Purchase Unit (e.g., selling by MBF instead of tons in the South), please right click and insert a new line. In this new line you'll be able to enter the new Sale Price UoM (unit of measure) and the price according to that unit. **Leave the quantity as zero and include a conversion to the unit in the contract and note this in the email with the executed contract sent to Fund Admin.**

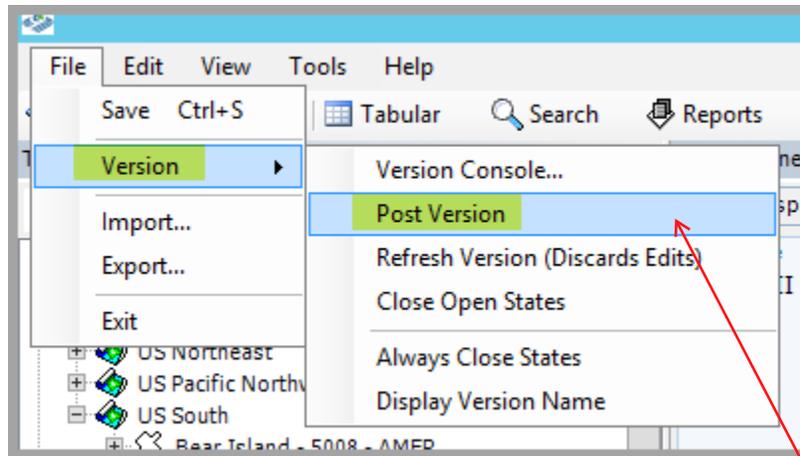
If you miss the training, a copy of the video is on youtube: <https://www.youtube.com/watch?v=bE4YOrd7hWc&feature=youtu.be&t=1&yt%3Acc=on> Click Here

**STEP 8:** Once everything is entered and the contract is ready to be sent to accounting (D365 system) to be executed, switch the status field in the Contract Timber Header to "Send to D365". Click the save button.

Start Date	End Date	Status	Currency	D365 ID	D365
05/24/2018	12/31/2018	Send to D365	USD		
		Code	Description		
		A	Active		
		C	Closed		
		P	Pending		
		R	Rejected		
		S	Send to D365		

Only submit to D365 if you are 100% sure everything is right and ready to be executed. To reverse it is quite complicate !

**STEP 9:** Once everything has been saved, you need to post your version. Select File, Version and then Post Version. This will trigger a system linkup and initiate an official contract request in the accounting department.



If you don't post it nothing will get saved !

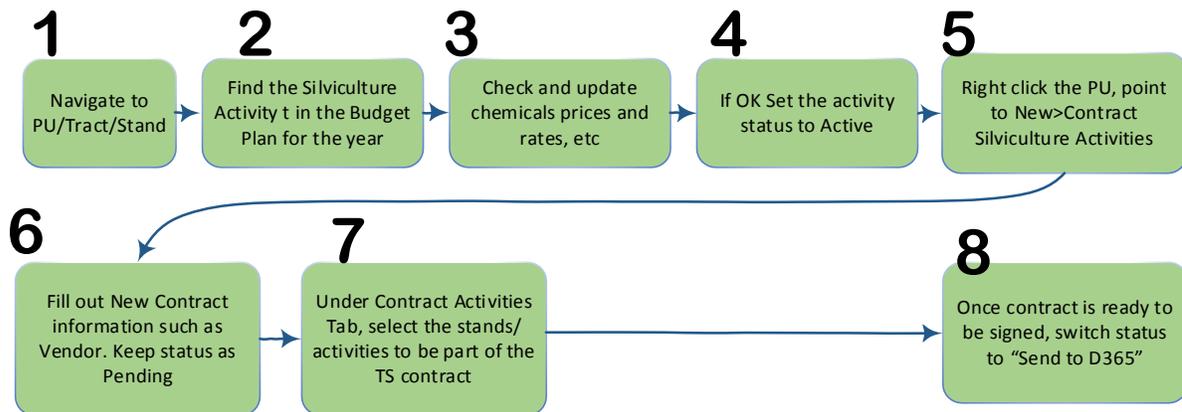
**OTHER:** Once it has been issued, you will notice that the D365 ID, Date Created and FA Confirmer fields will be populated and the status should automatically be set to "Active". You will record the D365 ID on the physical contract and include it in the email Subject you send to Fund Admin.

D365 ID	D365 Date Created	D365 FA Cc
PO054322	03/22/2018	TStark
SOAMER000051	04/04/2018	

This is how you'll see that the contract has been created and activated in the accounting system

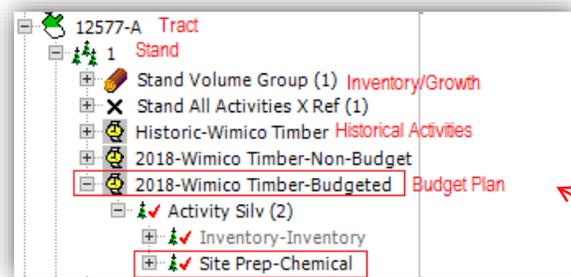
## ➤ Silviculture Contracts

- Simplified Diagram to add a new Timber Sales Contract



- 1- The first step to enter a new Silviculture Contract is to open LRM and on the tree view, find the PU (Purchase Unit), Tract and Stand(s) for which you have budgeted activities during the last budgeting season.

Under the stand, you will see two entries. One will be “Current year – PU name – Non-Budgeted” and the other will be “Current year – PU name –Budgeted”. If you have budgeted the silviculture activity you should find it in the budgeted plan. If not, you’ll have to manually add the activity on a non-budgeted silviculture activity for that stand once agreed with your asset manager.



If you don't find a budgeted or non-budgeted node, please right click the historical one

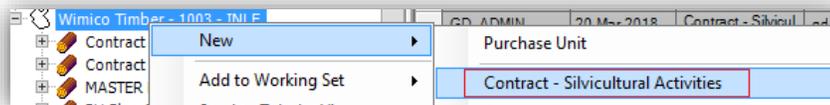
- 2- When you find the budgeted silviculture activity or if you add a non-budgeted one, make sure it is the right activity and the right stand.
- 3- On the Chemical Tab, make sure to check if the chemical and the application rate is ok. If not, adjust it and save the changes (figure below)

Name	Category	Type	SubType	Status
	Inventory	Inventory	Inventory	Complete
1	Site Prep	Chemical	Unknown	Active

Chemical	Application Rate	Units	Active Ingredient
GLYPHOSATE	0.75	POUNDS/ACRE	BT

- 4- For the silviculture activities you will add on the contract, switch their status to “Active”. If you don’t do that you won’t see the activities and the stands on the contract initiation screen. Repeat this for all activities you will include in the contract.
- 5- To initiate a new Silviculture Contract, right click on the Purchase Unit you’ll be creating a contract for and point to New> Contract-Silvicultural Activities.



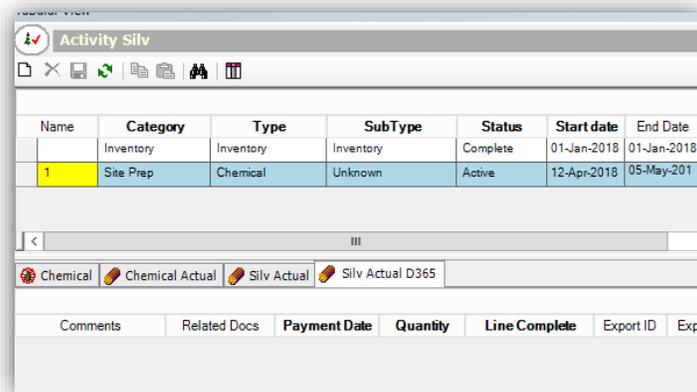
- 6- Fill out the contract headers. If you don’t find your vendor on the list, please contact Fund Admin and LRM admin.

Created By	Created On	Created Using	Modified By	Modified On	Modified Using	Vendor	Status	Currency	D365 ID
BTG_JBARBIERI	22-May-2018	Contract - Silvicult	BTG_JBARBIERI	22-May-2018	Contract - Silvicult		Pending	USD	

If your customer/vendor is not on the list you have to e-mail Fund Admin to get it setup. There's a process in place with background check, ACH and W-9 setup that need to be done before it shows up in this list automatically

- 7- On the Silviculture Activities tab under the contract please select the stands and the activities you’ve set as active on step 4. Also pick the start and end date, enter quantity, rates and unit of measure. This information will be placed in the contract and they should match. Don’t forget to save the changes.

- 8- Now that you have double checked all the information entered in step 7 and everything looks good to be placed in the contract, go ahead and change the status of the contract header to “Send to D365”. Save the changes and Post your version (File>Version>Post version). LRM will then linkup with the accounting system requesting the official contract creation. Once Fund Admin approves it you’ll see the D365 fields in the contract header filled out with code, creation date, confirmer code and the **status will be automatically set as Active**. This is your sign that the contract is ready and being executed. Activity information (actualization) will be reported using the BTG’s Database Update Template and that information will be available in the budgeted or non-budgeted plan under the activity’s Chemical Actual tab, Silv Actual and Silv Actual D365 tab.



- 9- **Payments:** Once the contract is ACTIVE in D365, you can request payments for items complete using the: Silv Act Pymt” tab under each contract. Just set the Control column “Pay?” to YES and adjust the quantity executed. Save. Post Version.

Job	Code	Status	Unit	Plant/Code	Start Date	Line	End Date
50	V02242	Active	USD	POInle000030	01/07/2019	41	01/07/2019

D365 Payment		Control		Silv Activity								
PayID #	Activity #	Pymt Date	Quantity	Line Complete	Pay?	Quantity	Stand	Activity	Start Date	End Date	Quantity	
					No	113.89	12581-54	Regeneration	01/01/2019	12/31/2019	113.89	45.3
					No	169.69	12581-34	Regeneration	01/01/2019	12/31/2019	169.69	45.3
					No	174.40	12581-56	Regeneration	01/01/2019	12/31/2019	174.40	45.3
					No	16.90	12579-51	Regeneration	01/01/2019	12/31/2019	16.90	45.3
					No	42.08	12581-41	Regeneration	01/01/2019	12/31/2019	42.08	45.3
					No	260.60	12579-48	Regeneration	01/01/2019	12/31/2019	260.60	45.3
					No	15.10	12581-53	Regeneration	01/01/2019	12/31/2019	15.10	45.3
					No	153.10	12577-17	Regeneration	01/01/2019	12/31/2019	153.10	45.3
					No	53.30	12580-2	Regeneration	01/01/2019	12/31/2019	53.30	45.3
					No	125.17	12581-55	Regeneration	01/01/2019	12/31/2019	125.17	45.3
					No	65.30	12581-40	Regeneration	01/01/2019	12/31/2019	65.30	45.3
					No	112.78	12579-25	Regeneration	01/01/2019	12/31/2019	112.78	45.3
					No	28.20	12581-57	Regeneration	01/01/2019	12/31/2019	28.20	45.3
					No	141.31	12581-52	Regeneration	01/01/2019	12/31/2019	141.31	45.3

**IMPORTANT:** If quantity changes are greater than 20% of original, you’ll have to contact LRM Support AND Fund Admin to adjust the systems manually. Price changes from original contract should follow it as well.

PS: You still have to report activities using the BTG’s Database Update Template so that information will be uploaded in LRM in the silviculture Actual records tab.