



# TUTORIAL

## *Creating payment certificates & Variation Orders (VOs)*

[Home](#) - Current Knowledge Network:  - Current Contract: [2009/100](#) - Current Section: 0 - Current Certificate: None - Current VO: 0 User: jack - [Logout](#)

### Sections

Committed Sums	Section Number	Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (BD)	Adjustment Due To This VO (BD)	Price After This VO (BD)
<a href="#">Update</a> <a href="#">Cancel</a>	<a href="#">Subsections</a> 1	General Construction	0	0	0	0.000	650,000.000	650,000.000
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a> 2	Access Points	0	0	0	0.000	200,000.000	200,000.000
		Total Committed Sums				0.000	850,000.000	850,000.000
Provisional Sums		Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (BD)	Adjustment Due To This VO (BD)	Price After This VO (BD)
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	Contingency Sum	0	0	0	0.000	100,000.000	100,000.000
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	Provisional C & I	0	0	0	0.000	50,000.000	50,000.000
		Total Provisional Sums				0.000	150,000.000	150,000.000
		Overall Total				0.000	1,000,000.000	1,000,000.000

To create a new Section Of Works, enter section number  and select [Insert](#)

To create a new Other Section, select [Insert](#) ; To create a new provisional sum, select [Insert](#)

To clone an existing Section Of Works, (Select Existing Section Of Works) , enter a new section number  and select [Clone](#)

VO Number 0 means original contract definition

*Note: The sample certificates & VOs generated in this tutorial are online at:  
<http://www.clipcode.com/tutorial>*

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# 1: Tutorial

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The easiest way to learn the capabilities of Clipcode Knowledge Networks is simply to try it out on a sample contract. Here we take a look at the system by creating a contract, issuing certificates and generating variation orders for the contract for a demonstration project.

## 1.1: Tutorial Scenario

The (fictional) Orion Construction Company has been asked by the Ministry Of Water to create a pipeline between two cities. The contract number is 2009/100-sc, the currency is BD (Bahrain Dinar) and the initial contract price is BD 1,000,000.000 (the BD currency has 3 subunits). It has Sections of Works for General Construction (the pipeline route) and Access Points (specific road/bridge work), and it has provisional sums for contingency and planned (provisional) customs & import duties.

## 1.2: Logging In

To follow this tutorial, you will need to log in to an existing knowledge network. Your administrator should have told you the name of the knowledge network to use and assigned you a user name & password. If your company has not yet established a knowledge network on <http://www.clipcode.com>, please send an email to [sales@clipcode.com](mailto:sales@clipcode.com). The first time you log in, we recommend you

Identity | Contracts

[Home](#) - Current Knowledge Network: Test - Current Contract: None - Current Section: 0 - Current Certificate: None - Current VO: 0 User: jack - [Logout](#)

### Your User Profile

Change Your Password

Password:

New Password:

Confirm New Password:

New passwords must be a minimum length of 10, must contain at least one each of an uppercase character, a lowercase character, a digit and a non-alphanumeric character ( a character not among a-z, A-Z, 0-9 and '\_' ).  
Please do not use derivatives of normal English words, a person's name, birthdays, or other passwords that are trivial to guess.

[Return to Contract List](#)

change the provided password using the *Identity* tab. Please carefully read the notes there concerning the importance of providing a password that is not easily guessed. For this tutorial, we assume you are sitting at a computer which has a web browser open and you have logged in to a knowledge network.

## 1.3: Navigation

The contract management functionality is contained within 12 web pages and multiple navigations paths are provided for you to quickly access parts of the contract that you require. Here we see the web pages and the routing options they provide. (Lines marked with '\*' are not displayed during contract preparation).

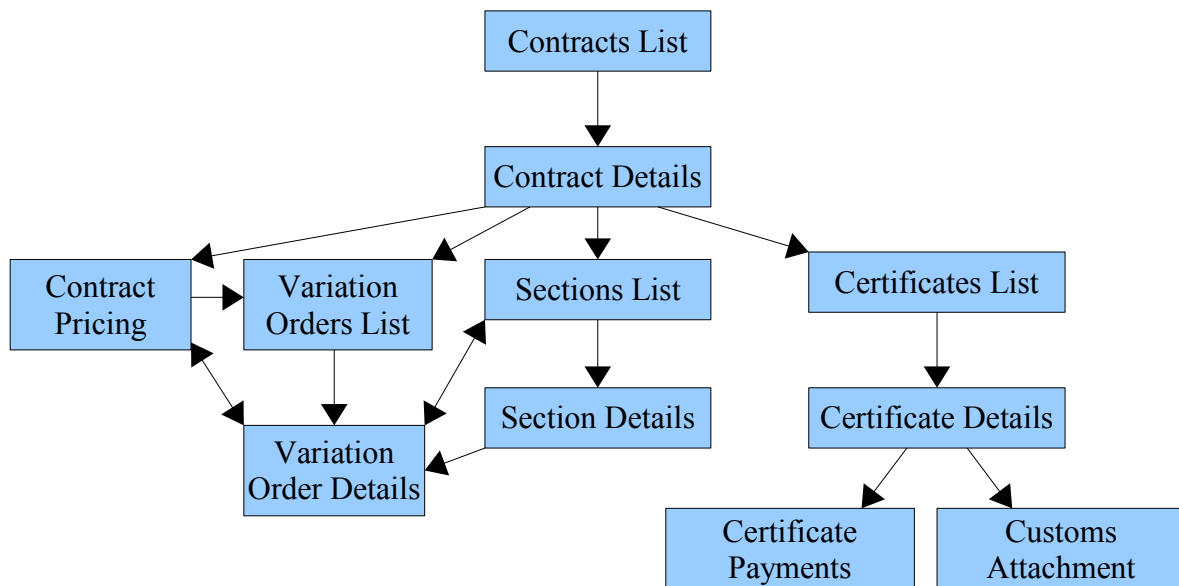
Contracts List (Home page for Contracts tab)

- By selecting an existing contract or template or inserting a new one of either, you will see its contract details page (the only difference between the two is a contract page has an *Activate* button, whereas a template page does not)

Contract Details

- Pricing - view Contract Pricing page
- Sections - view Section List page
- Document Templates - view Document template page
- (\*)Certificates - view Certificate List page
- (\*)Variation Orders - view Variation Orders List page
- View List Of Contracts - returns to Contracts List page

### Navigation Map



## Contract Pricing

- View Contract Details - returns to Contract Details page

## Sections List

- View Contract Details - returns to Contract Details page
- (\*)View List Of Variation Orders - view Variation Orders List page
- (\*)View Current Variation Order - view Variation Order Details page

## Section Details

- View Sections - returns to Sections List page
- (\*)View List Of Variation Orders - view Variation Orders List page
- (\*)View Current Variation Order - view Variation Order Details page

## Document Template

- View Contract Details - returns to Contract Details page

## Certificates List

- By selecting an existing certificate from the list or inserting a new one, you will view the Certificate Details page for that particular certificate
- View Contract Details - returns to Contract Details page

## Certificate Details

- By selecting an existing payment for a section or inserting a new one, you will view its Certificate Section page (or for C & I Duties certificate only, you will view the Customs Attachment page)
- View Payment Certificate - view the document
- View Payment Certificate Attachment - view the document
- View List Of Certificates - returns to Certificates List page

## Certificate Section

- View Subsection Attachment - view the document
- View Certificate Details - return to Certificate Details page

## Customs Attachment

- View Customs Attachment - view the document
- View Certificate Details - returns to Certificate Details page

## Variation Orders List

- By selecting an existing Variation Order or inserting a new one, you will see its Variation Order Details page
- View Contract Details - returns to Contract Details page

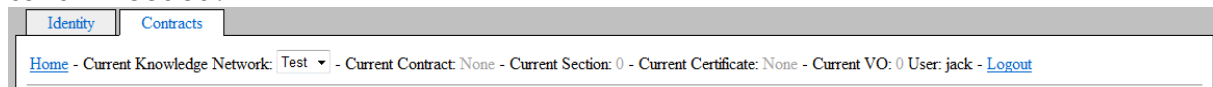
## Variation Order Details

- Contract Pricing - view Contract Pricing page (specifically for this VO)
- Sections - view Sections List page (specifically for this VO)
- View List Of Variation Orders - view Variation Orders List page

### 1.3.1: Navigation Bar

Across the top of each page under the *Contracts* tab is a navigation bar with a set of hyper links to help you navigate and make it clear which contract and its features you are currently viewing/editing.

Each section/certificate and VO is numbered and the system remembers the most recent one you viewed, and the navigation bar allows you to quickly return to it if needed.



Also there is a logout link and when you are finished using the system you should select this link (if you forget, you will automatically be logged out after a certain time-out, but it is still better to logout yourself).

## 1.4: Editing

The data grids that display data contain column titles that are hyper links - if you wish to sort the grid based on a particular column's values, just select the column title. For example, to sort the contract sections by section name (by default, they are sorted by section number), select the *Section Name* column title.

Committed Sums		<a href="#">Section Number</a>	<a href="#">Section Name</a>
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	1	General Construction
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	2	Access Points

For editing that involves simple changes, select *Edit* for that row and this will display the row in a different colour and allow you to make edits as appropriate - here you see you can edit the section name but not the section number (you can of course delete a section and create a new one with a different number):

Committed Sums		<a href="#">Section Number</a>	<a href="#">Section Name</a>
<a href="#">Update</a> <a href="#">Cancel</a>	<a href="#">Subsections</a>	1	General Construction
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	2	Access Points

and when you are finished select *Update*. Note that only the row that you are editing is coloured, editable and contains the *Update* link. If you select a link on a different row or navigate to a different page without first selecting *Update*, your edits will be lost. For more substantial editing, select *Details* (or on the *Sections* page, select *Subsections*), which will bring you to a more detailed page for the selected item.

## 1.5: Creating the contract

When you select the *Contracts* tab, you see a list of existing contracts and contract templates, along with a panel which allows you to create a new contract by selecting its template and a panel to create a new template based on an existing template. When a number of contracts contain similar initial settings, it can be beneficial to create a common template first. How you prepare a contract and a template are exactly the same. The one difference is that you cannot activate a template (hence you cannot create certificates or variations orders for a template). When a contract is created based on a template, all the template values are copied to the contract and from then on can be edited independently without affecting each other.

Identity

Contracts

[Home](#) - Current Knowledge Network: Test - Current Contract: [SAMPLE-Contract](#) - Current Section: 0 - Current Certificate: None

### Summary of Existing Contracts

<a href="#">Contract Number</a>	<a href="#">Employer</a>	<a href="#">Contractor</a>	<a href="#">Status</a>	<a href="#">Template</a>
<a href="#">Select</a> 2009/304	Ministry Of Electricity & Water		In Preparation	FIDIC Template

To create a new contract, (Select Template) and select [Insert](#)

### Summary of Existing Contract Templates

<a href="#">Contract Number</a>	<a href="#">Employer</a>	<a href="#">Contractor</a>	<a href="#">Template</a>
<a href="#">Select</a> Root Template			Root Template
<a href="#">Select</a> FIDIC Template	Ministry Of Electricity & Water		Root Template

To create a new contract template, (Select Template) and select [Insert](#)

To create our first contract, select the root template, and select *Insert* to create the new contract. The contract will be created with a default contract number and the contract details page for this contract are then displayed.

## 1.6: Enter Contract Details

Select the *Edit* link to start editing the details.

Enter “2009/100-sc” as the contract number. Note the contract number must be unique - so if another user has already worked through this tutorial he/she may have already created a contract with this contract number. If so, you will need to pick a unique contract number. Also note that the contract is initially created with a default contract number set to “DEFAULT-CONTRACT” and you must change this before creating another contract.

Enter “Pipeline between Al Manamah and Al Muharraq” for the contract description.

Enter “Ministry Of Water” for the Employer and “Orion Construction Company” for the Contractor.

The payment instructions field is what appears on the payment certificate directing how payment should be made. Enter the following:

*Payment by direct transfer to International Bank,  
Account name: Orion Construction Company  
Account No.  
(BD) 12345678BHD*

Select the *Update* hyper link to finish editing this page.

Identity	Contracts
<a href="#">Home</a> - Current Knowledge Network: <input type="text" value="Test"/> - Current Contract: <a href="#">2009/100</a> - Current Section: 0 - Current Certificate: None - Current VO: 0	
<h3>Contract Details</h3>	
Contract Number	<input type="text" value="2009/100"/> <span>Contract Status: <input type="text" value="In Preparation"/></span>
Contract Description	<input type="text" value="Pipeline between Al Manamah and Al Muharraq"/>
Employer	<input type="text" value="Ministry Of Electricity &amp; Water"/>
Contractor	<input type="text" value="Orion Construction Company"/>
Main Currency Symbol	<input type="text" value="BD"/>
Payment Instructions (on cert)	<input type="text" value="Payment by direct transfer to International Bank,&lt;br/&gt;Account name: Orion Construction Company&lt;br/&gt;Account No.&lt;br/&gt;(BD) 12345678BHD"/>
Contract Policy:	Percentages-Advance: <input type="text" value="15"/> Interim: <input type="text" value="65"/> Taking Over: <input type="text" value="95"/>
<a href="#">Edit</a>	
<input type="button" value="Pricing"/> <input type="button" value="Sections"/> <input type="button" value="Document Templates"/> <input type="button" value="Delete Contract"/> <input type="button" value="Activate Contract"/> <input type="button" value="View List Of Contracts"/>	

As part of the contract definition, you may define contract policy – which consists of the percentages to be used for all calculations. The defaults are 15% for Advance payments, 65% for Interim payments and 95% for Taking Over payments. In this tutorial you will use these defaults.

Now you need to set the overall contract price and currency. Selecting the *Pricing* button which displays the *Contract Pricing* page where you should enter 1,000,000 as the contract price. Select the *Edit* hyper link, enter 1,000,000 as the “Active Contact Price” and select the *Update* hyper link to confirm the change.

Home - Current Knowledge Network: Test - Current Contract: 2009/100 - Current Section: 0

## Contract Pricing

	<u>Currency</u> <u>Symbol</u>	<u>Original</u> <u>Contract Price</u>	<u>Previous</u> <u>VO Number</u>	<u>Previous</u> <u>Contract Price</u>	<u>Active</u> <u>VO Number</u>	<u>Active</u> <u>Contract Price</u>
<a href="#">Edit</a> <a href="#">Delete</a>	BD	1,000,000.000	0	1,000,000.000	0	1,000,000.000

To add a new contract price entry, (Choose currency) and select [Insert](#)

[View Contract Details](#)

This page is where you could also add additional currencies, but these are not needed for this tutorial. Now select *View Contract Details* to return to the *Contract Details* page.

## 1.7: Enter Contract Section Information

A contract is made up of one or more sections, and each of these may have one or more subsections. To create sections, select the *Sections* button to view the *Sections* page. This shows the sections which have been defined for this contract (none so far) along with a panel to create new sections.

There are four types of sections – Section Of Works, Other Section (a section that is not a Section of Works – e.g. training), Customs & Import Duties and Provisional Sum Section. The C&I Duties section type can only be created by VO and only one may exist. All other types can be created at any time and multiples of each type may exist.

The sections are divided into two lists – Committed Sums and Provisional Sums.

Committed sums are funds specifically allocated for identified tasks, whereas provisional sums are additional funds for contingency etc. that may be needed in future but have not yet been allocated. To create a new Section of Works, you will need to enter the section of works' number. This is not needed for any other section type.

Once you create sections, you may select the *Details* link to view its subsections, and the *Section Details* page is displayed, which shows all the subsections for the selected section. You may add new subsections on the details page, and set their prices. When you return to the section list page, it will show the section price to be the sum of the prices of its subsections. Note that at least one subsection must exist for each section.

Use the *Section List* and *Section Details* pages to enter the following information for this contract:

<b>Committed Sums</b>			<b>850,000</b>
Section 1: General Construction			650,000
	Subsection: earthwork	250,000	
	Subsection: pipe laying/welding	400,000	
Section 2: Access Points			200,000
	Subsection: New service roads	200,000	
<b>Provisional Sums</b>			<b>150,000</b>
Section: Contingency Sum	Subsection: Contingency	100,000	
Section: Provisional C & I	Subsection: C&I	50,000	
TOTAL			1,000,000

Sections of Works can often be similar, in the sense then contain a number of subsections in common (imagine the same set of tasks need to be carried out in different locations). When similar Sections Of Works contains many subsections, it can be helpful to create one section, define the common subsections, and then clone it. Note a cloned Section of Works must have a different Section Number. Also note after cloning, that both sections are independent (edits made to one are not reflected in the other). Only Sections of Works may be cloned - other section types may not be. To try out the cloning feature, clone the "General Construction" section and see that the new section has the same subsections

and pricing details. For this tutorial, you can now delete the cloned section as it is not needed. The values should be as here:

Identity
Contracts

[Home](#) - Current Knowledge Network: Test - Current Contract: [2009/100](#) - Current Section: 0 - Current Certificate: None - Current VO: 0 User: jack - [Logout](#)

### Sections

Committed Sums		Section Number	Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (BD)	Adjustment Due To This VO (BD)	Price After This VO (BD)
<a href="#">Edit</a>	<a href="#">Delete</a>	<a href="#">Subsections</a> 1	General Construction	0	0		0.000	650,000.000	650,000.000
<a href="#">Edit</a>	<a href="#">Delete</a>	<a href="#">Subsections</a> 2	Access Points	0	0		0.000	200,000.000	200,000.000
		Total Committed Sums					0.000	850,000.000	850,000.000
Provisional Sums			Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (BD)	Adjustment Due To This VO (BD)	Price After This VO (BD)
<a href="#">Edit</a>	<a href="#">Delete</a>	<a href="#">Subsections</a>	Contingency Sum	0	0		0.000	100,000.000	100,000.000
<a href="#">Edit</a>	<a href="#">Delete</a>	<a href="#">Subsections</a>	Provisional C & I	0	0		0.000	50,000.000	50,000.000
		Total Provisional Sums					0.000	150,000.000	150,000.000
		Overall Total					0.000	1,000,000.000	1,000,000.000

To create a new Section Of Works, enter section number  and select [Insert](#)  
 To create a new Other Section, select [Insert](#); To create a new provisional sum, select [Insert](#)  
 To clone an existing Section Of Works, (Select Existing Section Of Works) , enter a new section number  and select [Clone](#)  
 VO Number 0 means original contract definition

Now return to the *Contract Details* page.

## 1.8: Document Templates

Companies may wish to have custom text inserted in the certificates and variation orders that are generated. Templates for this can be edited on the *Document Templates* page, which you can access by selecting the *Document Templates* button at the bottom of the *Contract Details* page.

For this tutorial, set the *Cert Attachment (Top Left Corner)* field to "1234", set the *Cert Subsection Attachment (Footer)* field to "Internal Use Only" and set the *VO Attachment (Top Left Corner)* field to "ABC".

The certificate text fields contains common text for the generated certificates, which you may edit if you wish. Note that the defaults provided for some of these require actual values from the actual certificates. Similar to macros in a word processor, such actual values are represented in the test as @MACRO-NAME@. Two are used by default - the Advance Certificate Text uses @PERCENTAGE@ to access the advance percentage (depending on contract policy, this may be set to any percentage - by default it is 15%); and the Customs Certificate Text which uses @MAINCURR@ for the actual payment that needs to be made. When certificates are being generated, macros within '@' characters are replaced by actual values.

Identity	Contracts
<a href="#">Home</a> - Current Knowledge Network: <input type="text" value="Test"/> - Current Contract: <a href="#">2009/100</a> - Current Section: 0 - Current Certificate: None - Current VO: 0	
<h3>Document Templates</h3>	
Advance Certificate Text	In accordance with the terms of the contract and having submitted the required Advance Payment Guarantees and Performance Bonds, the Contractor is due payment of the following amounts representing @PERCENTAGE@ of the Contract Prices
Interim Certificate Text	This is to certify that the Contractor has completed work (plant shipped, progress on site or works taken over) as described below and is due the following payment:
Taking Over Certificate Text	This is to certify that the Contractor has completed work as detailed below and is due the following payment:
Final Certificate Text	In accordance with the terms of the contract, the Contractor is due payment of the following amount representing final payment for these sections on the above contract:
Customs Certificate Text	This is to certify that the Contractor has paid Customs and Import Duties of @MAINCURR@ being 100% of the amount now certified for Customs and Import Duties, is due for payment.
Strings For Documents (May be left blank)	Cert Attachment (Top Left Corner): <input type="text" value="1234"/> Cert Subsection Attachment (Footer): <input type="text" value="Internal Use Only"/> VO Attachment (Top Left Corner): <input type="text" value="ABC"/>
<a href="#">Edit</a>	
<input type="button" value="View Contract Details"/>	

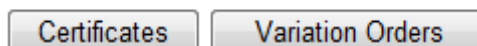
## 1.9: Activating the Contract

After you have entered the initial contract information, you can activate it by selecting the *Activate* button.

A number of checks are performed before a contract can be activated:

- Both Employer and Contractor must be entered
- The contract price must not be zero (if this is a dual currency contract, than one currency price may be zero, but the other must be > 0)
- There must be at least one section defined
- The sum of the section prices must equal the contract price for each currency in which the contract is denominated

After you successfully activate the contract, you can issue certificates and create Variation Orders for it using the additional buttons that appear on the Contract Details page.



## 1.10: Issuing An Advance Certificate

The first certificate on many contracts is often an Advance Certificate and you will create one now.

Select the *Certificates* button, and this will display the *Certificates List* page. This lists the current certificates for this contract (empty initially) and contains a panel that allows you to create a new certificate.

The panel shows the certificate payment types which you can create, along with a list of any certificate types that you cannot create (and the reason why). For example, for the current contract, "Customs Certificate" will be shown not to be available because no Customs & Import Duties section exists yet.

### Summary of Existing Certificates

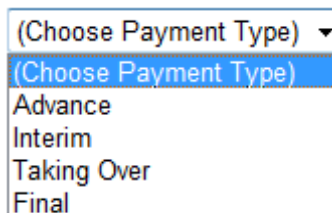
No payment certificates are defined for this contract.

To create a new certificate, (Choose Payment Type) ▾ and select [Insert](#)

Unavailable payment types:

- Customs: No Customs And Import Duties section exists

The available Payment Types are be:



A screenshot of a dropdown menu. The menu is open, showing a list of options. The top option is "(Choose Payment Type)" with a downward arrow. Below it, the same text "(Choose Payment Type)" is highlighted in blue. Underneath, there are four more options: "Advance", "Interim", "Taking Over", and "Final".

Select *Advance* from this list and then select *Insert*. A new draft certificate will be created, initially with no certified payments. Each certificate is assigned a unique number, starting with 1 and increasing sequentially. You have no role in deciding a certificate's number.

Only one draft certificate at a time may exist. You must issue it before creating a new draft. When you first create a certificate, the *Certificate Details* page will be displayed and after you are satisfied with its contents/make edits as appropriate, you may issue it by selecting the *Issue* button at the bottom of the page. If you navigate back to the *Certificates List* page before issuing the certificate, you will see the panel to create another new certificate is not displayed (since one draft certificate already exists). On the Certificate List page, you may visit any previously created certificates by selecting it from the list, which you should now do for your first Advance certificate.

On the Certificate Details page, select Edit. Change the *Issue Date* to a week from now (usually a certificate is issued on the day it is created, but sometimes a complex certificate may be prepared a few days in advance of issuing).

### Payment Certificate Details

Certificate Number 1	
Certificate Type	Advance
Issue Date	13 October 2008
Status	In preparation
Certificate Text	In accordance with the terms of the contract and having submitted the required Advance Payment Guarantees and Performance Bonds, the Contractor is due payment
<a href="#">Edit</a> <a href="#">Delete</a>	

### Certified Payments For This Certificate

No certified payments are defined for this certificate.

To add a payment to this certificate, (Select Initial Advances) , (Choose Section To Add) and select [Insert](#)

To add a diversion to this certificate, (Choose Section To Add) , insert the percentage  and select [Insert](#)

The Certificate Text has been copied from the Document Templates (as discussed earlier). Make a change to it for this particular Advance Certificate by adding in “modified” before the word “terms”. Now select *Update* to save the changes.

You will also see the *To add a payment to this certificate* panel containing the list of sections for which an advance payment could be made. (The diversion panel on the page will be discussed later).

To add a payment to this certificate, (Select Initial Advances) , (Choose Section To Add) and select [Insert](#)

You don't have to pay advances for all sections (or even all subsections of particular section) at the same time and you might change the section pricing via variation orders, so the sections for which an advance could be paid may change over time. In this sample, all the committed sections will be listed (since none have previous payments):

(Choose Section To Add) ▾
(Choose Section To Add)
General Construction
Access Points

Advances are payable on an individual subsection basis – so if a section has two subsections, you could decide to pay the advance for one but not the other (imagine work on the other will not start in 12 months, so the advance is not needed until then). The *Select Initial Advances* list identifies which payments you initially wish to add for the selected section.

(Select Initial Advances) ▾
(Select Initial Advances)
BD: Add payments for no subsections
BD: Add payments for all subsections

In the Certificate Payment page (discussed next), you will be able to add and

remove advances for individual subsections. The *Select Initial Advances* list is used to decide the initial set of advances. If you had a section with 40 subsections, and wished to pay the advance for 38 of them, you would select *Add payments for all subsections* and then in Certificate Payment page remove the 5 not needed, but if you only wished to pay advance for 2 subsections, you would choose *Add payments for no subsections* and in the Certificate Payment page add the 2 subsections for which an advance is due.

For this tutorial, select Add payments for all subsections and select the “Construction” section, and then select Insert. Repeat for the “Access Points” section. In both cases, after selecting Insert, the Certificate Payments page will be displayed. This lists the specific payments for individual subsections.

#### Payments For Subsections of General Construction

Certified Payment Type = Advance Payment; Abbreviation = A; Percentage = 15

Description	Contract Price Original (BD)	Contract Price Changed Due To VO (BD)	Contract Price After VO (BD)	Previous Certs (BD)	Work Completed (BD)	Payment Due (BD)	Amount To Date (BD)
Earthwork	250,000.000	0.000	250,000.000	0.000	250,000.000	37,500.000	37,500.000
Pipelaying/welding	400,000.000	0.000	400,000.000	0.000	400,000.000	60,000.000	60,000.000
Totals					650,000.000	97,500.000	

Select the subsections for which BD advances should be paid

Don't Pay Advances For:                      Do Pay Advances For:                      No Advances Permitted For:

Earthwork  
 Pipelaying/welding

View Subsection Attachment

View Certificate Details

In addition, for advance payments only (e.g. in this case), the lower part of the page allows you to select for which individual subsections advances should be paid. There are three lists:

- Those subsections for which advances should not be paid (and the maximum advance if it were payable) - none in this sample
- Those subsections for which advances are to be paid
- And those subsections for which it is not possible to pay an advance (e.g. it has already been paid) - none in the sample

To move entries between the first two lists, select the entry and choose the appropriate arrow to move. There is no way of editing what appears in the no advances Permitted list.

You may decide for which subsections advance payments are due, but the actual amounts due per subsection are calculated automatically and you may not edit these values.

You may select the View Subsection Attachment to view the backing page in Web, PDF or Excel formats - PDF is recommended for printing.

Orion Construction Company Ref:1234/EC.1

CONTRACT 2009/100-sc - Pipeline between Al Manamah and Al Muharraq

Summary Of General Construction

Item	DESCRIPTION	CONTRACT PRICE			CERTIFIED FOR PAYMENT		
		Original BD	Changed Due To V.O. BD	After Variation BD	Previous Certificates BD	This Certificate BD	Amount To Date BD
1	Earthwork	250,000.000	0.000	250,000.000	0.000	37,500.000	37,500.000
2	Pipelaying/welding	400,000.000	0.000	400,000.000	0.000	60,000.000	60,000.000
3	<b>Total for General Construction</b>	<b>650,000.000</b>	<b>0.000</b>	<b>650,000.000</b>	<b>0.000</b>	<b>97,500.000</b>	<b>97,500.000</b>

*Internal Use Only*

1 of 1

Now select the “View Certificate Details” to return to the Details page. As you add certified payments for sections, the list of sections is reduced, and when no more sections are available for which new payments could be made, the list disappears.

**Payment Certificate Details**

Certificate Number 1

Certificate Type: Advance

Issue Date: 29 September 2008

Status: In preparation

Certificate Text: In accordance with the terms of the contract and having submitted the required Advance Payment Guarantees and Performance Bonds, the Contractor is due payment

[Edit](#) [Delete](#)

**Certified Payments For This Certificate**

Description of Works Completed	Contract Price Original (BD)	Changed Due To VO (BD)	Contract Price After VO (BD)	Previous Certs (BD)	Work Completed (BD)	Payment Due (BD)	Amount To Date (BD)	Payment Type	%
<a href="#">Delete Details</a> General Construction	650,000.000	0.000	650,000.000	0.000	650,000.000	97,500.000	97,500.000	A	15
<a href="#">Delete Details</a> Access Points	200,000.000	0.000	200,000.000	0.000	200,000.000	30,000.000	30,000.000	A	15
<b>Totals</b>					<b>850,000.000</b>	<b>127,500.000</b>			

To add a diversion to this certificate, (Choose Section To Add) , insert the percentage  and select [Insert](#)

You may return to the Certificate Payment page for a particular section by selecting the *Details* link.

Now you are finished editing this certificate. On the *Certificate Details* page, select the *Issue This Certificate* button to issue this certificate (it will be certificate number 1). You can view the Certificate document and the Certificate Attachment document using the appropriate buttons (they should have the values in the following table). Afterwards, return to the *Certificates List* page.

		Work Completed	Amount Due
<b>Section 1: General Construction</b>		<b>650,000</b>	<b>97,500</b>
	Subsection: earthwork	250,000	37,500
	Subsection: pipe laying/welding	400,000	60,000
<b>Section 2: Access Points</b>		<b>200,000</b>	<b>30,000</b>
	Subsection: New service roads	200,000	30,000
<b>TOTAL</b>		<b>850,000</b>	<b>127,500</b>

Since you have paid all the advances that you could have paid for this contract, the Unavailable payment types on the Certificate List page not includes Advance.

### 1.11: Issuing an Interim Cert

The most common type of certificates are Interim Certificates - often issued once a month over the lifetime of a contract. Navigate to the Certificates List page, create an Interim Certificate, and create interim payments for both Sections of Works.

Identity

Contracts

[Home](#) - Current Knowledge Network: Test - Current Contract: [2009/100](#) - Current Section: [1](#) - Current Certificate: [2](#) - Current VO: 0 User

#### Payments For Subsections of General Construction

Certified Payment Type = Interim Payment; Abbreviation = I; Percentage = 65

Description	Contract Price Original (BD)	Changed Due To VO (BD)	Contract Price After VO (BD)	Previous Certs (BD)	Work Completed (BD)	Payment Due (BD)	Amount To Date (BD)
<a href="#">Edit</a> Earthwork	250,000.000	0.000	250,000.000	37,500.000	100,000.000	65,000.000	102,500.000
<a href="#">Edit</a> Pipe laying/welding	400,000.000	0.000	400,000.000	60,000.000	0.000	0.000	60,000.000
<b>Totals</b>					100,000.000	65,000.000	

Enter these payments and issue the certificate (it will be certificate number 2).

		Work Completed	Amount Due
<b>Section 1: General Construction</b>		<b>100,000</b>	<b>65,000</b>
	Subsection: earthwork	100,000	65,000
<b>Section 2: Access Points</b>		<b>50,000</b>	<b>32,500</b>
	Subsection: New service roads	50,000	32,500
<b>TOTAL</b>		<b>150,000</b>	<b>97,500</b>

## 1.12: VO – Adding C&I Duties Section

Variation Orders are how changes to contract & section pricing are controlled and how sections are added and removed. Navigate back to the *Contract Details* page and select the *Variation Orders* button. The *VO List* page will be displayed, showing a list of existing VOs (currently empty) and a panel to create a new one. Select *Create a new VO*. The Variation Order Details page will be displayed.

Similar to certificates, each VO is assigned a unique number, starting with 1 and increasing sequentially. You have no role in deciding a VO's number. To allow easy integration of values from initial contract definition into the user interface and generation of documentation, a convention is that VO 0 is a dummy variation order representing initial contract, and you will see this from time to time in the web pages.

### Details Of Variation Order

VO Number 1
Issue Date 29 September 2008
Status In preparation
<a href="#">Edit</a> <a href="#">Delete</a>

### Contract Pricing

Allow the Contract Price to be changed in this Variation Order

### Sections

To add/remove/alter Sections in this Variation Order, select [Sections](#)

Often the first VO will be to create a Customs & Import Duties section and to move the provisional customs price into it. Do this now, by inserting a new VO on the *VO List* page. This will display the *VO Details* page, which optionally allows you to change the contract price (in this VO you will not), and to change

the section pricing. If the contract price is not changed, then the sum of the changes to the section pricing must even out to zero.

In the newly created VO, select *Sections* which will display the Sections List page for this VO. This page is the same that you used when initially defining the contract, but with some changes. A new panel at the top of the page allows configuring of what to display – specifically which VO values to show (all the VOs are listed and initial contract price – this allows you to easily following how a section's pricing evolves over VOs).

Show pricing for   Only show adjusted sections

The *Only show adjusted sections* checkbox allows filtering of the list to just those edited. This can be useful when there are many sections in a contract and only a few are edited in a VO (which is often the case). Another difference is that a panel is added to allow creation of a Customs & Import (C&I) duties section. Only one of these may be created, when created cannot be deleted (can be deleted in the VO in which it was first created) and can only be created via VO.

You should create a new C & I Duties section, set its subsection price to 50,000 and remove the Provisional C&I section (this will result in its price being set to 0 - it will still be listed for historical tracking). The values should be as follows:

<b>Committed Sums</b>			<b>900,000</b>
Section 1: General Construction			650,000
	Subsection: earthwork	250,000	
	Subsection: pipe laying/welding	400,000	
Section 2: Access Points			200,000
	Subsection: New service roads	200,000	
Section: C & I			50,000
	Subsection: C & I	50,000	
<b>Provisional Sums</b>			<b>100,000</b>
Section: Contingency Sum	Subsection: Contingency	100,000	
Section: (Removed) Provisional C & I	Subsection: C&I	0	
TOTAL			1,000,000

Now select *View Current Variation Order* to return to the VO Details page and issue this VO (it will be variation order number 1).

A general point to remember regarding VOs is that only one at a time may be in preparation. A VO and a certificate may be in preparation at the same time, but when a certificate is first created, it notes which is the most recently issued VO at that time, and all certificate calculations (e.g. advance percentages) are based on that issued VO's values and not any later VO that may be issued after the certificate has been created but before it has been issued. Before issuing a VO, you must first issue any certificate in preparation.

### 1.13: Customs Certificate

Now view the Certificates List page, and you will see you can create a new Customs Certificate. Do so, and in the Certificate Details page you will see that a payment called "Customs And Import Duties" has automatically been added. By selecting *Details* you can access the Customs Attachment page:

#### Customs Attachment

	Cash Receipt No.	Customs Declaration No.	Date	Total Amount (BD)	Deductions (BD)	Amount Reimbursable Now Certified (BD)
<a href="#">Edit Delete</a>	101	1	29/09/2008	1000.000	50.000	950.000
<a href="#">Edit Delete</a>	205	2	29/09/2008	5000.000	100.000	4900.000
TOTALS				6,000.000	150.000	5,850.000

To create a new cash receipt, enter the Cash Receipt No.  and select [Insert](#)

On this insert two customs receipts:

Cash Receipt No.	Customs Declaration No.	Total Amount	Deductions	Amount Reimbursable
101	1	1,000	50	950
205	2	5,000	100	4,900
<b>TOTAL</b>				<b>5,850</b>

The certificate will now show that 5,850 is due to the contractor.

Select *View Customs Attachment* to view the customs attachment for this certificate. Now return to the Certificate Details page and issue this certificate (it will be certificate number 3).

### 1.14: New Advance Cert After a VO Increases Section Price

After have paid all possible advances (as you did in certificate 1), the only way to issue additional Advance Certificates is by increasing the price of a committed section via a VO. You should do this now. Create a VO and select *Sections* to view its sections. Increase the "General Construction" section : "Pipe

laying/welding” subsection by 20,000 and add a new section, “Security Fencing” (with section number 5 – note section numbers must be unique per contract but need not be contiguous), with a subsection called “Fencing” and a price of 10,000. Decrease the Contingency by 30,000.

<b>Committed Sums</b>			<b>930,000</b>
Section 1: General Construction			670,000
	Subsection: earthwork	250,000	
	Subsection: pipe laying/welding	420,000	
Section 2: Access Points			200,000
	Subsection: New service roads	200,000	
Section 5: Security Fencing			10,000
	Subsection: Fencing	10,000	
Section: C & I			50,000
	Subsection: C & I	50,000	
<b>Provisional Sums</b>			<b>70,000</b>
Section: Contingency Sum	Subsection: Contingency	70,000	
Section: (Removed) Provisional C & I	Subsection: C&I	0	
TOTAL			1,000,000

Now issue this VO (it will be variation order number 2).

Since there are now two subsections for which advances could be paid, when you next view the *Certificates List* page, you can create a new Advance Certificate (If you do not see it, please check to ensure you have issued the variation order – a variation order that is still in preparation is not taken into account when certificates are being created – all calculations related to certificates are based on the most recently issued VO).

Now create a new Advance Certificate and you should add the payments below. For the new subsection, the payment is simply 15% of the new subsection price. For the increased subsection, the payment due is 15% of that subsection price minus any previous Advance payments. (We will soon discuss what happens if a section for which an advance has been paid is later removed by VO or has its

price reduced and how Recovery works.)

		Work Completed	Amount Due
<b>Section 1: General Construction</b>		<b>20,000</b>	<b>3,000</b>
	Subsection: pipe laying/welding	20,000	3,000
<b>Section 5: Security Fencing</b>		<b>10,000</b>	<b>1,500</b>
	Subsection: Fencing	10,000	1,500
<b>TOTAL</b>		<b>30,000</b>	<b>4,500</b>

Now issue this certificate (it will be certificate number 4). Note that advances are only paid for Sections of Works and Other Sections, not for the customs section. No payments at all may be made for provisional sums. After this, since the full Advance has been for all payable sections, the next time you look at the *Certificates List* page, you will not be permitted to create a new Advance Certificate.

## 1.15: Interim with Diversion

It may arise that payments already certified should be redirected to a different section. For example, in the earlier Interim Certificate, we certified 65,000 for the earthwork subsection. Assume that a decision has been made that 5,000 of the work completed should be considered as part of the new fencing subsection (e.g. imagine it was related to fencing around the pipes near a bus station).

A diversion is the mechanism used to move already-certified payments (from previous certificates) from one subsection to another. It involves no additional payment. Assume the pipe-laying/welding subsection has had 15,000 work done on it and an Interim Cert needs to be issued. You will add a diversion to this to cater for the fencing changes. The diversions cancel out, leaving only the interim payment.

	Description of Works Completed	Contract Price Original (BD)	Contract Price Changed Due To VO (BD)	Contract Price After VO (BD)	Previous Certs (BD)	Work Completed (BD)	Payment Due (BD)	Amount To Date (BD)	Payment Type	Payment %
<a href="#">Delete Details</a>	General Construction	650,000.000	70,000.000	720,000.000	165,500.000	15,000.000	9,750.000	172,000.000	I	65
<a href="#">Delete Details</a>	General Construction	650,000.000	70,000.000	720,000.000	165,500.000	-5,000.000	-3,250.000	172,000.000	D	65
<a href="#">Delete Details</a>	Security Fencing	0.000	10,000.000	10,000.000	1,500.000	5,000.000	3,250.000	4,750.000	D	65
	Totals					15,000.000	9,750.000			

Note the payment type and percentage columns on the right of the grid. A single certificate can carry multiple payments for the same section, based on different payment types. There can also be multiple diversions with different percentages.

On the Certificate Details page, payment type is a code, whereas on the Certificate Payments page it is fully written out. The payment types are:

- A - Advance Payment
- I - Interim Payment
- T - Taking Over Payment
- F - Final Payment
- C - Customs & Import Duties Payment
- E - Recovery of excess Advance Payment After VO
- R - Recovery of excess Payment For Work After VO
- B - Distribution of Excess Recovered after VO
- D - Diversion

Diversions must always cancel each other out, but note that certificates can only be issued for amounts greater than 0, so in addition a positive payment (such as interim) is always needed.

		Work Completed	Amount Due
<b>Section 1: General Construction</b>		<b>10,000</b>	<b>6,500</b>
	Subsection: (65% Diversion) Earthwork	-5,000	-3,250
	Subsection: pipe laying/welding	15,000	9,750
<b>Section 5: Security Fencing</b>		<b>5,000</b>	<b>3,250</b>
	Subsection: (65% Diversion) Fencing	5,000	3,250
<b>TOTAL</b>		<b>15,000</b>	<b>9,750</b>

Now issue this certificate (it will be certificate number 5). Negative diversions, such as "Earthwork" above, are entered simply by prepending a minus to the value in the *Work Completed* box. Negative diversions do not result in recovery of excess advance payments. Remember a diversion does not decrement the section price, hence any already paid advance is still valid.

## 1.16: Recovery After VO That Decreases Section Pricing

When a subsection is removed by VO or its price reduced, then payments already certified for that subsection need to be re-examined. If a subsection is removed, then the entire payment for that subsection needs to be recovered. If a subsection price is reduced, and the payment already made is greater than that subsection, then the delta between the two needs to be recovered. If the subsection price is reduced and an advance was paid for that subsection, then the contractor should only have an advance on the smaller amount, so the advance paid in excess of that needs to be recovered.

Recovery of overpayments is handled when the next certificate is created. Recovery (negative) payments are automatically added to the certificate and the positive amounts to be paid for that certificate must be greater, so overall a certificate for a positive amount can be issued.

You can remove a section in a VO simply by creating a VO and in the Sections page select the Remove By VO link for the section to remove.

Committed Sums		Section Number	Section Name	Added in VO	Removed in VO
<a href="#">Edit</a>	<a href="#">Remove By VO</a>	Subsections 1	General Construction	0	
<a href="#">Edit</a>	<a href="#">Remove By VO</a>	Subsections 2	Access Points	0	

Note the section remains in the system for historical tracking, but its current price is set to 0. Also, the column "Removed in VO" which is normally blank, now identifies in which VO this section was removed.

Committed Sums		Section Number	Section Name	Added in VO	Removed in VO
<a href="#">Edit</a>	<a href="#">Remove By VO</a>	Subsections 1	General Construction	0	
<a href="#">Edit</a>	<a href="#">Remove By VO</a>	Subsections 2	Access Points	0	
<a href="#">Undo Remove</a>		Subsections 5	Security Fencing	2	3

Now you should try recovering overpayments. Create a new VO, and remove the "Security Fencing" section (it had both an advance paid for it and money paid for it via a diversion), and reduce the price of the "General Construction" section : "Pipelaying/welding" subsection to 100,000 (it had an advance paid on its original 420,000 price, and so some - but not all - of this will need to be recovered).

Increase the value of the "Contingency Sum" to 400,000, so there is no change in the overall contract price. See values below.

<b>Committed Sums</b>			<b>600,000</b>
Section 1: General Construction			350,000

	Subsection: earthwork	250,000	
	Subsection: pipe laying/welding	100,000	
Section 2: Access Points			200,000
	Subsection: New service roads	200,000	
Section 5: (removed) Security Fencing			0
	Subsection: Fencing (removed)	0	
Section: C & I			50,000
	Subsection: C & I	50,000	
<b>Provisional Sums</b>			<b>400,000</b>
Section: Contingency Sum	Subsection: Contingency	400,000	
Section: (Removed) Provisional C & I	Subsection: C&I	0	
TOTAL			1,000,000

Now issue this VO (it will be variation order number 3).

Next create a new Interim Certificate. The appropriate recovery of overpayments will be calculated and automatically added to the draft cert. Assume this interim cert is for a payment for "General Construction : Earthwork" to show a further 100,000 work completed, thus producing a 65,000 payment to the contractor. For security fencing, where there is a 15% advance to be recovered and a 65% interim to be recovered, these are shown separately.

**Certified Payments For This Certificate**

	Description of Works Completed	Contract Price Original (BD)	Contract Price Changed Due To VO (BD)	Contract Price After VO (BD)	Previous Certs (BD)	Work Completed (BD)	Payment Due (BD)	Amount To Date (BD)	Payment Type	Payment %
<a href="#">Details</a>	General Construction	650,000.000	-300,000.000	350,000.000	172,000.000	-320,000.000	-48,000.000	189,000.000	E	15
<a href="#">Details</a>	Security Fencing	0.000	0.000	0.000	4,750.000	-10,000.000	-1,500.000	0.000	E	15
<a href="#">Details</a>	Security Fencing	0.000	0.000	0.000	4,750.000	-5,000.000	-3,250.000	0.000	R	65
<a href="#">Delete</a>	<a href="#">Details</a> General Construction	650,000.000	-300,000.000	350,000.000	172,000.000	100,000.000	65,000.000	189,000.000	I	65
	Totals					-235,000.000	12,250.000			

Note the recovered amounts cannot be edited or deleted (first three lines in grid).

Now issue this certificate (it will be certificate number 6).

		Work Completed	Amount Due
<b>Section 1: General Construction</b>			
	Subsection: Earthwork	100,000	65,000
	Subsection: pipe laying/welding	-320,000	-48,000
<b>Section 5: Security Fencing</b>			
	Subsection: (65% Diversion) Fencing	-5,000	-3,250
	Subsection: (15% Advance) Fencing	-10,000	-1,500
<b>TOTAL</b>		<b>-235,000</b>	<b>12,250</b>

### 1.17: Recalling A Certificate

Sometimes when a certificate is issued it is later discovered that there is a problem with it. This needs to be corrected, and the certificate re-issued. This is achieved by recalling the certificate, making the necessary edits, and re-issuing.

To demonstrate this, you should create a new Interim Certificate with work completed set to 10,000 and payment due of 6,500 for the “General Construction : Earthwork” subsection.

Issue this certificate (it will be certificate number 7).

		Work Completed	Amount Due
<b>Section 1: General Construction</b>		<b>10,000</b>	<b>6,500</b>
	Subsection: earthwork	10,000	6,500
<b>TOTAL</b>		<b>10,000</b>	<b>6,500</b>

Now assume it was discovered the work completed was 11,000 rather than 10,000 and the certificate should have stated that. Select this certificate in the *Certificate List* page and on its *Certificate Details* page select the *Recall* button.

Note that the *Status* has changed to *Recalled* and that you can again make edits to this certificate.

Increased the Work Completed for “General Construction : Earthwork” to 11,000 and select the *Re-Issue* button. Its certificate number will still be 7. Note the status now changes to *Re-issued*.

		Work Completed	Amount Due
<b>Section 1: General Construction</b>		<b>11,000</b>	<b>7,150</b>
	Subsection: earthwork	11,000	7,150
<b>TOTAL</b>		<b>11,000</b>	<b>7,150</b>

### 1.18: Taking Over

Next you should create a Taking Over Certificate for Section 1. This will bring the amount paid up to 95% for each of the subsections. Work completed will automatically be set to the subsection price. You can decide for which section a taking over payments will be made, but the actual amounts are automatically calculated. When you decide to issue a taking over payment for a section, this refers to all its subsections (you cannot select only some).

Issue this certificate (it will be certificate number 8).

		Work Completed	Amount Due
<b>Section 1: General Construction</b>		<b>350,000</b>	<b>164,350</b>
Total paid after TO = 237,500	Subsection: Earthwork (Current Price: 250,000; already paid: 171,400)	250,000	66,100
Total paid after TO = 95,000	Subsection: pipe laying/welding (Current Price: 100,000; already paid: 24,750)	100,000	70,250
<b>TOTAL</b>		<b>350,000</b>	<b>136,350</b>

## 1.19: Final Certificates

Now issue a final certificate for section 1 (it will be certificate number 9).

		Work Completed	Amount Due
<b>Section 1: GenConstruction</b>		<b>350,000</b>	<b>20,000</b>
Total paid after Final = 250,000	Subsection: Earthwork (Current Price: 300,000; already paid: 266,400)	250,000	12,500
Total paid after Final = 100,000	Subsection: pipe laying/welding (Current Price: 100,000; already paid: 94,100)	100,000	5,000
<b>TOTAL</b>		<b>350,000</b>	<b>17,500</b>

## 1.20: Dual-Currency Contracts

Some contracts involve work to be performed in the Employer's country and elsewhere (e.g. the Contractor's home country) and such contracts can be priced in dual currencies. In effect, the Employer, not the Contractor, carries the exchange rate risk.

Clipcode Knowledge Networks can handle dual-currency contracts. They work mostly like single-currency contracts that we have seen, with some additional features for the two currencies in one contract. Let's explore how it works.

To define a dual currency contract, create a new contract called "2009/100-dc" and enter the same contract details (Employer, Contractor, Contract Description) as for the single currency contract you have just completed. Also insert the Payment Instructions as before, but add an extra line there - "(EUR) XYZABC123 EUR" - for payment instructions for Euro amounts.

Now select the (Contract) Pricing link, which displays the Contract Pricing page.

### Contract Pricing

	Currency Symbol	Original Contract Price	Previous VO Number	Previous Contract Price	Active VO Number	Active Contract Price
<a href="#">Edit</a> <a href="#">Delete</a>	BD	0.000	0	0.000	0	0.000

To add a new contract price entry,  and select [Insert](#)

This allows you to add an additional currency - do so now, by adding Euro. For this dual-currency tutorial you should follow the steps defined for the single

currency tutorial, with the amounts for Euro set to ten times the amounts for BD (we pick ten times so it will be easy for you to track the different payments in different currencies in this sample contract - in a real contract, there is of course no correlation between pricing in the difference currencies - they are completed separate).

Hence for contract pricing, set the BD price to 1,000,000 and the Euro price to 10,000,000.

### Contract Pricing

	<u>Currency</u>	<u>Original</u>	<u>Previous</u>	<u>Previous</u>	<u>Active</u>	<u>Active</u>
	<u>Symbol</u>	<u>Contract Price</u>	<u>VO Number</u>	<u>Contract Price</u>	<u>VO Number</u>	<u>Contract Price</u>
<a href="#">Edit</a> <a href="#">Delete</a>	BD	1,000,000.000	0	1,000,000.000	0	1,000,000.000
<a href="#">Edit</a> <a href="#">Delete</a>	EUR	10,000,000.00	0	10,000,000.00	0	10,000,000.00

When defining section pricing or certified payments, the system displays a currency selector consisting of tabs for each currency.

Important: you are always editing one currency at a time - you must select Update to save changes for the current currency before making edits for the other currency.

BD Currency		EUR Currency	
Committed Sums			<u>Section Number</u>
<a href="#">Edit</a> <a href="#">Delete</a>	<u>Subsections</u>	1	

Enter section pricing as in this table:

<b>Committed Sums</b>			<b>BD850,000</b> <b>EUR8,500,000</b>
Section 1: General Construction			BD650,000 EUR6,500,000
	Subsection: earthwork	BD250,000 EUR2,500,000	
	Subsection: pipe laying/welding	BD400,000 EUR4,000,000	
Section 2: Access Points			BD200,000 EUR2,000,000
	Subsection: New service roads	BD200,000 EUR2,000,000	

<b>Provisional Sums</b>			<b>BD150,000</b> <b>EUR1,500,000</b>
Section: Contingency Sum	Subsection: Contingency	BD100,000 EUR1,000,000	
Section: Provisional C & I	Subsection: C&I	BD50,000	
Section: Hydro	Subsection: Consultancy	EUR500,000	
<b>TOTAL</b>			<b>BD1,000,000</b> <b>EUR10,000,000</b>

With one exception, these numbers are the same as for the single currency tutorial, expect each subsection also had a Euro value of ten times the BD value. The exception relates to provisional C & I duties. Customs & Import is only paid in the main currency (BD), so to make our example work, we add a “Hydro Consultancy” section for Eur500,000/BD 0.000 – this will play no further role in the tutorial, but makes our numbers add up correctly. After entering the sections, you should see the following BD values:

BD Currency		EUR Currency							
Committed Sums		Section Number	Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (BD)	Adjustment Due To This VO (BD)	Price After This VO (BD)
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	1	General Construction	0		0	0.000	650,000.000	650,000.000
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	2	Access Points	0		0	0.000	200,000.000	200,000.000
Total Committed Sums							0.000	850,000.000	850,000.000
Provisional Sums			Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (BD)	Adjustment Due To This VO (BD)	Price After This VO (BD)
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>		Contingency	0		0	0.000	100,000.000	100,000.000
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>		Provisional C&I	0		0	0.000	50,000.000	50,000.000
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>		Hydro	0		0	0.000	0.000	0.000
Total Provisional Sums							0.000	150,000.000	150,000.000
Overall Total							0.000	1,000,000.000	1,000,000.000

You should see the following EUR values:

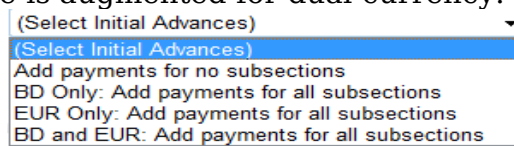
BD Currency		EUR Currency							
Committed Sums		Section Number	Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (EUR)	Adjustment Due To This VO (EUR)	Price After This VO (EUR)
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	1	General Construction	0		0	0.00	6,500,000.00	6,500,000.00
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>	2	Access Points	0		0	0.00	2,000,000.00	2,000,000.00
Total Committed Sums							0.00	8,500,000.00	8,500,000.00
Provisional Sums			Section Name	Added in VO	Removed in VO	This VO	Price Before This VO (EUR)	Adjustment Due To This VO (EUR)	Price After This VO (EUR)
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>		Contingency	0		0	0.00	1,000,000.00	1,000,000.00
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>		Provisional C&I	0		0	0.00	0.00	0.00
<a href="#">Edit</a> <a href="#">Delete</a>	<a href="#">Subsections</a>		Hydro	0		0	0.00	500,000.00	500,000.00
Total Provisional Sums							0.00	1,500,000.00	1,500,000.00
Overall Total							0.00	10,000,000.00	10,000,000.00

The system knows that BD currency uses 3 subunits whereas the Euro uses only 2.

Now you can activate this contract. The rule for contract activation is that contract pricing for at least one currency must have a positive price (one may be zero - we assume a price will be added via VO later).

Once you have activated the dual-currency contract, you can proceed to issues certificates and create variation orders along the same lines as for the single currency tutorial.

When create an Advance certificate, the Select Initial Advances list in the Certificate Details page is augmented for dual-currency:



You can pay advances in one currency only, or in both currencies.

Advance payments for BD should be:

**Certified Payments For This Certificate**

		BD Currency	EUR Currency							
	Description of Works Completed	Contract Price Original (BD)	Changed Due To VO (BD)	Contract Price After VO (BD)	Previous Certs (BD)	Work Completed (BD)	Payment Due (BD)	Amount To Date (BD)	Payment Type	Payment %
<a href="#">Delete Details</a>	General Construction	650,000.000	0.000	650,000.000	0.000	650,000.000	97,500.000	97,500.000	A	15
<a href="#">Delete Details</a>	Access Points	200,000.000	0.000	200,000.000	0.000	200,000.000	30,000.000	30,000.000	A	15
<b>Totals</b>						<b>850,000.000</b>	<b>127,500.000</b>			

Advance payments for EUR should be:

**Certified Payments For This Certificate**

		BD Currency	EUR Currency							
	Description of Works Completed	Contract Price Original (EUR)	Changed Due To VO (EUR)	Contract Price After VO (EUR)	Previous Certs (EUR)	Work Completed (EUR)	Payment Due (EUR)	Amount To Date (EUR)	Payment Type	Payment %
<a href="#">Delete Details</a>	General Construction	6,500,000.00	0.00	6,500,000.00	0.00	6,500,000.00	975,000.00	975,000.00	A	15
<a href="#">Delete Details</a>	Access Points	2,000,000.00	0.00	2,000,000.00	0.00	2,000,000.00	300,000.00	300,000.00	A	15
<b>Totals</b>						<b>8,500,000.00</b>	<b>1,275,000.00</b>			

When creating interim certificates, you can choose whether to pay in either or both currencies, and if both, you can specify different work completed values for each currency. Customs & Import Duties certificates always only work with the main currency. Taking Over and Final certificates bring the values paid in both currencies up to 95%/100%.

Note that the dual-currency pricing are treated as completely separate amounts and there is no correlation between them. For example, if the subsection price in the first currency has been fully paid but not in the second, and there is a need to pay more in the first currency, it is not possible to move money between amounts in the different currencies. Instead, if the Employer and Contractor agree that changes are needed to the contract pricing, then this is to be done as usual via variation order.