

## Mid-year Contract Cancellation Process

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Sometimes it is necessary to cancel a contract with a customer in the middle of the year. When this occurs, there are certain considerations and processes to be followed to cancel the contract in Aspire.

### Process Overview

The following list summarizes the basic steps that are elaborated in this article.

1. Determine the cancellation date
2. Complete or cancel all tickets with time or material posted prior to the cancellation date
3. Invoice applicable services prior to cancellation date
4. Cancel the contract in Aspire
5. Validate cancellation
6. Handle credit balance
7. Review revenue adjustments

### Process Detail

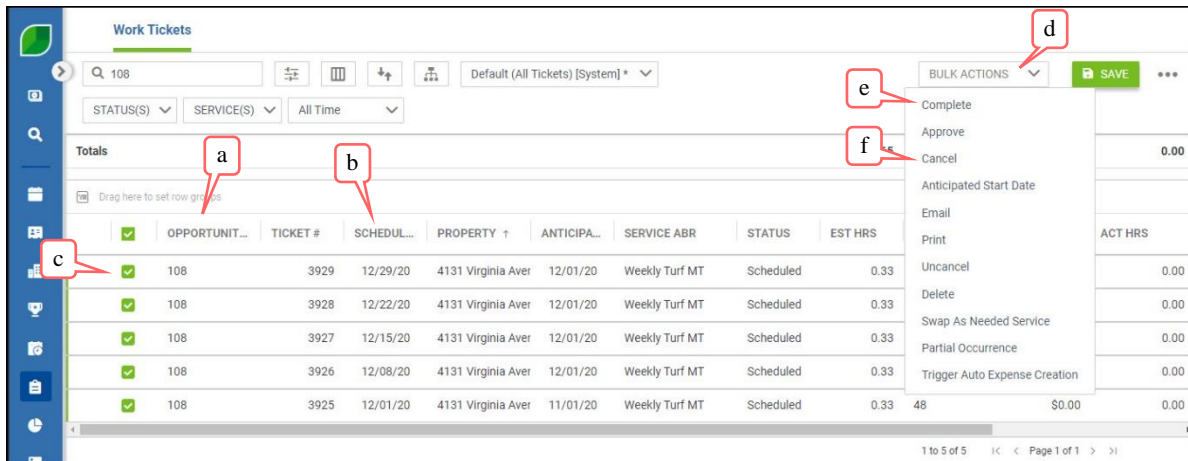
#### ***Determine Cancellation Date***

Determine the date on which the cancellation will become effective. This is the date that the customer calls and says to cancel the contract. No services should be performed after that date, and cancelling will cancel any tickets scheduled after that date. This must be a date after which you will not be billing for any additional materials or labor.

#### ***Complete or Cancel Tickets Prior to Cancellation Date***

Make sure all tickets with time or material posted prior to the cancellation date have been completed in Aspire. All tickets schedule before the cancellation date, regardless of whether there are costs, must be explicitly completed or cancelled before you cancel the opportunity. Aspire does not cancel tickets scheduled prior to the cancellation date – it leaves them open.

1. Go to the *Work Tickets* search list screen ().



- Specify a filter condition for the list where *Opportunity Number*<sup>a</sup> matches the opportunity to be cancelled and *Scheduled Start Date*<sup>b</sup> is less than or equal to the cancellation date. This will generate a list of all tickets that you must manually complete or cancel before cancelling the opportunity. (See the article, [Creating Search Lists in Aspire](#) to learn how to filter or add columns to the search list.)
- Complete or cancel these tickets by checking the checkbox<sup>c</sup> next to the appropriate tickets, and then selecting the *Complete*<sup>e</sup> option or the *Cancel*<sup>f</sup> option from the *Bulk Actions Menu*<sup>d</sup> in the upper right-hand corner of the screen. You can select and perform operations on groups of tickets until all tickets displayed in the search list have been completed or cancelled.

### ***Invoice Customer as Applicable***

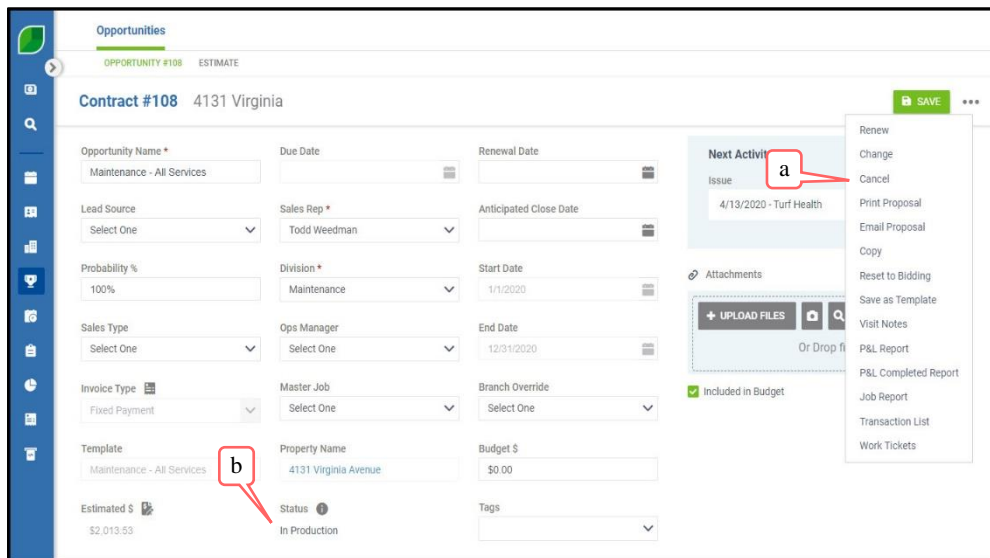
Review the original opportunity to be sure all of the appropriate months prior to cancellation have been invoiced. For contract opportunities with an invoice type of “fixed payment”, review the payment schedule. For contract opportunities with an invoice type of “per service” or “time

and materials”, review the ticket list while displaying the invoiced amount as shown in the work ticket list example above.

Invoice the customer for any services delivered prior to cancellation date.

### **Cancel the Contract in Aspire**

Cancel the contract in Aspire. Go to the *Opportunity* screen and pick the *Cancel* function<sup>a</sup> from the *Options* list.



### **Validate Cancellation**

Check the job status of the opportunity to be sure that it changes to “Cancel.” If the status remains “In Process” after having canceled it, check the work tickets screen to be sure all tickets are in either a complete or cancelled status. Recheck opportunity status to be sure it is in the status of “Cancel.”

### **Handle Credit Balance**

If there is credit balance and the customer demands a refund, this will need to be handled manually by issuing a credit memo in Aspire. If the customer does not have balance due and they are not going to do any more business with you, process a refund.

### **Review Revenue Adjustment**

Once a month is closed Aspire will automatically make appropriate revenue adjustments for opportunities that have been cancelled during that month. This could be either a positive or negative adjustment depending upon the total dollars invoiced versus the total dollars earned as found in the over/under report. After you have closed the month, go to the “Revenue Variance” line found on the *Revenue* tab of the *End of Month* report. Drill into this number and review all cancelled jobs for the month. Compare against your *Over / Under* report.