Rental Contracts chapter 9

THE ONE MINUTE CONTRACT:

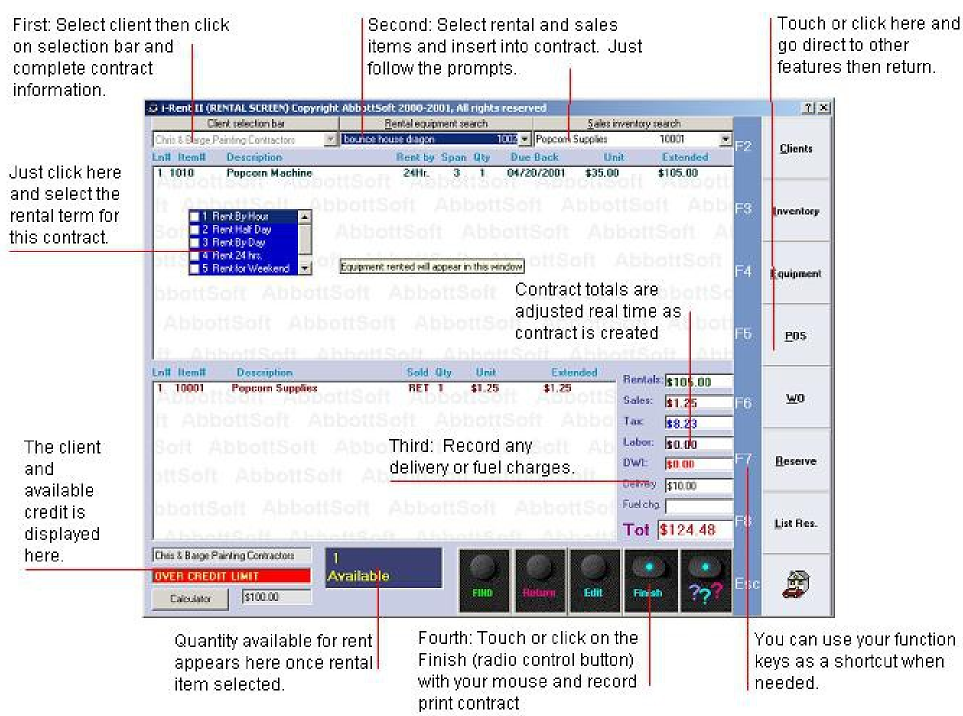
Creating, editing and closing rental contracts is the core of I-RENT. Other parts included with this program either support creating a rental contract or are the product of the rental contracts themselves.

Normally the rental contract would be created with the client at the front counter or while on the phone. It is important that the process be easy and quick. Both as a curtsey towards the client and in reducing errors. I-RENT excels in this regard and with a little practice, you should be able to create a simple contract within one minute.

Understanding the process when you create a **rental contract** is important and explained here. So take some time and learn the proper method and shortcuts in creating your own contracts. Time spent now will be saved many times over by reducing mistakes.

THE CONTRACT SCREEN:

Once you have selected "***Contract***" from your home page, or another touch button, or clicked on the "***Rent***" radio control button from your home page you will see the rental screen. At this point I-RENT is presenting a blank contract and is waiting for you to start filling in the information -- building your contract.



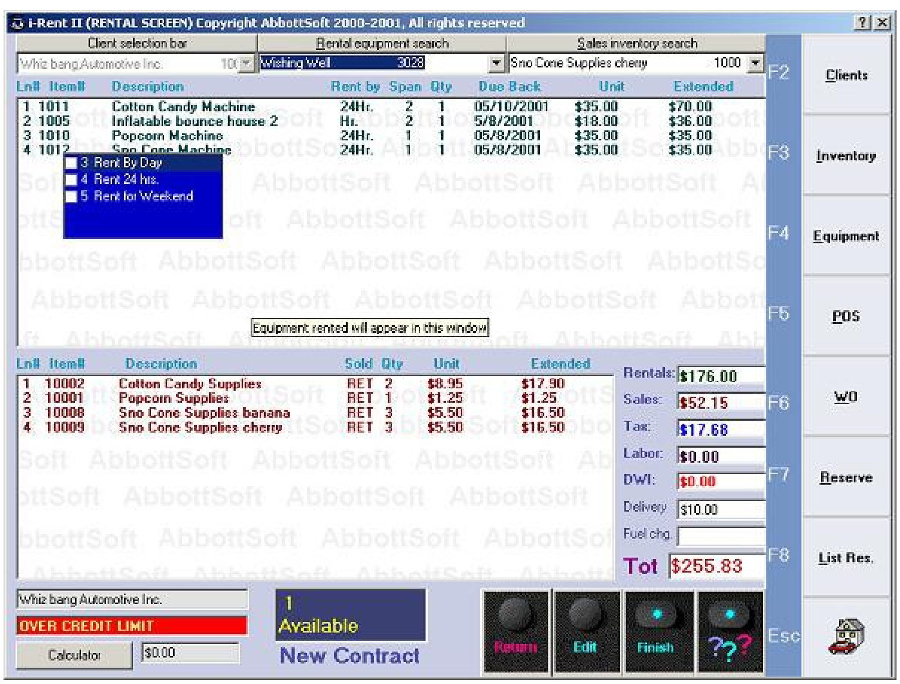
Looking at the rental contract page below, focus along the top of the screen, there are three drop down lists. Left to right they are your clients, rental equipment and sales inventory. You can pull down any list by clicking with your mouse on the down-arrow located to the immediate right of the list window and then scroll down the list using your mouse as explained in your Microsoft windows tutorial. From these lists you pick your client and fill in the contract information then pick and insert any rental or sales items.

Above the client list is a button which takes you to the "contract information" window and above the equipment and inventory lists is a search button. Using these features is explained later in this chapter.

Once you record all the information needed into the rental contract, just print the contract and I-RENT will remove any rental items from it's "available for rental" status and deduct any sales inventory sold along with the rentals.

Additionally I-RENT will store the contract in your database so you can retrieve it any time by choosing "***Revise***" touch control button from your home page, make changes, save them and then when the rental equipment is returned you can close the contract by choosing "***Close***" touch control button from your home page, make any final changes, close the contract and create a invoice for your client.

There are many additional features available on the rental screen which you will not normally use unless the contract is a difficult one, or, when you suffer a brain cramp and mess things up.



Creating a contract by the numbers:
Activate the rental contract screen by choosing either "***Contract"*** control button from your home page.

1. Select the client name:
When you first activate the rental contract, the flashing cursor should be located in the client name field.

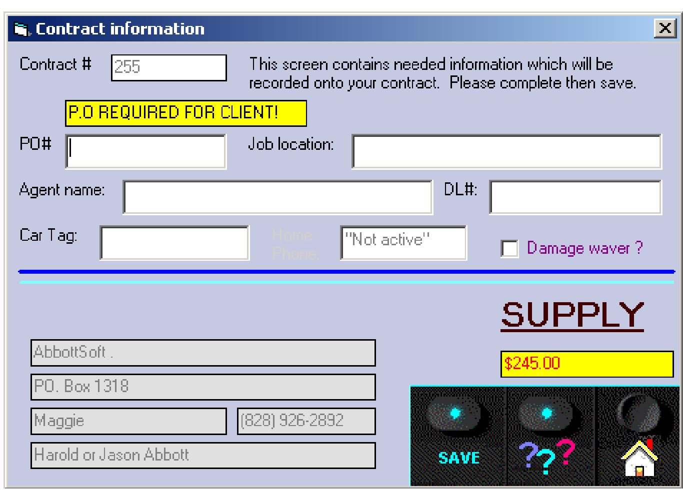
There are a number of ways you can find the client you want.

1. You can click on the down arrow and scroll through the list until you find the client then click on their name.
2. You can type part of the name in the window then click on the down arrow (the list will be shown based on what you typed in), find their name and click on it ,
3. If while typing the client name you see their name appear in the window, then just stop and press the Enter key or click on the ***"Client selection bar"***.

The objective is to get the name of the client you want shown in the client field, then once shown, you need let the program know this is the client you are working with and bring up the information screen. There are two ways.

1. You can press the ***"Enter"*** key or
2. Click on the ***"Client selection bar"***, located just above the client window.

2. Record contract information:
Once you have recorded the client name as described above the "Contract information" screen will appear.



The Contract information screen allows you to record information about the client, the location of your rental equipment and information about the agent (person) who is actually taking possession of your property. The program will check and if you have recorded a need for a purchase order for this client you will be notified.

On the top left of the contract information screen you will find the contract number. The contract number is automatically chosen by the program. This number is only a tracking number and should be left alone. In all cases it must consist of only numbers.

On the bottom right of the screen (above the radio control buttons) you will see the available credit for this client.

On the bottom left is the clients contact information, as recorded in your client database. **NOTE**: **If you selected 001=Cash Client** then these fields will be yellow and waiting for you to type in the needed information. You can move your mouse pointer to the fields and pop-up a hint box which will tell you what to type in.

About cash clients. You should have one client inserted in your database. The first name should be "Cash" and the last "Client" the account number should be "001". When filling out information for acct. "001" you should list the actual clients name under agent and fill in the address and phone number, on the bottom left.

PO Notification: If you have recorded in the clients A/R folder that they require a Purchase Order, you will be notified on this page.

Entering the information is easy, just type the information, then press the "***Tab***" key on your keyboard and move to the next field of information. It is important to complete all the information you can, especially the location where your equipment is going to be used. I-Rent will report this information back to you with many reports.

Another choice is the **DWI** *(damage waver insurance)*. If you activate this choice then (ten percent) of the rental fees will be charged and shown on the contract. Damage waver insurance is preferred by some rental stores as a source of added income and a way to eliminate bad feelings with the client if minor damage is accidentally done to their equipment.

3. Inserting items to be rented:

Picking from the rental equipment and sales inventory lists and inserting items into your contract is a bit different than choosing your client.

The rental equipment list is on the top center of your rental screen. Once you have saved the contract information you can either hit the "***Tab***" key on your keyboard or use your mouse and click in this information window, and then start selecting rental equipment the client wants. You will see the flashing cursor in this window when it is ready.

There are a three ways you can find the rental equipment you want. There are other ways which may appear to work but will corrupt your contract.

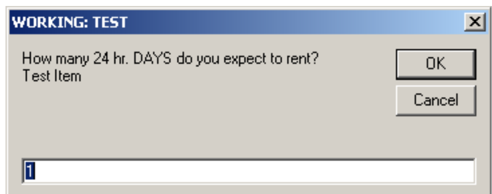
1. You can click on the down arrow and scroll through the list until you find the item, then click on it and the time span window will appear.
2. You can type part or all the description then click on the search window above it, then click on the down arrow and the list will be reduced to only the items which match your search information. You can then click on the item and the time span window will appear.
3. If you know the part number you can type it in the window and press your "***Enter***" key, and the time span window will appear.

Warning: **If you try inserting a rental item other than above, then please check the line number when finished and make sure it is not out of sequence. If it is out of sequence then you must abort the contract and start the complete procedure over again.** *(The line number is the number on the far left of the line after the item has been inserted. It should start with 1 and continue sequentially as you insert more items.)*

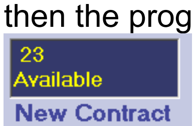
Once you have selected the item which you are renting a window will appear asking for the rental time span which the item is being rented. Note: the various time spans and thus the choices of rental are available only if you assign a rental rate for this time span.

Make your choice by clicking on any time span shown. (you can change it later if needed.) If the item is not available for rent you will be notified.
WARNING: Regardless if this is the item you want to rent or not, you must make a choice at this point. Once you see the next window appear you can cancel the insert if you wish.

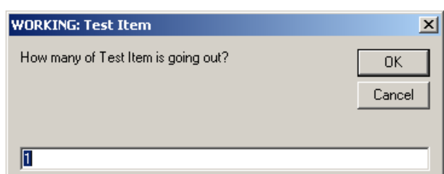
The next prompt will ask how many of the time span selected you are renting for. Example: If you choose 24hrs. the prompt would ask "*how many 24 hrs.* The program defaults to one time span but you can type in any amount, and then click on OK.



If you have more than one of the item you are trying to insert, available for rent then the program will ask you how many you wish to rent.

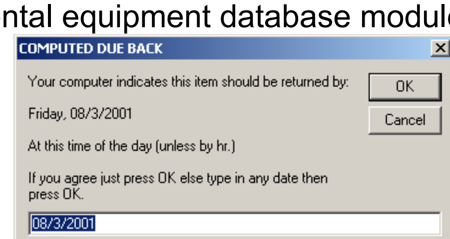


(If you look at the bottom center of your rental page, you will see the quantity recorded as available for rent at this moment. If you only have one item available for rent then this prompt will not appear and you will not be asked how many to rent.



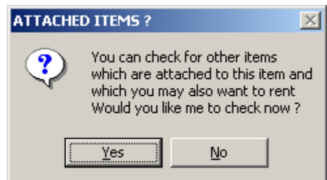
A prompt will appear asking that you verify the unit rate. If you want to change the rate you may, else just click on OK or press your Enter key and continue.

The next prompt "*Date due back*" calculates the date the item should be returned. The projected date is predicated on how you set up your item when you initially set up the item using your rental equipment database module.



If you need to change the date just type in any date you want (follow the format with four numbers for the year as shown) then press the "***Enter***" key or click on the "***OK button.***"

Once you have confirmed the date due back I-rent will ask if you want to check for attached items. This feature is powerful if you use it. You can chain items together into a kit as you wish. Items can be crossed between kits and you can rent only what your client wants or needs.



(Review the chapter on rental equipment for information on how to set up attached items)

If you choose to check for attached items then a list of any items attached to this item will appear in a window from which, you can click on any item shown on the list and the same procedure will start again just as if you had selected it from the list on top of the screen.

Once you are through choosing items from your attached list, then click on the attached list window outside of any of the listed items and then hit your "space bar". The list will be removed from your rental screen and you can continue with another item if needed.

The "attached" list not only speeds up creating a contract it prompts the front counter salesman to rent other items.

Do not under-estimate the extra income it can produce.

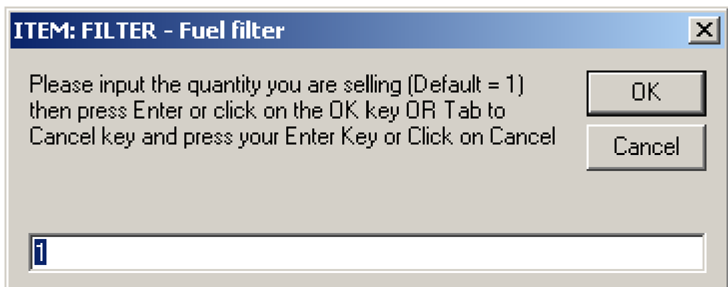
Once you have the rental items inserted you can review the totals on the bottom right of the screen.

4. Inserting inventory to be sold:

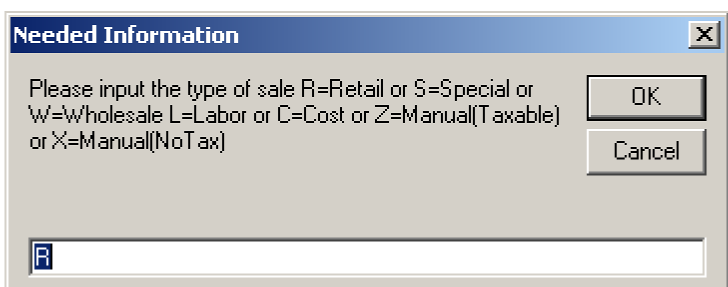
Quite often you may both rent and sell items. An example would be the rental of a sander and the sales of the sandpaper or in the case of party rentals, candle holders and the sales of candles.

Searching and choosing sales inventory is exactly like searching and choosing rental equipment, only you use the drop down list on the top right of your contract page.

Once a sales inventory item is selected. Prompts will appear as you insert each sale item. Prompts which must be answered correctly.



The first prompt will ask you how many of the item selected -- are you selling your client. The default is one so you can either change if more than one or just press the Enter key or click on OK and continue to the next prompt.



The next prompt is used by I-Rent so it can determine how to price the item. It defaults to Retail but if you want to sell at a different price then make another choice. Note you can choose Z or X and type in any price you want.

Once you have answered the prompts I-RENT will automatically calculate the extended unit price, place the item on your screen. Add the item into the sales totals and display them. (Note: If you sell an item **W, C**, or **X** -- the sale will be considered labor. The same applies if you did not define the item taxable. If the client is sales tax exempt the sale will be considered labor.

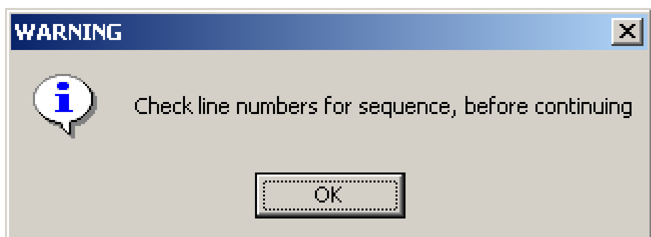
5. Delivery and Fuel Charges:

If you desire to add either fuel or delivery charges, or both then click on the appropriate field below the totals on the bottom right of your rental screen. Type in the amount (no dollar signs) and then press your "***Enter***" key. If you do it correctly, you will see the amount change and the dollar sign shown.

6. Finishing the contract and printing:

After you have selected your client, recorded the contract information, inserted any rental and or sale items and if desired recorded any fuel delivery charges you are ready to finish the contract.

Click on the "***Finish***" radio control button on the bottom of your rental screen and you will be notified to check and verify the line numbers shown on the contract.

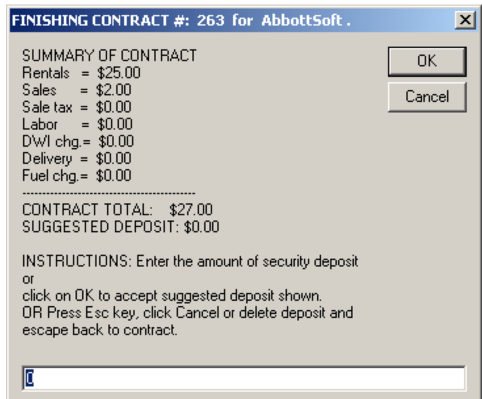


WARNING: You must stop and check the line sequencing. If both the rental and sales line items do not start with the number 1 and continue sequentially, and if you ignore them if out of sequence your contract will not be recorded correctly and items will not show on the printed contract , or when you retrieve the contract later to revise or close.

Once you have verified that the line sequencing is correct by clicking on the OK button the closing summary will be presented.

The closing summary screen is a recapitulation of all the charges and a summary of any required deposits which you have defined in the rental equipment database. This is the point in creating a contract where you decide if you want to receive a rental security deposit or not. I-RENT will show both the total due on the rental contract and the suggested deposit. The information field (on the bottom of the summary screen) will have the suggested deposit shown but you can type in any amount you wish.

When you are satisfied that everything is as you want it to be then click on the "***OK***" button and print the contract. During the printing of the contract I-RENT will automatically remove any items you are renting from the available for rent list, reduce your sales inventory if any inventory has been sold and record the deposit into the deposit drawer.



A word about deposits: When you insert a piece of rental equipment into your equipment database you are given the opportunity to record a suggested deposit for each item. As you create the actual contract these deposits are added together and shown on the above window. Also shown is the total of the contract. The window will have the suggested deposit total in the window ready to record. You can change this total to any number, including 0 if you wish.
WARNING: When you click on the ok button whatever deposit you have in the window will be recorded and cannot be changed.

A word about sales tax: Sales tax is accumulated and totaled, as you build your contract. There are instances where tax will not be included in the totals.

- If you have defined the client as tax exempt
- If you have not indicated a piece or rental equipment or sales inventory is to be taxed on the appropriate database
- If you have not set a percentage in the rental equipment or sales inventory for the item being inserted into the contract.

A word about forecasted date due back and allowed meter hours: In order for I-Rent to accurately forecast the date due back and number of meter hours allowed on a rental contract you must record the information in your equipment database. Remember: By the hour, ½ day or day rate always assumes the item will be returned on the same day it was rented. No exceptions!

Revising a contract by the numbers.

Once a contract has been created and printed it is quite possible changes will still need be made to the contract before it is finished. Examples could be returning some rental items on the contract early or keeping them later. There are two ways to revise an existing contract and the choice should be made depending on the circumstances.

1. If a revision being made, is while the items are still out on rental then use the **Revise** module from your home page.
2. If the rental items are being turned in but the terms of the contract have not been met then you should make changes from the **Close** contract module.

Interim revision: If the contract is not being closed but rather the client has returned to rent or purchase more equipment, return part of the rental equipment or sales inventory from the original contract then you would choose "**Revise** " from your home page.

This method of revision allows you to create a "revised contract" representing any changes, which have taken place, and is a new revised agreement between you and the client.

Note: *If new items are being purchased or rented it would be better to create another contract rather than try and revise the original. If the job location is the same and multiple rentals will probably be returned together, then all contracts related to that job should be attached together. The deposit on each contract cannot be adjusted once the contract is created.*

Final revision: If the client is returning the rental items and the contract is being closed and if you need make changes to the original contract reflecting the actual charges, sales and rentals then you should choose "**Close**" from your home page.

This method does not print another contract only but rather allows you to also revise and close the contract and create a client invoice. You can save the contract into archive if you wish. You can print a copy stating that this is a final and closed contract if you wish.

Saving a contract into archive allows you to retrieve it later, in it's final form and print copies as needed.

NOTE: Also see “Rolling contracts” later in this chapter. When you roll a contract you keep it open but bill out the charges for the month into your clients A/R folder.

EDITING RENTAL CONTRACTS:

During the creation of, or by revision later you can edit any contract and return items rented or sold or correct mistakes caused by operator error. **Your inventory is adjusted real time in the revise and close modules. Inventory is adjusted when you first close a new contract.**

When the contract is on the screen you use the "**radio control buttons**" to either return rental items, return sale items or edit items already inserted.

Returning Items:

Click on the "***Return***" radio control button and a prompt will ask if you are returning rental or sale items. If Rental enter "**R**" -- if Sale enter "**S**".

The next prompt will ask "what line" item shown on the screen you are returning. Once you reply with the line number the line will be grayed and show DEL for quantity.

Editing a line of information:
Click on the "***Edit***" radio control button and a prompt will ask if you are editing rental or sale items. If Rental enter "R"-- if Sale enter "S".

The next prompt will ask what line of information you want to edit. Once you reply the program will start as if you were first inserting the item by asking for a time span and then it will continue as normal until finished.

Once each line is finished the totals and in-stock count. will be automatically adjusted.

Inserting new rental or sales items into an existing contract:
The procedure for inserting new items is exactly like the procedure you use to insert items on a new contract.

Go to either the rental or sales list window on the top of the screen and select then insert the items onto the contract. New items will be inserted below existing ones.

Finish revising - Save and Print:
Once you have finished revising the contract then Click on the "***Finish***" radio control button and save your changes just like you did when you first created the contract.

Note: You cannot change the deposit on an existing contract.

Not available for rent or not enough inventory to sell:

Sometimes when you select a rental or sales item and start your insertion you will be notified that the item is not available for rent or that you do not have enough in stock. There is no need to quit the contract -- just click on the appropriate touch screen button on the right side of your screen, go direct to the appropriate database, make any changes you want, then return and continue building.

On-Line Help:
Almost all pages you will be working with while running I-Rent have a built in help page. All you need do is click on the “radio control button” with the three question marks. Review the screen then click on your home button and return to whatever activity you were engaged in.

Rolling over a contract: (from Close contract module)
You use this feature when you want to bill out the rental to a client but they have not yet returned the rental equipment. Used as "Interim billing" this module can increase your monthly cash flow. Just click on the radio control button and follow the instructions. A special contract will be printed and an invoice and the clients account updated.

CLOSING A CONTRACT AND CREATING AN INVOICE:

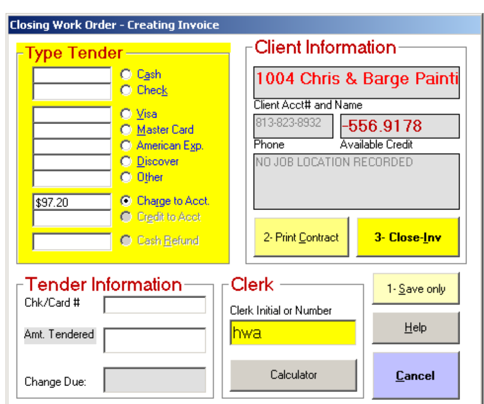
When your client has returned your rental equipment and you are ready to put the items back into rental, and you want to create an invoice and collect the rental funds you choose “Close” from your home page, or you can drop down the list of open contracts on the home page and click on the contract you want to close.

1. Activate the rental contract screen by choosing the ***"Close"*** touch screen button from your home page and reply to the prompt asking for the contract number of the contract you want to close (See Fig 9-8-1). Or use the drop down list.

If you don't have a hard copy of the contract or you do not know the contract number then you can use the drop down list from the home page or even go to the “Where is” module, search out the item being returned, find the contract and find the contract number.

2. Edit the contract prior to closing.
Once you have the closing rental contract screen visible you can edit any of the information shown so that the contract reflects the actual rental or if all is as shown, then just click on the "Finish" radio control button and go direct to the tender page.

NOTE: *If you need to edit or return any of the rentals or sales then use the same procedure as shown on Editing contracts previously in this chapter.*



3. Closing the contract and printing the invoice:
Unlike creating a new or editing an existing contract when you close the contract you are not required to print another copy of the contract. (you may elect to) You must close and print an invoice for the client. The invoice is printed on your receipt printer attached to LPT 2 and set as the default printer under windows.

In order to print an invoice you must record how the client is paying for the rental, any ancillary information such as a check or credit-card number, a purchase order number if needed and the clerk initials or number. You do this on the "tender screen" which appears once you click on the "Finish" radio control button.

If you received a deposit from the client when the contract was initially created then you will be advised to return the deposit and the recorded amount at this time.

You will also be notified if you try and charge to a client who does not have enough available credit or if you do not fill in all the necessary information. (**you must fill in any yellow areas**)

Once you have recorded the type of payment. (cash, check, credit cards etc.) and other needed information you can save the contract into archive, by clicking on the save button, and then close the contract and print the invoice on your second (invoice) printer.

At this point income from the rental contract is recorded in your daily report and your deposit drawer is reduced by the amount of the returned deposit.

Again, please take the time to read this chapter fully, practice creating a rental contract slowly and methodically and you will increase your speed with practice.
If you rush the initial training you will only increase your mistakes thereafter.

DETERMING WHAT WILL FIT IN CONTRACT FORM: You are limited to a maximum of twelve rental items and fifteen sales items when creating a contract using I-Rent. If you were to insert the maximum you would overwrite the contract form and continue into the next form. You will need determine what will fit your form by experimenting with different combinations of rental and sales items.

Never use the rental module to just make a sale. If you have a lot of sale items then you should use the POS module where you can insert up to 40 items.

NOTES: