Contract Renewals

Contracts User Guide · https://evergreenworx.com/docs/contract-renewals/

EvergreenWorx Contracts supports automatic and manual contract renewal management for contracts with **Definite Terms**. Renewal logic is controlled through a combination of metadata fields and automated business rules, allowing your organization to ensure continuity and compliance with minimal manual oversight.

This article explains how contract renewals work, which settings control renewal behavior, and what system automation takes place at key stages.

Key Fields for Renewals

Contracts with definite terms that are eligible for renewal use the following fields:

- **Auto Renew** (Yes/No): Controls whether the contract should automatically renew upon reaching the End Date.
- **Renewal Term Value**: The number of units (e.g., 12).
- **Renewal Term Unit**: The unit of time (e.g., Months, Years) applied to the Renewal Term Value.
- **End Date**: The date on which the current contract term ends.
- **Expiration Notice Days**: Number of days before the End Date that a notification should be sent to the Contract Owner.

How Automatic Renewal Works

If a contract is marked as **Auto Renew = Yes**, the system checks daily whether:

- The **End Date is today**
- The contract is in **Active** status

When these conditions are met:

- The **End Date is automatically extended** by the configured Renewal Term.
    - Example: If End Date = Jan 1, 2025, and the renewal term is 12 Months, the new End Date becomes Jan 1, 2026.

How Manual Renewal Works

If Auto Renew is **not enabled**, the contract will **expire on the End Date**, unless a user:

- Updates the End Date manually
- Extends the contract by creating an amendment or new version

Expiration Notification

To ensure teams are informed before renewal or expiration:

- If **Expiration Notice Days** is configured and today = End Date - Expiration Notice Days
- The system will **send an email** to the Contract Owner or assigned team

This gives users time to review, renegotiate, or prepare any internal approvals before the renewal date.

Important Notes

- If a contract is in **Terminating** status or **Auto Renew = No**, it will not renew and will expire as scheduled.
- You can disable renewal logic altogether by setting Auto Renew = No.
- Renewal logic only applies to **Definite** contracts.

Best Practices

- Use Auto Renew for evergreen contracts that should continue by default.
- Set Expiration Notice Days to give stakeholders time to intervene before renewal.
- Keep Renewal Term Unit and Value consistent across similar contract types to streamline reporting.

Renewals in EvergreenWorx Contracts are designed to give organizations control over recurring contractual obligations while leveraging automation to reduce manual risk and oversight.