

JD EDWARDS ENTERPRISEONE PROCUREMENT & SUBCONTRACTS MGT



PRODUCT HIGHLIGHTS

- Integrate and streamline all procurement processes
- Simplify supplier analysis and bidding
- Eliminate unnecessary transactions
- Pay on consumption
- Kanban processing
- Supplier release scheduling
- Evaluated receipts settlement
- UCC 128 compliance
- Receipts matching
- Landed cost management
- Subcontract retention
- Expense subcontractor cost
- Contract-specific labor billing

Effective supplier management requires timely and accurate information to keep the purchase-to-delivery cycle short, orders easy to track, and contract compliance simple to verify. Without automated, integrated procurement systems, buyers spend their time on non-strategic processes, such as tracking order statuses, entering POs, and maintaining spreadsheets for analysis. With JD Edwards EnterpriseOne Procurement and Subcontracts Management, you drive opportunities for mutually beneficial supplier negotiations and process efficiencies.

The Issue: Strategic Procurement and Subcontract Management

The role of buyer has changed dramatically— from dealmaker to strategic partnership manager. Companies that establish collaborative working relationships with their key suppliers have a tremendous cost and lead-time advantage over their competitors.

The Solution: Integrated ERP Procurement Management

Oracle's JD Edwards EnterpriseOne Procurement and Subcontracts Management module facilitates supplier relationship management with integration of all purchasing activities — from replenishing strategic components to subcontracting outside services to buying spare parts and operating supplies. You gain end-to-end visibility of the procurement process and unparalleled flexibility to define procurement order types and workflows that fit your business requirements.

Automated Processes

For items that do not require a bid, automatic purchase order generation saves substantial time. All relevant information is available online to validate item status and make necessary changes to quantities, dates, or suppliers. When items must go out for bid, Procurement and Subcontracts Management streamlines the process by:

- Combining requisitioned items on a single request for quote.
- Viewing supplier performance ratings for rapid selection of those eligible to receive bid opportunities.
- Printing quote requests for submission to preferred suppliers.
- Tracking status of open quotes and bids to a particular supplier, account, or buyer for targeted procurement decisions.
- Improving transaction accuracy and accelerate orders through your organization with:
 - Designated approval routing and required action messages.
 - Consolidation of multiple items on an order to a single supplier.
 - Simultaneous creation of purchase and sales orders for each direct shipment.

- Tracking all changes made to purchase orders and purchase order lines.
- Applying rebates automatically to appropriate rebate agreements.

Rapid Receipts Routing

Procurement and Subcontracts Management automates purchase order receipts routing controls for the sequence of material handling. You establish rules for the items you want inspected, how often to inspect them, and the tolerance limits for acceptance. You keep stock moving with:

- Online review of material inspection status for immediate resolution of quality issues.
- Automated monitoring of material routing for rapid correction of bottlenecks.
- Easy modification of inspection criteria reflects changes in supplier status and terms.

Supplier Analysis

With Procurement and Subcontracts Management's bid-to-final payment audit trail, you can consolidate your partnerships to those suppliers who maintain the best performance over time. You have the capability to monitor trends for each supplier in the critical areas of delivery, quality, and price. The system tracks lead times, quantity early, and quantity late based on your definition of acceptable time variance for delivery. Quality analysis measures the percentage of received items that fall within your defined tolerances. Comprehensive price information compares inventory, order, receipt, and paid costs by item. You have the information you need to effectively:

- Verify compliance with contract terms
- Identify existing and potential trouble spots
- Provide information so your partners can implement operational and service improvements
- Tie performance to future contract negotiation

Added Value Through Integration

Unnecessary transactions add additional work that wastes time and money. The premium you place on speed, flexibility, and accuracy provides compelling reasons to move beyond simply automating traditional procurement transactions to eliminating the need for certain transactions altogether. As you deepen partnerships with your strategic suppliers, why even bother to open a purchase order? Why even bother with an invoice?

Procurement and Subcontracts Management is integrated with JD Edwards EnterpriseOne modules Requirements Planning, Inventory Management, Manufacturing, Project and Government Contract Accounting (PGCA) and Accounts Payable so that you can employ these capabilities:

- **Pay on consumption** – Delay payment for purchased items until the item is consumed in production.
- **Kanban processing** – Automatically trigger item replenishment and acknowledgement of items received at the consuming location.
- **Supplier release scheduling** – Automatically translate your material requirements plans into electronically transmitted schedules that communicate to suppliers the expected demand for components over a specified period of time.
- **Evaluated receipts settlement** – Enter receipt information once, and the system automatically creates the vouchers, edits and calculates both taxes and discounts, and

generates the appropriate journal entries.

- **UCC 128 compliance** – Easily scan serialized shipping container code labels to accelerate shipment verification and receipt routing of inbound loads.
- **Receipts matching** – Simultaneously update inventory and accounts payable, preventing duplicate receiving or payment.
- **Landed cost management** – Simultaneously apply landed cost to receipts, item unit sales cost, and general ledger accounts.
- **Subcontract retention** – Post subcontract retention to non-billable accounts.
- **Expense subcontractor costs** – Control when subcontractor costs are expensed.
- **Contract-specific labor billing** – Designate billing of contract-specific labor category subcontractor charges.

With full integration, you can view all demand factors, including sales orders, transfers, work orders, and forecasts. Warehouse Management optimizes space and labor in the putaway process. Ties to manufacturing will help process parts availability, work orders, forecasting, planning, and product costing. You can monitor subcontract and job commitments and view the details on an account-by-account basis. And tight integration to accounts payable will accurately display the items still open for payment and help maintain your good credit position with key suppliers. With automated, integrated Procurement and Subcontracts Management, you save time and money by eliminating unnecessary processes and more effectively managing your supplier relationships.

Feature/Function Highlights

- Integrated requisition to purchase order management:
 - Requisitions/quotes/bid
 - Blankets/direct shipments
 - Inventory purchases
 - Non-inventory purchases
- Order templates
- Flexible order workflow
- Buyer workbench
- Online, automated approval routing
- Flexible costing and pricing
- Purchase rebates
- Quote order management
- Online supplier analysis
- Supplier pricing and catalogs
- UCC-128 compliance
- Supplier part number cross-reference
- User-defined receipts routing
- User-defined quality tolerance rules
- Lot processing
- Transfer order management
- Drop-ship management
- Supplier release scheduling
- Kanban processing
- Evaluated receipts settlements
- Blanket order release
- Budget checking
- Substitutions/replacements
- Change order management
- Commitments/encumbrances
- Subcontracts
- Tax processing
- Two- and three-way matching
- EDI ANSI X.12 and EDIFACT
- Web enabled
- Capture vendor type information (i.e. small/disadvantage business) on the PO and passed thru to A/P ledger

- Variable unit-of-measure receiving
- Spread freight costs across voucher items
- Landed cost management
- Enter service units on a purchase order for information purposes

Solution Integration

This module is designed to be integrated with these JD Edwards EnterpriseOne products and families across your operations using common tools and a Pure Internet Architecture:

- Financial Management
 - Accounts Payable
 - Advanced Cost Accounting
- Order Management
 - Advanced Pricing
 - Agreement Management
 - Sales Order Management
- Manufacturing
 - Requirements Planning
 - Quality Management
- Supply Chain Execution (Logistics)
 - Inventory Management
 - Transportation Management
 - Warehouse Management
- Project Management
 - Project Costing
 - Project and Government Contract Accounting (PGCA)
- Capital Asset Management

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