Oracle® Procurement Contracts is the enterprise application that creates and enforces better purchasing contracts. It is a key component of Oracle Advanced Procurement, the integrated suite that dramatically cuts all supply management costs.

Create and Enforce Better Procurement Contracts
Globalization, outsourcing and increased regulatory pressure have made the difficult task of contract management even more daunting. Authoring often remains a manual process without meaningful controls. Terms negotiations can be lengthy and unpredictable. And even the best-negotiated contracts often fail to create the expected savings because of incomplete adoption and lackluster enforcement.

Oracle Procurement Contracts allows you to take control of your contract lifecycle, from authoring and negotiation through implementation, enforcement, evaluation and closeout. Procurement and legal professionals can quickly author contracts that comply with corporate standards, and measure compliance to ensure that negotiated savings reach the bottom line.

With Oracle Procurement Contracts you can:
- Standardize Contract Processes
- Reduce Time-to-Contract
- Drive Contract Compliance

Standardize Contract Processes
Create quality contracts faster and reduce risk with enterprise standards, policies that govern their use, and tools to allow flexible administration.

Centralized Terms Library Ensures Consistent Contract Standards Across the Entire Organization
Oracle Procurement Contracts enables buying organizations to establish enterprise standards and implement them globally with a library of standard contract terms and pre-approved templates. Clauses, templates and deliverables may be created for reuse throughout the organization. Regional administrators may tailor standards for local or country-specific regulations or translate them to a local language. The result is best practices being consistently used throughout the organization. Templates also provide consistent style and layout. Completed contracts may be output in PDF, hardcopy, or Microsoft Word format for consistent printing or email transmission.

Comprehensive Contract Policies Establish Control And Reduce Risk
Recent corporate governance regulations underscore the need for tighter controls over contract terms. Companies can be exposed to contractual risk if negotiated...
such as incompatible clauses and unpopulated contract variables.

- Approve new contracts efficiently through a configurable approval hierarchy.
- Route contracts with non-standard terms for special approval.
- Review contract deviations and justification during approval.
- Quickly create new contracts by copying existing documents.

**Negotiation**

- Negotiate contract terms with suppliers online.
- Define provisions and deliverables to govern the contract negotiation process.
- Enable suppliers to propose changes and fill-in contract variables as part of their bids.
- Easily re-negotiate existing contracts.

**Signatures**

- Track supplier commitment through manual signatures or electronic signatures (FDA 21 CFR Part 11 compliant).
- Secure signed documents in evidence store to prevent future disputes.
- Easily review detailed signature history.

**Printing**

- Generate contract document in Microsoft® Word or Adobe® PDF format.
- Create single contract document with a cover page, long-term agreements/RFx and detailed contract terms.
- Implement multiple look-and-feel standards through configurable document layout.
- Compliance and Deliverable Tracking.
- Enforce pricing and other negotiated terms and process payments through E-Business Suite applications.
- Define contract deliverables with clear internal and external ownership to ensure accountability.
- Enable suppliers and internal terms vary from corporate standards. With Oracle Procurement Contracts, organizations can define policies that mandate the use of specific clauses or bar revision of others. Administrators can define standard options and approved alternates, while incompatible clauses are prevented. Policy rules ensure the quality of the contract document and reduce the need for expensive legal or administrative intervention during the authoring process.

**Expert-Based Authoring Produces Compliant Contracts**

Oracle Procurement Contracts uses a technology called “Contract Expert” to ensure standards compliance during authoring. It automatically adds clauses based on key contract information such as item category and payment terms. It also prompts users with relevant questions, and then adds needed clauses based on the answers. Security privileges strictly control the level of authoring access—restricting basic users to pre-approved clauses while allowing experts to modify clauses or even remove mandatory clauses. If needed, users can download contracts to Microsoft Word for offline redlining. Whether originated by a buying organization or a supplier, contract documents (Microsoft Word documents, images, etc.) can be uploaded and stored as the contract of record.

**Reduce Time-to-Contract**

Cut negotiation cycle times with a flexible workflow and revision process that makes legal and commercial terms immediately visible to selected parties.

**Parallel Negotiation Of Commercial And Legal Terms Reduces Redlining And Cycle Time**

Contracting often stalls during redlining that follows negotiation of commercial terms. This introduces substantial business risk. It also weakens buying organizations’ negotiation position as the internal pressure to commence the purchase increases. By using Oracle, legal and procurement groups can work together to ensure coordinated action and seamless handoffs. Experts from legal departments can use structured terms authoring to create contract drafts- without logging into procurement applications. These drafts are automatically made available to procurement organizations so that legal terms can be negotiated in coordination with prices, dates and other commercial terms. Post-award redlining is dramatically reduced because default contract terms were established at the beginning of the RFQ process, allowing suppliers to bid with full knowledge of both commercial and legal terms. This transparency keeps the contract process on track and reduces lag time between award and signed agreement.

**Flexible Workflow Expedites Approval and Signature**

Oracle Procurement Contracts routes the contract through a streamlined approval workflow that fast-tracks standard terms while flagging non-standard clauses for special approval. Contracts that have cleared all internal approvals can be routed for the supplier’s signature via mail, fax or email. Suppliers may sign on a hardcopy or with an electronic signature. The system archives signed contracts and supporting documents in a secured evidence store and maintains complete approval and signature history.
Streamlined Amendment Process Avoids Time Consuming, Costly Disputes
A comprehensive revision process maintains a complete audit trail that prevents unpleasant and costly disputes about what was agreed to and when. Suppliers are required to acknowledge amendments and, if required, can sign amendments digitally or manually. Both parties can easily compare changes between revisions. Suppliers can request changes to contract terms online, and contract owners can implement or reject revision requests. Both approved and rejected requests are retained in the revision history.

Drive Contract Compliance
Throughout the contract lifecycle, stakeholders can review the contract details and track compliance.

Integrated Contracts Enforce Operational Compliance
Because Oracle Procurement Contracts is an integral part of Oracle Advanced Procurement, contracts are consistently executed through Oracle Purchasing, Payables and other E-Business Suite applications. Contract terms negotiated through Oracle Sourcing automatically generate the resulting contracts for execution. Once signed, users can immediately receive the goods or services against these contracts. Contract administrators may associate the contracts with projects tracked in Oracle Projects and monitor overall project cost. Supplier invoices are validated against the negotiated pricing before making a payment. With Oracle Procurement Contracts, users can easily implement and execute their contracts throughout the organization.

Deliverable Tracking Monitors Supplier Performance
Most purchasing contracts include specific milestones and deliverables, but these are often buried in the contract details and poorly tracked. With Oracle Procurement Contracts, users can initiate and track contract milestones through a robust deliverable tracking system. They can receive notifications, update deliverable status, and view the history of any deliverable. By assigning ownership and escalation rules to each deliverable, contract administrators can manage accountability and ensure compliance.

Central Contract Repository Provides Full Visibility
With Oracle Procurement Contracts, contract administrators can access the complete record of purchase documents and interactions related to a contract. They can track deliverables, view purchase orders, and drill into all relevant supporting documents such as meeting minutes, technical specifications, and project plans. Powerful Enterprise Contracts Search means that end-users can perform full-text search find pertinent documentation. Managers can review current spend and real-time key performance indicators to understand the current contract performance. Oracle Procurement Contracts makes sure you know how your suppliers are performing against the agreements they have signed.
Oracle E-Business Suite — The Complete Solution

Oracle E-Business Suite enables companies to efficiently manage customer processes, manufacture products, ship orders, collect payments, and more—all from applications that are built on a unified information architecture. This information architecture provides a single definition of customers, suppliers, employees, and products—all aspects of the business. Whether one module or the entire Suite is implemented, Oracle E-Business Suite enables procurement professionals to share unified information across the enterprise and make smarter decisions with better information.

KEY BENEFITS

CREATE AND ENFORCE BETTER PURCHASING CONTRACTS BY

- Defining enterprise standards and policies; then create quality contracts faster, and with less risk
- Reduce time-to-contract with a flexible process that facilitates legal and commercial term negotiation, providing visibility to selected parties
- Drive contract compliance from stakeholders, including operational compliance, contract deliverables, and supplier performance

RELATED PRODUCTS AND SERVICES:

Oracle Advanced Procurement includes additional complimentary solutions that provide valuable integration to Procurement Contracts

- Sourcing
- Purchasing
- iProcurement
- Services Procurement
- iSupplier Portal
- Payables
- Daily Business Intelligence

RELATED SERVICES

The following services are available from Oracle Support Services:

- Oracle E-Business Suite Accelerators
- Oracle Application Solution Centers
- Oracle University
- Oracle Consulting

Oracle is committed to developing practices and products that help protect the environment

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