Oracle Project Contract Billing Cloud

Oracle® Project Contract Billing Cloud delivers a highly flexible approach to project contract-based billing, segregating the planning and execution of project work with a comprehensive, integrated solution providing full control over contract terms, rates and limits including when and how to recognize revenue and generate invoices.

BILL CUSTOMERS FASTER AND RECOGNIZE REVENUE SOONER

Too often project managers find that the definition and execution of their project is constrained by inflexible billing systems that place rigid constraints on the allocation of project funding. Oracle Project Contract Billing Cloud provides an innovative solution to comply with customer contract terms, conditions and billing requirements, allowing faster customer billing and rapid project revenue recognition.

By establishing the customer contract billing structure independently of project planning and execution, costs and revenue can be managed through the project while enforcing contractual compliance for billing purposes. By associating any project or task to any contract or line, customer billing terms and conditions can be managed in the contract, giving the freedom to plan and execute project work independently using preferred project management processes, while still using project costs and progress as input into the billing process.

ENSURE COMPLIANCE FOR PROJECT CONTRACTS

Billing controls enforced by the contract ensure that billing is maximized but within the terms and conditions agreed with the customer. Contract templates simplify and accelerate the creation of customer contracts. Contract administrators can establish hard and soft limits at contract and contract line levels to control what and how much is billed to a customer. Contract limits and consumption status are highlighted for the project billing specialists and accountants as customer invoices are created and revenue is generated. Revenue can be recognized or invoices created regardless of whether or not project costs have been accounted. Any part of an active customer contract can be amended with a date when the changes become effective, either in the future or retroactively. If a

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contract amendment is effective on a retroactive basis and affects prior transactions, for example with a billing rate change, transactions are automatically adjusted to reflect the new contract terms.

RECOGNIZE PROJECT CONTRACT REVENUE ACCURATELY

Revenue recognition compliance is critical to project-centric businesses, and project contract revenue can be recognized as needed in line with financial accounting regulations, independently of how customers are billed. Project contract revenue is generated automatically for the scope of work according to the contract terms, whether it's external, inter-project or intercompany revenue.

Real-time business intelligence enables graphical comparison of planned and actual revenue by contract and by project, as well as analysis of revenue trends, allowing project accountants to quickly drill down to the transactions to investigate any discrepancies. At any point in the billing and revenue processes, key information about related contracts and projects are available with a single click, without having to navigate away from the page.
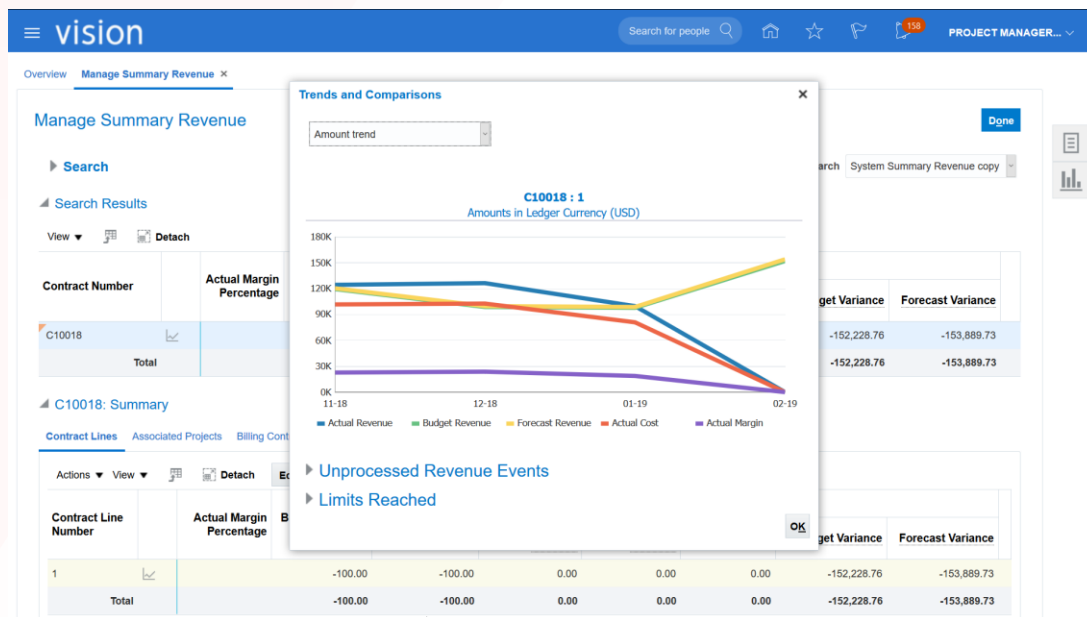

Figure 1. Revenue Work Area with Analysis and Trending by Contract and Project

INTELLIGENT INVOICE WORK AREA FOCUSES ON EXCEPTIONS

The invoice work area gives project billing specialists a single place to go to create, view, adjust, finalize and submit invoices for approval. Project costs eligible for billing are presented for processing, and any exceptions are highlighted in real-time.

Contractual milestones can also be billed, independently of any project associations, through event-based billing for contracts. Net invoicing is supported for customers who prefer a single summarized invoice rather than receiving multiple credit memos or invoices. Before the final invoice is transferred to Accounts Receivable, the formatted invoice including tax calculations, as the customer will see it, can be viewed and approved by the project manager. Both capital and contract project costs can be included on the same project so charges from both capital costs and contract project costs can be invoiced.

Key Features

- Integrated across the enterprise with Financials and Contracts
- Flexible project-contract relationships
- Bill by contract independent of project execution
- Effective dating of contract amendments
- Bill for capital projects
- Bill in a currency other than the contract or transaction currency
- Pro Forma invoices
- Estimate tax on invoices
- Recognize revenue or create invoices independent of project cost accounting
- Insight into revenue and trends by contract and project
- Real-time self-service reporting on project billing, contract and revenue information

Key Business Benefits

- Reduce days sales outstanding (DSO)
- Lower invoice processing costs and release invoices more quickly
- Enforce and automate project contract compliance
- Reduce amount of billable project expenses that go unbilled
- Reduce administrative burden for project accountants and billing specialists
- Lower invoice error rate
- Decrease time spent to close the books each period
- Reduce total number of invoices printed and mailed
- Lower integration costs
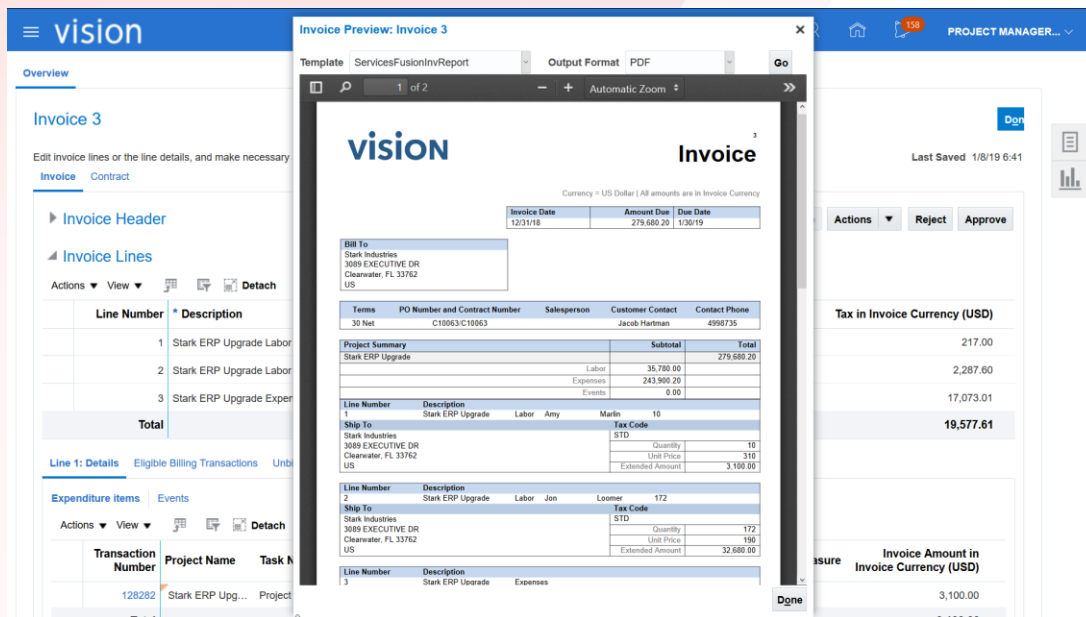- Decrease annual cost of AR dispute resolution

Figure 2. Invoice Work Area with Pro Forma Invoice

INTEGRATED ACROSS THE ENTERPRISE WITH FINANCIALS AND CONTRACTS

Oracle Project Contract Billing Cloud is fully integrated with the Oracle Financials and Enterprise Contracts Cloud applications to ensure rapid and accurate billing and revenue management, and effective compliance through a centralized enterprise contract model.
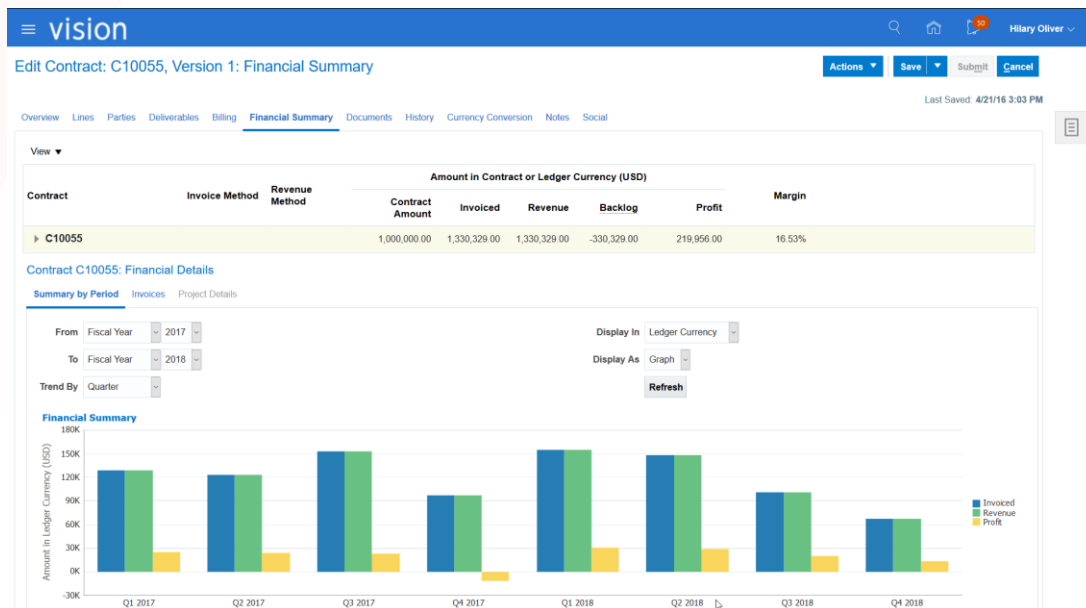

Figure 3. Establish the customer contract billing structure independently of project planning and execution

Integration with Subledger Accounting provides a world-class accounting engine that allows organizations to establish their own accounting rules and procedures as well as support multiple accounting representations and currency treatments.

Oracle PPM Cloud Products

- Oracle Project Financials Cloud
- Oracle Project Contract Billing Cloud
- Oracle Grants Management Cloud
- Oracle Project Resource Management Cloud
- Oracle Project Management Cloud
- Oracle Task Management Cloud

Related Products

- Oracle Financials Cloud

COMPLETE PROJECT PORTFOLIO MANAGEMENT

Oracle Project Contract Billing Cloud is delivered as part of Oracle Project Portfolio Management Cloud, a broad, complete solution delivering extensive support for project-driven organizations, and continuous innovation in key technologies such as mobile, social and analytics, deployed in the cloud to achieve more, faster, with fewer resources.

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