Features and Functionality of Procurement Contracts

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Oracle Procurement Contracts

- Supporting the procure to pay process with:
  - Establishing contract standards
  - Enabling contract authoring and negotiation
  - Monitoring contract expiration
  - Amendments
  - Analysis

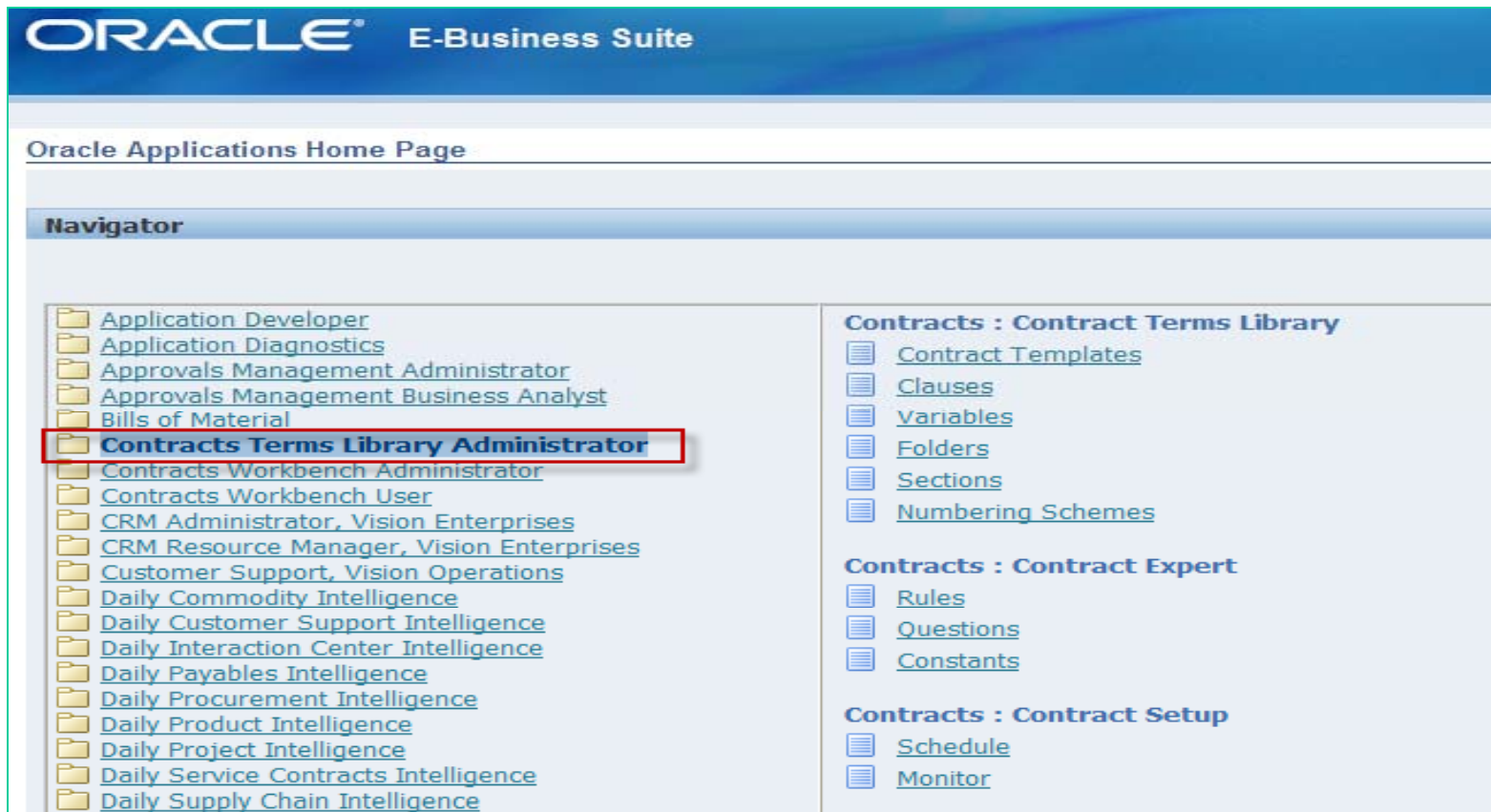# Oracle Procurement Contracts

- Main components include:
  - Contract Terms Library
  - Contract Terms Maintenance and Approval
  - Deliverables
  - Contract Expert
  - Contract Repository*

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Oracle Procurement Contracts Impacts

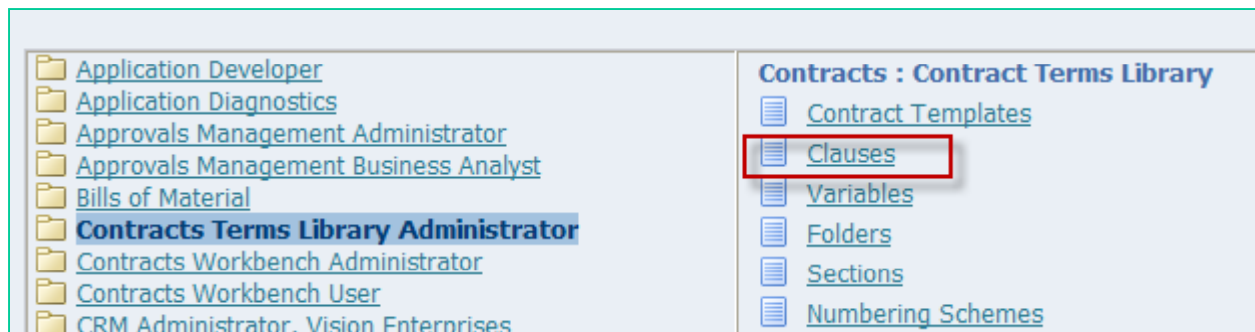- Enforce terms and conditions

Contract Terms Library

Clauses

- A contract clause is a paragraph that contains the verbiage that will be utilized in a contract template.

- The objective is to create standard clauses that can be reused within multiple templates.

- Clauses can contain variables, linked to other contracts, and can be defaulted to pre-defined sections of a contract template.

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Clauses

- From the *Contract Terms Library Administrator* responsibility select the *Clauses* function.

Application Developer	Contracts : Contract Terms Library
Application Diagnostics	Contract Templates
Approvals Management Administrator	**Clauses**
Approvals Management Business Analyst	Variables
Bills of Material	Folders
Contracts Terms Library Administrator	Sections
Contracts Workbench Administrator	Numbering Schemes
Contracts Workbench User	
CRM Administrator, Vision Enterprises	

Clauses

Create Clauses

Create Clauses with Variables

Create Clauses

Contract Terms Library: Clauses >

Confirmation
Clause 1337 - User Group Clause has been created.

Clause: 1337 - User Group Clause
* Indicates required field

| General | Related Clauses | Clause Folders | Version History |

Operating Unit	**Vision Operations**
Number	**1337**
* Clause Title	User Group Clause
Display Name	User Group Clause
Intent	**Buy**
* Type	General Terms
Default Section	General Terms
Description	Standard Clause for User Group Terms

Mange Clauses

- Related Clauses
- Clause Folders
- Version History

Clause: 1337 - User Group Clause
* Indicates required field

| General | Related Clauses | Clause Folders | Version History |

Operating Unit   **Vision Operations**
Number   1337

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Manage Clauses

- Add a relationship to another clause

Manage Clauses

- Organize Clauses with Folders

Manage Clauses

- Version History

Clause Approvals

- Submit the Clause for approval when all updates and additions have been made.

Clause Approvals

- A notification will go to the library approver

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Contract Templates

- A document made up of library clauses

Clause 1 + Clause 2 → Contract Template

Contract Templates

- Search and create new templates from the Contract Templates function.

Contract Template Creation

Contract Terms Library: Contract Templates >   Logged In As CONMGR

Create Contract Template

* Indicates required field

Cancel   Apply and Add Details   Apply

* Operating Unit	Vision Operations
* Name	User Group Template
* Intent	Buy
* Start Date	16-Feb-2010 (example: 16-Feb-2010)
End Date	
Description	User Group Template

Status **Draft**
Language: American English
Translated From Template:
Layout Template: Oracle Contract Terms Template
Instructions: This template should be used with all User Group related activities. It is the boilerplate that the legal team has put together to represent your companies preferred terms and conditions at these events.

Contract Expert

☐ Enabled   ☐ Expert Clauses Mandatory

Default Section

Document Types

Document Type		Default Template	Delete
RFQ	🔍	☐	🗑
Standard Purchase Order	🔍	☐	🗑
Blanket Purchase Agreement	🔍	☐	🗑
Contract Purchase Agreement	🔍	☐	🗑

Add Another Row

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Contract Template Creation

- After adding the header information, apply and add details.

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Contract Template Creation

- Add Sections and Clauses

Contract Template Creation

- Add as many clauses as it takes to complete the boilerplate (Contract Template)

Contract Template Creation

- Take a preview
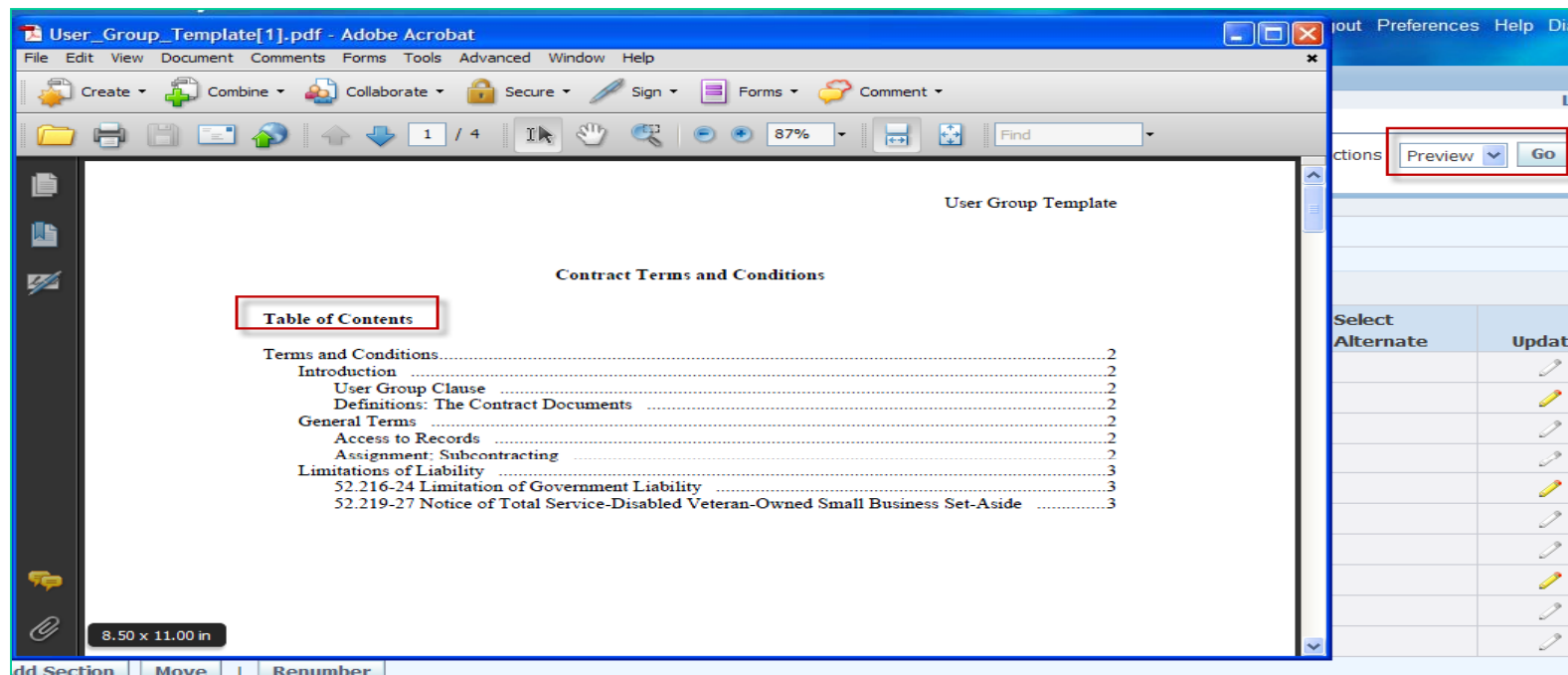
Contract Template Creation

- Preview the structured terms

Terms and Conditions

Introduction

User Group Clause

This clause is specifically used whem participating in User Group sessions. Insert a legal paragraph that will eventually be utilized in a compilation of clauses that define a complete *Contract Template.*

This clause is between [@ Supplier Name @] and [@ Legal Entity @] on this date [@ Agreement Start Date @].

Definitions: The Contract Documents

a. The capitalized terms used herein shall have the meanings set forth in the General Conditions unless a specific definition therefore is provided herein. Unless otherwise specified, references herein to numbered Articles and paragraphs are to those in this Agreement.

b. The Contract Documents consist of this Agreement, the General Conditions, Special Conditions, Schedule of Work (**Owner's** form only or as provided below), Accepted Proposal (**Owner's** form only), Specifications, Drawings, Addenda, approved shop drawings, modifications and other directives from **Owner** to the **Contractor** issued under any provision of any of the foregoing documents. The **Contractor** hereby represents that he has examined all such documents and is familiar with same. These documents are hereinafter referred to as the "Contract", and all are as fully a part of the Contract as if attached to this Agreement or repeated herein. Any proposal, other than an accepted proposal on **Owner's** form only, attached to or referred to in this Contract is for information only; the terms of this Contract shall supercede and control over any conflicting terms contained in any such attached proposal.

c. The term "General Conditions" as used in the Contract Documents shall mean the document entitled "[@ Organization @] General Conditions of the Contract of Construction."

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Contract Template Creation

- Validate the template

Contract Template User Group Template: Validation Results

Printable Page

Total Messages: 1   Errors: 0   Warnings: 1

Type	Title	Section	Severity ▲	Problem	Problem Details	Suggestion
Clause	User Group Clause	Introduction	Warning	Invalid variable for Document Type	Variable "Agreement Start Date" is not valid for the document type "Standard Purchase Order"	Contact your contracts administrator to fix this error. You may resolve the issue by associating the document type to the variable or removing the variable from the clause in the library.

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Contract Template Creation

- Give your structure a numbering scheme

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Contract Template Creation

- Number scheme

Contract Template Creation

- Review New Scheme

Contract Template Creation

- New number scheme applies to print view

User Group Template

Contract Terms and Conditions

Table of Contents

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Contract Template Creation

- ## Deliverables
  - Is typically a non-financial action that the Supplier has to provide in conjunction with the agreement.
    - Insurance records
    - Reporting by a certain date
  - Deliverables can also be internal and serve as reminders
    - Contact Supplier x days prior to contract expiration etc.

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Contract Template Creation

Contract Template Creation

Contract Template User Group Template: Create Deliverable

* Indicates required field

Cancel | Apply and Create Another | Apply

* Deliverable Name	
Deliverable Type	Contractual
Responsible Party	Supplier Organization
Description	

Internal Organization **Vision Operations**
Internal Contact [   ] 🔍
Requester [   ] 🔍
Comments

Due Date

◉ Fixed Date [   ] 📅
○ Relative Date   (example: 17-Feb-2010)

Event [   ]
Before/After [After]
Period [   ] [Days]

Repeat Information

◉ One Time Deliverable
○ Repeating Deliverable
    Frequency [   ] [Weeks]
    Repeat on [Monday]

Repeat Until
◉ Fixed Date [   ] 📅
○ Relative Date

Event [   ]
Before/After [After]
Period [   ] [Days]

Notifications

☐ Prior to Due Date [   ] [Days]
☐ Status Change
☑ Deliverable Is Overdue
☐ Escalate After Due Date [   ] [Days]
    Escalation Contact [   ] 🔍

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Contract Template Creation

- Deliverable created

Contract Template Creation

- 12.1.1 Deliverables functionality
  - Payment Hold Deliverables
  - Payables Integration (PO Deliverable Hold) Status

Contract Template Creation

- Submit for approval
- Once approved, available to utilize in defined purchasing documents.

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Contract Template Usage

- Contract Templates can be used with:
  - Purchasing
  - Sourcing
  - iSupplier Portal (deliverables)

Purchasing and Contracts

Purchasing and Contracts

Purchasing and Contracts

Purchasing and Contracts

Purchasing and Contracts

Purchasing and Contracts

- Don't have a template or did you negotiate outside of Oracle?

- Upload your document!

Sourcing and Contracts

- Create negotiations that include your boilerplate terms and conditions.

- The integration of Contracts into sourcing allows you to present the supplier with a complete view of your RFQ.

- Get the best price based on all of your requirements.

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Sourcing and Contracts

Sourcing and Contracts

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iSupplier Portal and Contracts
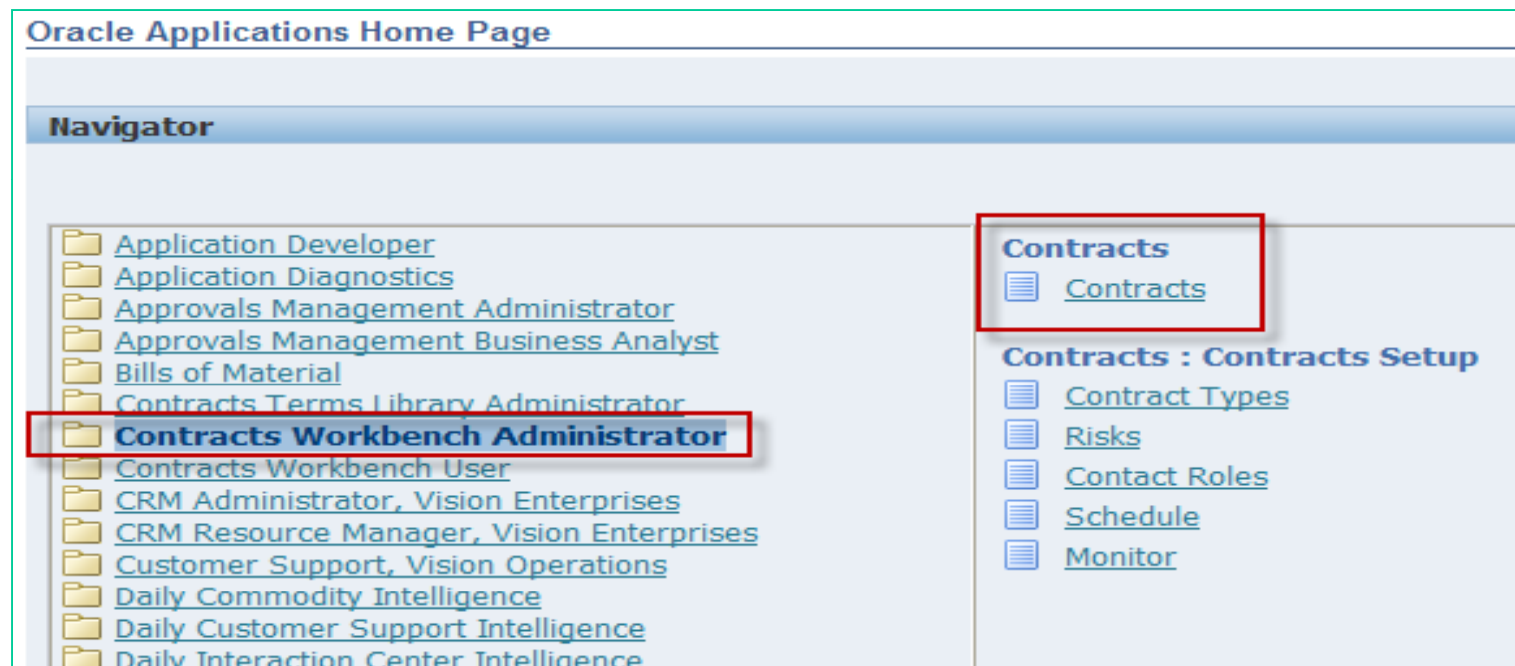
iSupplier Portal and Contracts

Contract Terms Library - Review

- Create Clauses
- Create Templates
- Utilize Templates in:
  – Purchasing
  – Sourcing
  – iSupplier Portal – Deliverables
- Impact iProcurement with standard T&C associated to agreements

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Contract Repository

- The contract repository is a central location to manage agreements with suppliers that typically are not associated with a purchase document.

- Manage all agreements in Oracle

- Search capabilities

- Import

- Risks and Deliverables

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Contract Repository

Contract Repository

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Contract Repository

• Manually Create Contracts

Contract Repository

- Add details

Contract Repository

Contracts >
Contract: 12
USD = US dollar

Number	**12**
* Name	User Group NDA
Operating Unit	**Vision Operations**
Type	**Non-Disclosure Agreement**
Intent	**Other**
* Contract Administrator	Able, Ms. Marsha
Overall Risk	Low

⊞ Show More Details

Parties | **Deliverables** | **Contract Documents** | **Risks** | **Related Contracts** | **Notes** | **History** | **Controls**

Document Category [   ]

Go

Actions [Add New Document] Go

Name	Description	Category
No Contract Documents exist.		

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Contract Repository

Contract Repository

Contract Repository

- Other Key Items:
  - Analyze Clauses
    - Search for specific clauses and where they are used
    - More general search
    - See which contract the clause exists in
  - Search Contracts
    - Search for particular contracts in the repository
  - Import Contracts
    - During implementation it might be a good idea to import the initial load of non-purchasing agreements

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Contract Repository

- New to 12.1.1 – Utilize Structure Terms and Conditions
  - Create document types
  - Create templates
  - Use templates and types in the contract repository

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Contract Repository

Contract Repository

- Key points to remember
  - No connection between repository docs and purchasing modules
  - Utilize the import if possible to aide in the initial creation.
  - Make a plan for Contract Repository set up
    - Types
    - Risks
    - Roles

Thank you

- Questions and answers

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