



CONTRACT COMPLIANCE AUDIT

Two complementary approaches – *standalone* or *together* – enabled by powerful technology

A PRGX Contract Compliance Audit combines the data-driven speed of a Billing Compliance Audit with a deep-dive Supplier Contract Audit, to improve long-term compliance and return value to the bottom line.

A Billing Compliance Audit helps discover billing errors, identify their root causes, and make specific recommendations to return those profits to your bottom line. Its lighter-touch approach is designed to maximize business health with

minimal resource requirements and little disruption to your organization. Supplier Contract Audits target selected complex, high-spend contracts for deeper analysis.

Each can be applied standalone, but to return maximum value we recommend both are applied simultaneously. Together, these complementary contract compliance methodologies are an excellent means of ensuring supplier contract compliance across your organization.

PRGX DOCUMENT INSIGHTS
TECHNOLOGY

Broad Contract Risk Identification and Scoring

Billing Compliance Audits and Supplier Contract Audits are part of the PRGX Commercial Compliance™ Services suite. They are enabled by powerful Document Insights tools which can ingest, interpret, and score risk across a broad range of supplier contracts. This technology enables PRGX to efficiently discover the sources of leakage quickly, applying the appropriate audit methodology to drill into the details, recover profits and provide root cause insights to prevent future leakage.

Elements	Billing Compliance Audit	Supplier Contract Audit
Data Audited - Primary	Client	Supplier
Target Suppliers	Quality in-house line-item data exists - Typically, direct spend	High complexity/spend contracts and/or Quality in-house line-item data doesn't exist - Typically indirect spend
Annual Supplier Coverage	Typically, 50 to 100+	Typically, 10 - 25+
Testing Focus	Pricing, rebates, allowances	All material financial exposures
Range of Recoveries	.25% - 1%	.5% - 5%
Formally Announced Audit	Never	Always
Supplier Interaction	Limited	Recurring & direct
Client Involvement	Lighter touch	Key governance and settlement roles
Pricing Structure	Annual program	Individual supplier

Complementary methodologies plus powerful technology equals maximum business health

BILLING COMPLIANCE AUDIT: Lower touch, quicker results

A Billing Compliance Audit compares detailed purchase orders to submitted invoices at line-item detail to ensure agreed-upon terms and conditions are being met. At the same time, broad-based analysis of all commercial elements contained within contracts, including pricing, rebates and allowances, leaves no benefit unrealized.

SUPPLIER CONTRACT AUDIT: Deep and broad, maximum value and excellent insights

Typically applied to your most high-risk, complex contracts with higher spend volumes. A Supplier Contract Audit not only identifies and uncovers value, it provides significant insights into how your contracts are being operationalized.

WITH THE SYNERGY OF BILLING COMPLIANCE AUDITS AND SUPPLIER CONTRACT AUDITS, WE HELP CLIENTS WITH:

- ◆ Supplier price and quantity verifications
- ◆ Allowances and rebates
- ◆ Deep-dive labor services audits
- ◆ Cost-based pricing verification
- ◆ Supplier profit and overhead validation
- ◆ Ensuring compliance with virtually any material financial risk contained within your contracts

REGAIN PROFITS WITH ACTIONABLE INSIGHTS

Our self-funded audit approach combines powerful data analytics technology with a staff of highly experienced, seasoned professionals, to discover opportunities to drive incremental value that other providers might miss. We know you need bottom-line results fast. And that's what we deliver, working alongside your procurement team to investigate and identify the root causes of discrepancies with suppliers, so they can be addressed and those relationships can be strengthened for the long term.

PUTTING S2P ANALYTICS AT THE HEART OF BUSINESS HEALTH

PRGX is the global leader in source-to-pay data analytics and margin expansion. We unlock incremental value from the data within your ecosystem, and expand your impact across the whole business. Leveraging AI, machine learning and deep industry expertise, our audit and analytics solutions shape stronger, healthier businesses.



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