

Technology Contract Intelligence for Leases



Technology-enabled collection, analysis and reporting for enterprise leases

New accounting rules¹ will come into effect in 2019 that require corporations to include all lease commitments, including operating leases, as part of their reported debt and assets. To achieve compliance, companies must have the ability to find, analyze and report on their entire enterprise lease universe – including leases ‘hidden’ in email attachments and other non-traditional locations.

The average Fortune 1000 company actively manages thousands of leases at any one time. These complex documents affect a corporation’s every department and geography and are increasingly digital, global and diverse. Yet many corporations lack an organized, centralized and automated method to collect and analyze their lease universe. Due to the critical importance of complying with new accounting standards requiring the inclusion of leases on corporate balance sheets, a growing number of organizations are engaging FTI’s Contract Intelligence for Leases team to quickly understand and act upon their lease universe.

OUR PROCESS

FTI’s Contract Intelligence for Leases team uses leading-edge analytics technology and advanced workflows to help organizations find, analyze and report on their leasing agreements. Focusing on speed, efficiency and cost-effectiveness, FTI helps corporations come into compliance with the new leasing standards and build a centralized lease management process via:



Technology-enabled identification of lease documents and associated data from across a corporation’s lease universe – including diverse geographies and storage types



Collection and analysis of all lease documentation, including email, to find leases as attachments



Search, review and extraction of relevant lease excerpts and terms from lease document populations for comparison, analysis and tracking



Customizable reporting on lease numbers, locations, types, relevant clauses and company-specific lease language



Isolation and classification of assets within leases or other broader contract types for downstream accounting recognition



Development of lease data outputs compatible with standing or intended lease management systems



Identification of trends across leasing obligations and risks for specific business units or the corporation as a whole

WHY WORK WITH FTI?

FTI’s Contract Intelligence for Leases service was founded in the world of fast paced litigation and compliance investigations. Our teams use a technology-forward approach to enhance expertise and improve the speed of the lease analysis process - while reducing cost.

Advanced Analytics Technology Automates Contract Collection and Review

The Contract Intelligence for Leases technology suite brings together advanced analytics tools supported with artificial intelligence, to expedite lease collection and review processes and further reduce cost. This enables the team to quickly define critical contractual language and structure customized engagement workflows, all resulting in enhanced review productivity and quality deliverables.

Enhanced Workflows Ensure Quality While Reducing Costs

Custom solutions and workflows, designed by operational and subject matter experts, are executed by legal review teams that are specifically trained per engagement. Clients receive regular updates on review findings such as legal obligations, cost opportunities, risk exposure and any additional requirements – all driven by advanced analytics.

OUR EXPERTISE (CONTINUED)

Legal and Regulatory Expertise Reduces Risk

The Contract Intelligence for Leases team leverages deep legal and regulatory expertise to ensure a thorough and defensible process. Our global team includes leasing transaction experts, contract process experts, forensic experts, corporate investigation specialists and technology professionals that have led some of the largest and most complex regulatory response, information governance, M&A, litigation and investigative engagements. In addition, the Contract Intelligence for Leases service utilizes industry expertise across a number of vertical industries relevant to leasing considerations, including healthcare, food and beverage, retail, manufacturing, energy and real estate.

¹ IFRS 16, Leases issued by the International Accounting Standards Board in January of 2016 and ASC Topic 842 issued by the Financial Accounting Standards Board in February 2016. Both standards require that all leases, including operating leases, be recorded on a company's balance sheet as debt by 2019.

ABOUT FTI TECHNOLOGY

FTI Technology solves data-related business challenges, with expertise in legal and regulatory matters. As data grows in size and complexity, we help organizations better govern, secure, find, analyze and rapidly make sense of information. Innovative technology, expert services and tenacious problem-solving provide our global clients with defensible and repeatable solutions. Organizations rely on us to root out fraud, maintain regulatory compliance, reduce legal and IT costs, protect sensitive materials, quickly find facts and harness organizational data to create business value. For more information, please visit www.ftitechnology.com.

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About FTI Consulting

FTI Consulting is an independent global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities..