



UNIVERSITY OF NOTRE DAME

Automation in Accounts Payable

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Agenda

Automation in Accounts Payable

- Overview
- Expense Reports
- PO Invoices
- Non-PO Invoices/Payment Requests
- ePayables Program
- Where do we go from here?
- Questions



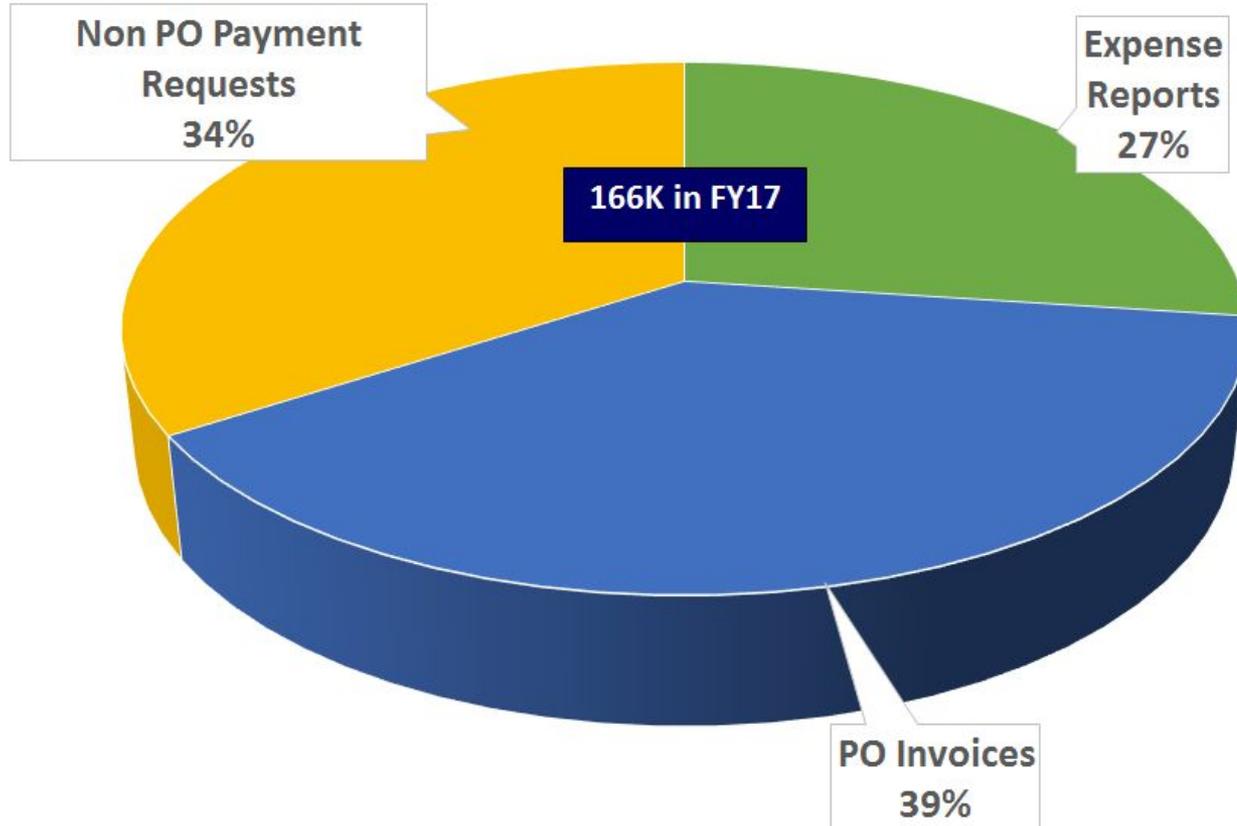
University of Notre Dame

Background information

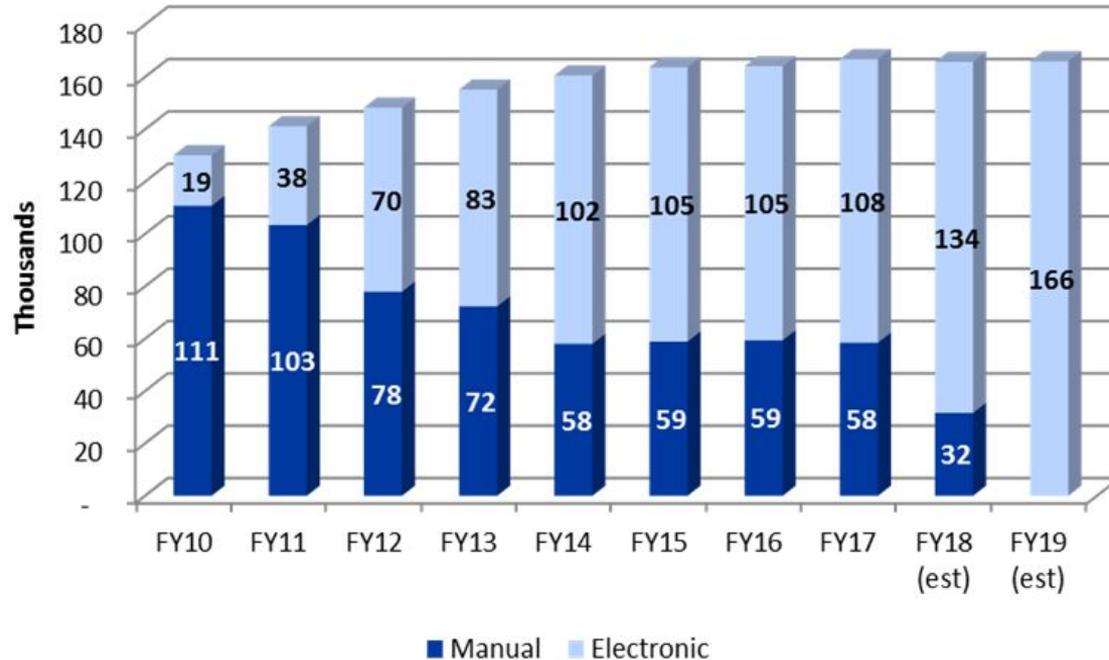
- 12,000 students; 4,500 FTEs
- \$1.2B Operating Budget
- A/P spend; record dollar levels 4th yr in a row
- A/P - 10 FTEs
- Banner ERP
- Implementations:
 - FY04; SciQuest/Jaggaer
 - FY11; Concur
 - FY14; Financial Toolkit for JVs, Cash Deposits, LDCs & Payment Requests (FY18)
- Centralized A/P and compliance review process



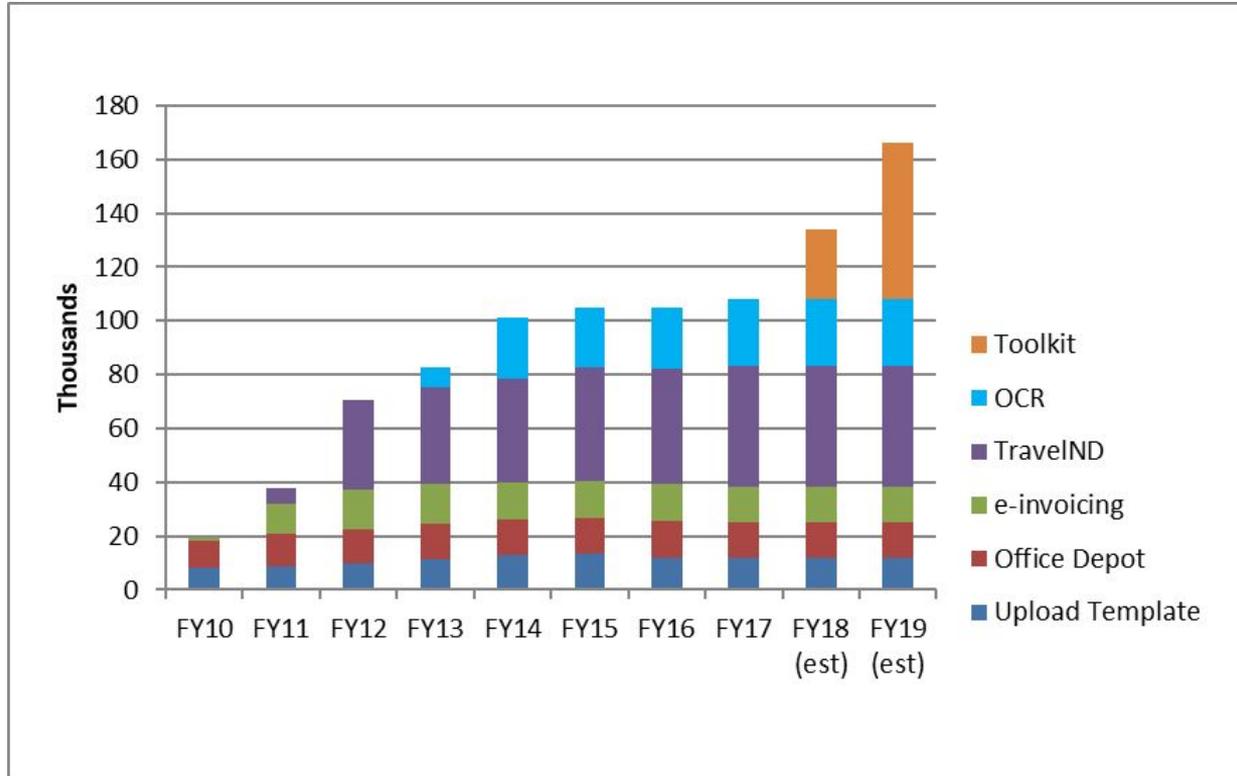
Payment Request Types



Automation of Central A/P Invoices



Electronic Initiatives



Expense Report Automation

Background Info

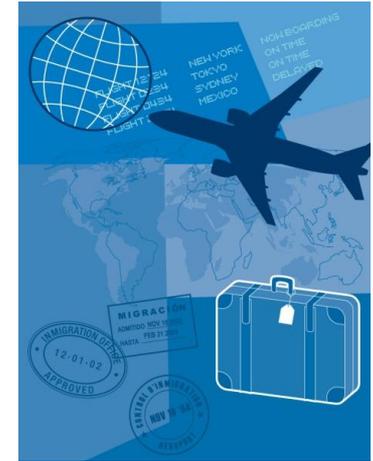
- Centralized compliance review process
- Travel Card & P-Card with JP Morgan Chase
- Employee expense reimbursements paid via ACH

2010

- \$28 - \$30M annual travel spend
- 22,500 paper expense reports processed; 100% compliance reviewed
- P-Card reconciliations via “honor” system

2017

- \$38 - \$40M annual travel spend
- 47,500 electronic expense reports processed; 65% compliance review
- 14,500 electronic P-card reconciliations processed annually





- Comprehensive travel program
 - Managed by Procurement Services
- Targeting improvements in:
 - Traveler satisfaction (#1)
 - Process efficiency
 - Policy compliance
 - Sustainability
 - Reduce travel costs



Results

As a result of the travelND program, we've been able to achieve the following:

- In-program (booking tool plus TMC) air bookings adoption of > 70%
- Campus-wide discount programs for airfare, rental car, charter buses, charter flights, and local hotels
 - Cumulative savings of > \$2 million over last 3 fiscal years
- Card program generated rebates of > \$800k over last 3 years
- Convert paper expense report process to 100% electronic
 - Increase process visibility
 - Reduce follow up with submitters from approx. 25% to 5 - 10%
 - Faster reimbursements – from average of 4-11 days to 1-3 days
 - Detailed expense reporting at campus, department, and individual traveler levels



Dealing with Infrequent Travelers (< 2 trips per year)

Create a three-part email process that pushes information to infrequent travelers.

1. Preparing for a trip

- Trigger is based on approved travel request or booked itinerary
- Send email with webpage link that highlights what they should do to prepare for their trip.



2. Know before you go

- Trigger is five (5) days prior to the trip start date
- Send email with webpage link that highlights what they need to know during their travels

3. Things to know to prepare an expense report

- Trigger is the last day of their trip
- Send email with webpage including step-by-step guidance on preparing an expense report.

PO Invoice Automation

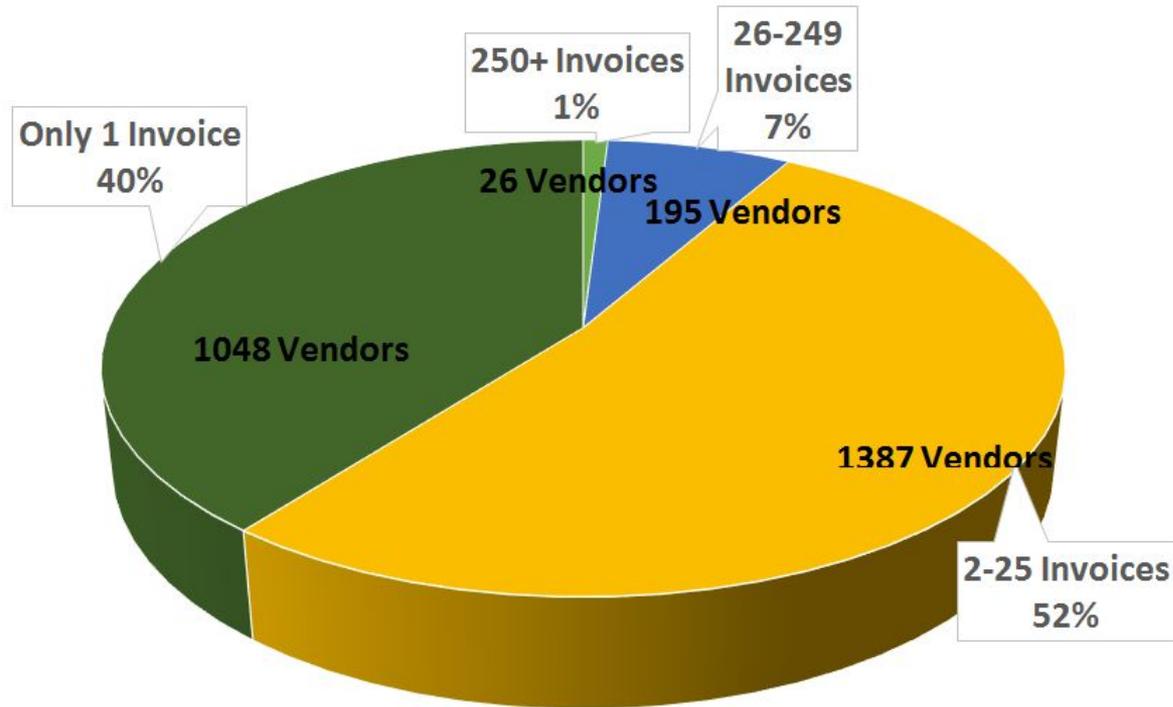
Background - Systems

- **ERP System: Banner**
 - Went live FY05; 100% paper based / manual entry
- **eProcurement: BuyND (Jaggaer)**
 - Campus orders and receives in BuyND
- **Invoice images: Xtender**
 - Scanned in by EasyAccess, LLC
 - Campus drills down from budget activity
- **eInvoicing: EasyAccess**
 - Started e-invoicing in FY10
 - Added Optical Character Recognition (OCR) FY13
 - Only AP staff work in EasyAccess – Unmatched invoices

Background - Challenges

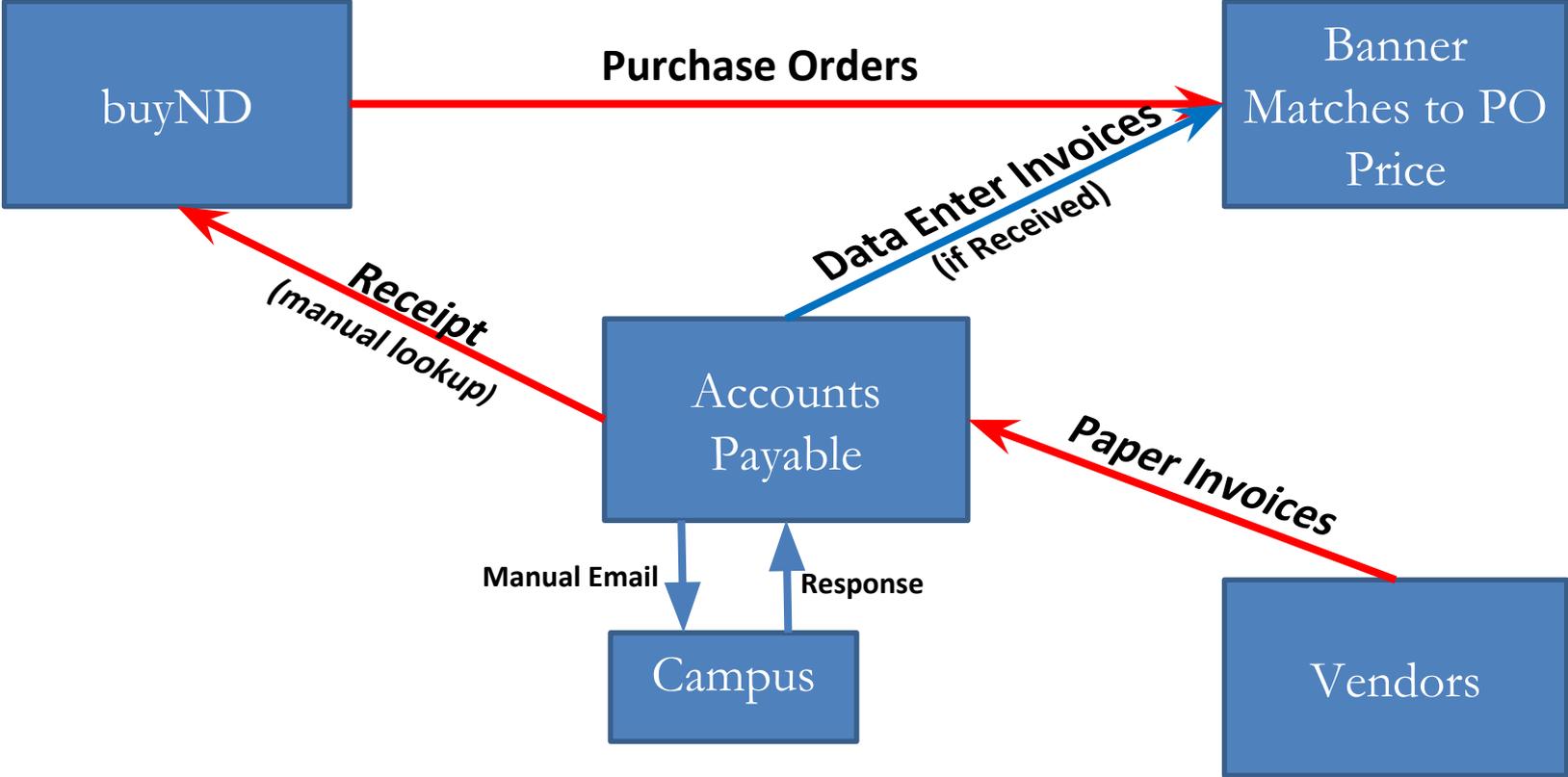
- **BuyND Receipts not interfaced with Banner**
 - BuyND POs are interfaced
 - Banner 3-way match not possible
- **Unsure of OCR reliability**
- **Good target vendors – only Top 10**

Determining Our Target Vendors



Vendor Breakdown FY17

Process – Before eInvoicing



Electronic Initiatives

Evolution

FY05

Excel Template

- Non-PO Payments
- Used to upload large groups (Band meals)
- Just need vendor #, \$ amount, G/L account

FY06

eInvoicing
2-way Match

- Template program expanded to post against PO's
- Developed solely for office supply vendor
- Vendor sends invoice file twice per month
- Files uploaded and Banner matches against PO price

FY10

eInvoicing
3-way Match via
data files

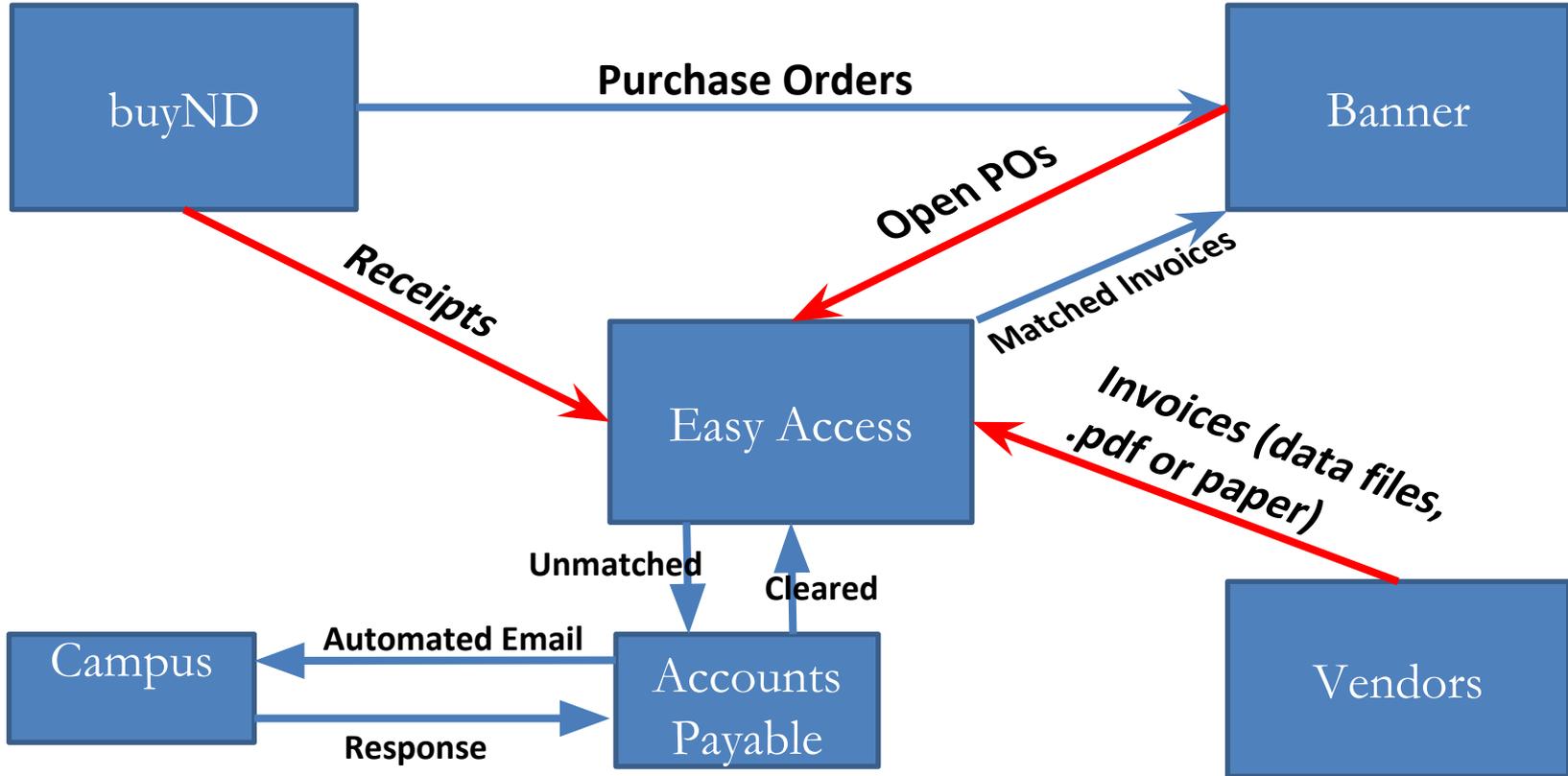
- Outsourced 3-way Match to EasyAccess
- Required data files by PO line # from vendors
- Took significant resources from vendor and Procurement Services
- Only 5 vendors enrolled

FY13

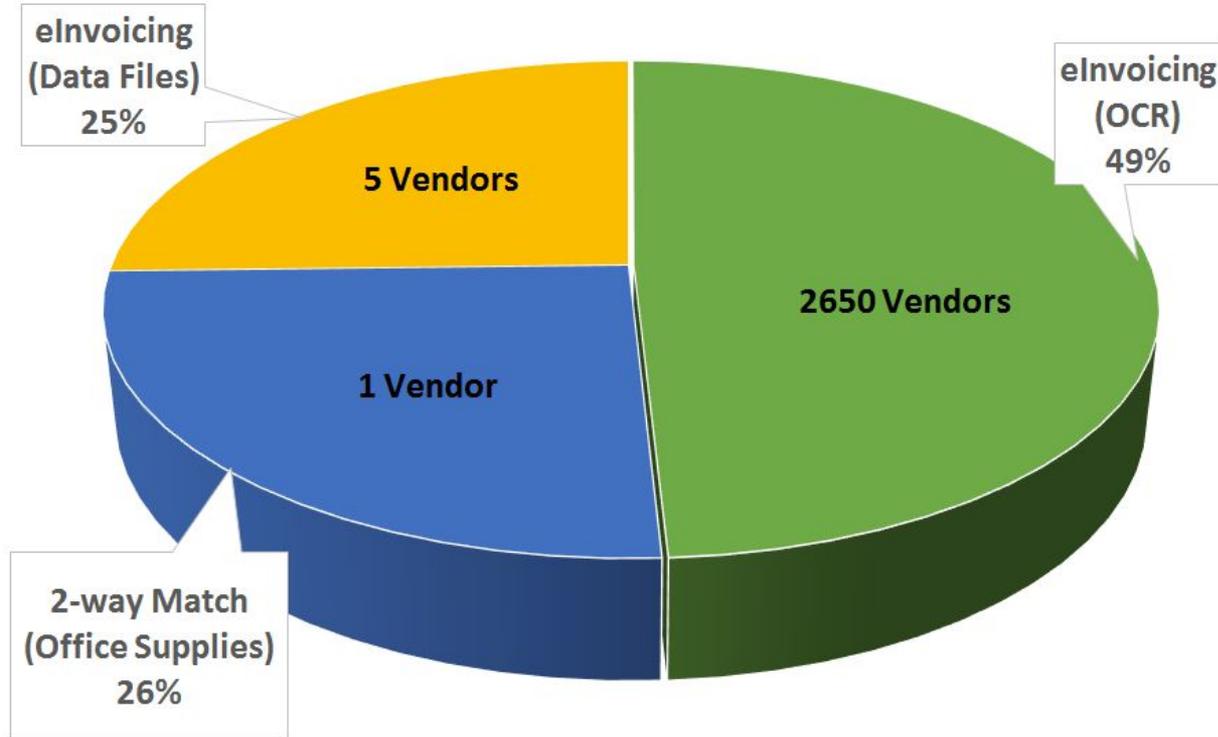
eInvoicing
3-way match via
OCR

- OCR creates data file from .pdf or paper invoices from vendors
- No vendor or Procurement resources needed
- Perfect for low volume vendors

Process – After eInvoicing

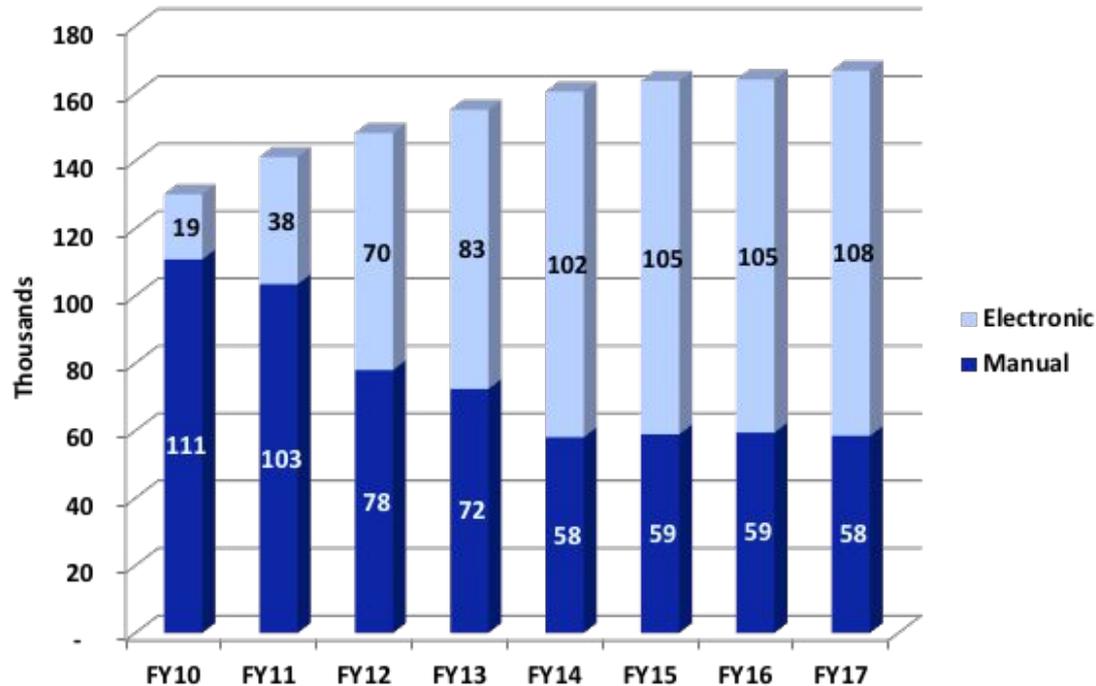


Invoice Volume by Method FY17



Non-PO Payment Request Automation

Automation of Central A/P Invoices



Objectives for Automating Non-PO Payments

- Streamline process via electronic workflow
- Increase visibility for all parties
- Provide intuitive interface for submitters



Financial Toolkit Solution

- Web-based solution created by ND OIT to process:
 - Labor distributions
 - Journal Vouchers
 - Cash deposits
- Built using Ruby on Rails
 - Server-side web application framework
 - Used by other applications such as Airbnb, Hulu, Bloomberg

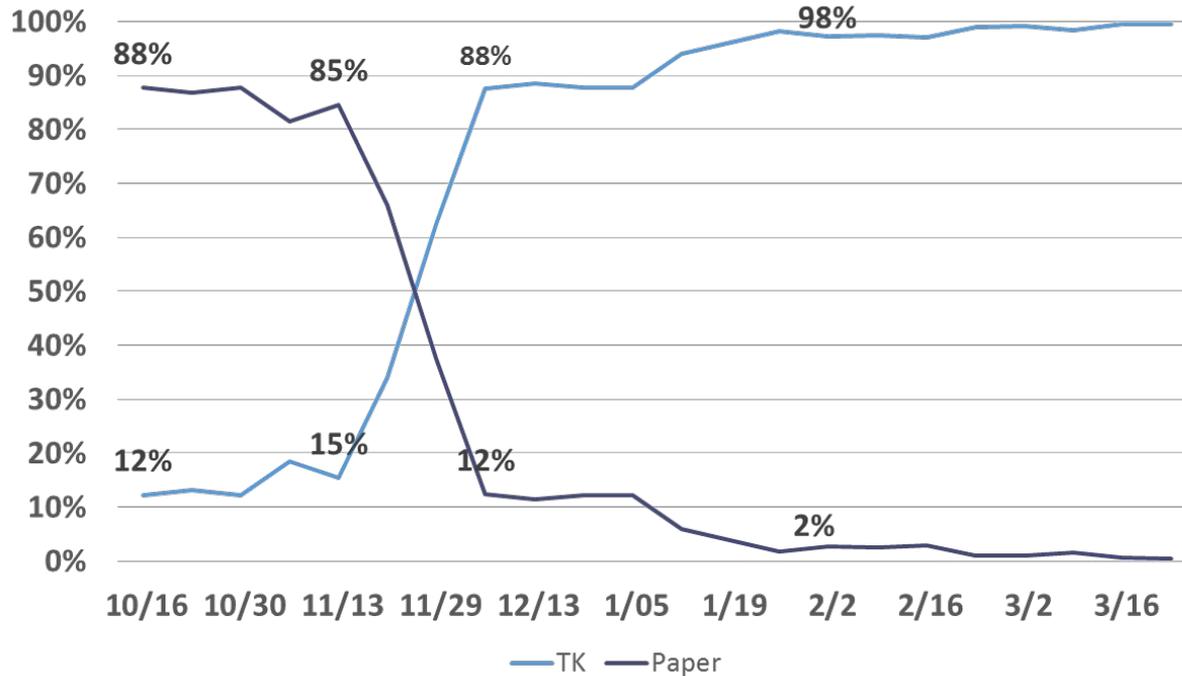


Development Process

- Integrated Team: A/P, Tax, Payroll, Vendor Maintenance, OIT
- Form Creation and Enhancements
 - Built in workflow
 - Cloning
- Campus Pilot Groups
- Campus Rollout



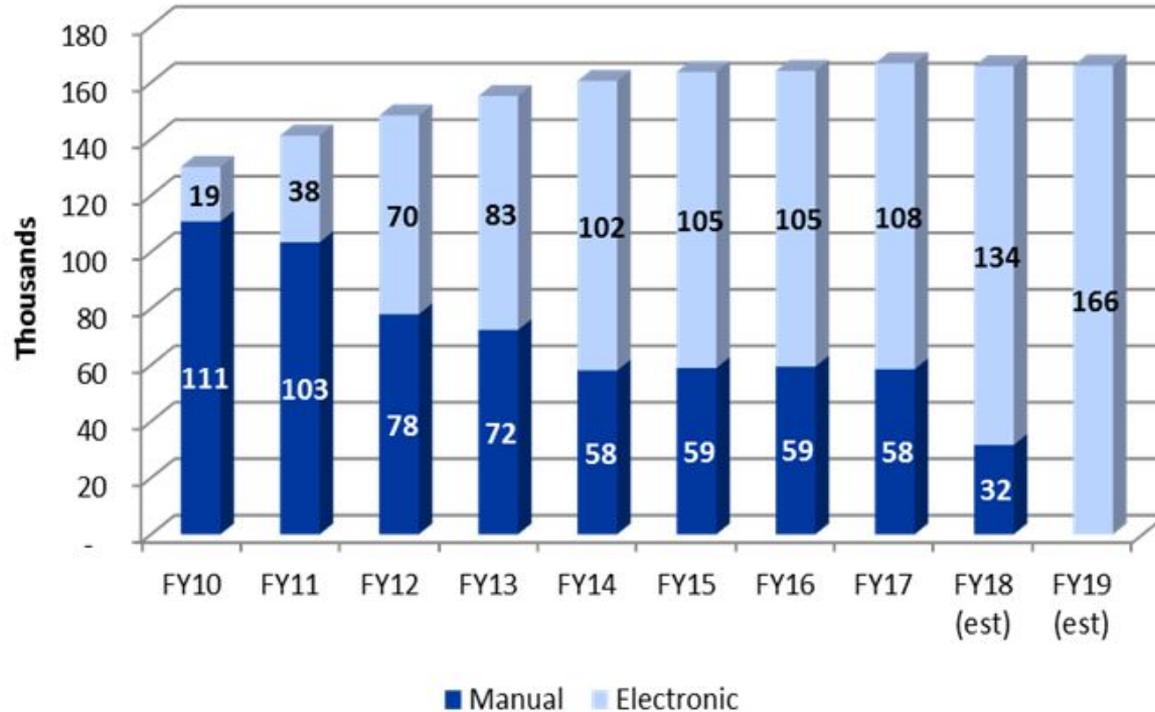
Toolkit Adoption



Keys for Success:

- Familiarity
- Frequent communication & feedback

Expectations for the Future

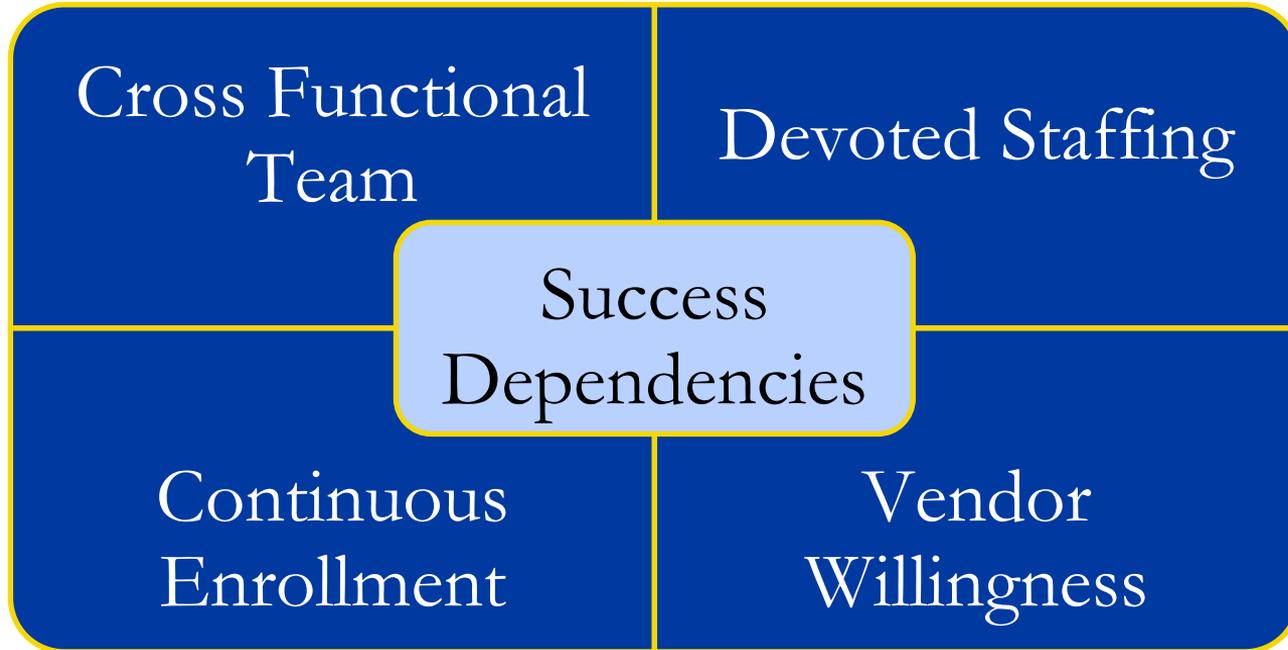


- Decrease in manual payments
- Staff Composition

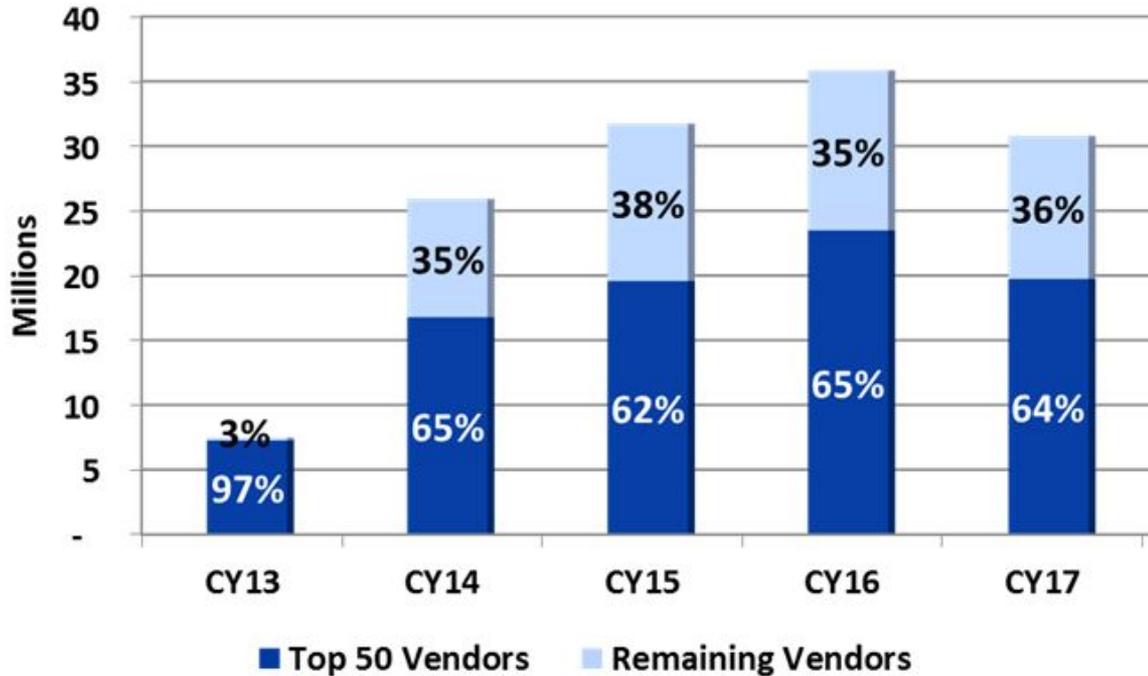
ePayables Program

ePayables Program

- Virtual card payment program designed for AP payments (a.k.a., Single Use Card, Payment Card, Ghost Card)
- Options:
 - Card number retained by vendor
 - Single Use Accounts (SUA)
- \$0 credit limit after settlement



Vendor Spend Activity



Number of Vendors:

CY13: 100

CY14: 388

CY15: 478

CY16: 473

CY17: 468

Total \$ Earned:

\$2.27M

Where do we go from here?

Where do we go from here?

- Vendor Portal
- One Card
- Exploring New Payment Methods

Questions?