Source2Pay Project

Process – Invoice Feeders from Departments

Future State

Focus Group Meeting

August 11, 12 2016
Agenda

- Welcome
- Introductions
- Source2Pay Project Overview
- Project’s Process Details
- Process Current State
- Current State Identify Issues
- Next in the project’s process
- Questions
Welcome!

- Introductions
  - Name
  - Department
  - Current Job
  - Goal for being participating on a Focus Group
Source2Pay Project

- Our current Source2Pay procedures at the University has significant opportunities for improvement and impact every department within the University system.
Today – Common Feedback

- Takes too long when business rules require purchase orders or bids
- Overly complex business rules that are often unknown to those making purchases
- Difficulty tracking and reconciling transactions
- Often not leveraging available strategic contracts to maximize cost savings
Project Purpose/Goal

- Identify process improvements throughout Source2Pay process
- Develop RFP
- Ultimate goal is to minimize, improve & standardize IT platforms
Source2Pay Project

- Project scope - Identified 24 process within the Source2Pay cycle.
- Pilot 4 processes
- Utilize Business Process Improvement methodology approach (BPI)
Procurement Services

- Project Sponsor:
  - Duane Elmore – Asst VP Procurement Services

- Functional Group Lead
  - Dan Szajna – Assoc Director of Compliance, Policy and Conflict
Project Process

- Capture Current State
  - Map process
  - Current state document
  - Present to campus in focus group setting
  - Present feedback to the team
  - Finalize current state
  - Present to Director Council
Project Process

- Create Future State
  - Map process
  - Identify Issues
  - Brainstorm recommendations
  - Present to campus in focus group setting
  - Present feedback to the team
  - Finalize proposed solutions
  - Present to Director Council
Process Finance Feeders from Department - Current State

- Process Boundaries
  - **Begins** - When a department has a specialized system or condition and needs to make a payment.
  - **End** - When a completed, approved invoice exists in the ERP system.
Process Finance Feeders from Department - Current State

Identify need for mass entry of transactions -> Approve Feeder -> Train campus unit -> Test Feeder -> Run Feeder in Production
Process Finance Feeders from Department - Current State

- Identify need for mass entry of transaction
  - Campus Unit
  - UPayables
- Approve Feeder
  - SLA
- Train Campus
  - Spreadsheet
  - Auto feeder file
Process Finance Feeders from Department - Current State

- Test Feeder
- Run Feeder in Production
  - Spreadsheet sent to Upay
  - Placement of automatic feeder file
Key Findings

- Length of Time to Setup
  - Difficulty with the feeder format
  - SLA delays
- Campus Unit Knowledge
  - Lack of IT staff
  - Knowledge transfer with staff turnover
- Process Delay
  - Overnight delay
  - Rejected files add another day to process
Key Findings

- Feeder File Issues
  - Bad data/Incorrect FOAPAL
  - Duplicate file/Incorrect location
  - Timing of file

- Communication
  - Lack of advertising of the availability of a feeder

- Multiple Systems to Process Invoices
Improvement Recommendations

- Enhance Service Level Agreements
- Increase Communication
- Improve Process Efficiency
- Evaluate Systems
Enhance Service Level Agreements

- All feeder types (except the internal Banner process feeder) should have SLAs that include pointers directed at identified department issues that frequently arise (e.g., no account/password sharing, notification of stopping the feeder, notification of off-boarded person).

- There should be different levels of SLAs depending on type/duration of feeder (e.g., one-time would be brief). In addition, update the current SLA process (who needs what – e.g., Audits) to encompass different steps for the SLA levels.

- Analyze & implement an electronic approval workflow for the SLA process.
Increase Communication

- An updated contact list (using contact info from department provided on SLA) should be available to UPAY, BSS, and AITS: auto-feeder contact lists are maintained by BSS, spreadsheet feeder and messaging contact lists are maintained by UPAY.
- Create and distribute an operational fact sheet surrounding feeder procedures that includes the main rules that must be followed. E.g., must submit by 6 PM, don’t use for reimbursements, must be over 50 transactions at a time, follow generally accepted accounting principles.
- Publish high-level process for different types of feeders (order of steps, not time to complete)
- Advertise that the feeder process exists. Would list feeder criteria and still require approval and SLA before starting or accepting a new feeder. (on OBFS procedures page, Payments to Vendors)
Improve Process Efficiency

- Trusted submitters of spreadsheet feeders should become auto-feeders – for this to work, would need to make sure the campus unit knows how to create text file and would need to be given a new feeder user ID
- Auto-feeders should be converted to use the front-end feeder. Front End feeder would produce output file about 30 minutes later, rather than overnight.
- Auto feeders with FTP should be converted to messaging-type feeders (like Capital Programs’ messaging feeder). Identify other systems being used by campus units that could take advantage of this but aren’t using any type of feeder.
Evaluate Systems

- For those who are moving from one-time feeder to automatic feeder, analyze the development of a tool campus units can use, similar to the UPAY conversion module.
- Analyze fields being used in feeder file and determine what needs to be retained/dropped/added when we start using a Front End Feeder – e.g., add an invoice date field.
- The department would be able to feed data directly/interactively to upload one or many invoices into the system of record. UPAY will need the ability to control the input flow.
- Would like to be able to do electronic invoicing with the appropriate approval workflow (based on business requirements) prior to payment to vendor.
Future State

What do you envision as the future state for Invoice Feeders from Departments process?
Next Steps

- Present feedback to Project’s process Team
- Finalize future state
- Present future state to Director Council
Contact Information

Amanda Bland
AITS
amwood@uillinois.edu
217-333-4805

Kristi Moore
OBFS - Business Solutions & Support
klmoore@uillinois.edu
217-333-6259
Thank YOU!