

Department/Unit: Accounts Payable

Year: FY 2018-19

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Contact Title: Assistant Controller

Unit Overview/Mission/Purpose

Accounts Payable is a service organization, empowering our university community to deliver innovative solutions that support and advance our people, and our financial health. Our purpose is to provide centralized processing and payment of the University financial obligations to our external vendors and to our employees for their reimbursements.

Staffing

	FY16	FY17	FY18	FY19
# Full Time Staff	7	6	6	5
# Student Employee FTE	-	-	-	-

Success Outcome 1:

To shorten the processing time from receipt of invoice to input into the Banner system.

KPI 1.1 (revised to better measure Success Outcome 1, See KPI 3.1 for previous KPI)

Data: Sampled review of AP's received date on invoices compared with actual date

At December 4, 2018, AP staff were processing November 29, 2018 invoices, processing time of three business days

Success Outcome 2:

To minimize exception invoices by lowering the percentage of exception invoices/travel expense reports as a percentage to total invoices

KPI 2.1

Data: Relevant data is not maintained within Banner and will be a time-consuming manual process. This process has not been instituted to date due to possible change in AP process with implementation of Total Supplier Manager/AP Director and Chrome River

Success Outcome 3:

To define the size and scale of the Accounts Payable function within the University. This baseline will be important as we look at future process efficiencies in both the Accounts Payable and Procurement Card departments.

KPI 3.1

Data: Number of Invoices Processed per hour per Clerk

Result:

	FY 17	FY 18	5 months ended 11/30/18	Benchmark ¹
# of Invoices Processed (A)	21,909	21,163	8,151	-
# of Work Days (B)	246	246	105	-
# of Clerks (C)	4	4	3	-

Avg. # of Invoices/day/clerk = A/B/C	22.27	24.58	25.98	-
Avg. # of Invoices/hour = (A/B/C)/8	2.78	3.07	3.25	4.0

¹ – From “Why Automation Matters, A Survey Study of the Modern Accounts Payable Department” copyright iPayables 2016. Email survey consisted of approx. 30,000 respondents and targeted US companies with revenue exceeding \$50M. Metric cited is for a “companies that just process paper”, which is applicable to WSU.

Notes: WSU’s invoice volume per hour is slightly less than the benchmark noted. Accounts Payable receives and processes its invoices manually, which requires hand-keying of invoices. As the University’s strategic plan is adopted, Accounts Payable will be looking for efficiencies in processing, which may include moving to AP Director. This software would integrate with the procurement system, would create a workflow from requisition to creation of check, and would allow WSU to process electronic invoices. Evaluation of current system capabilities, feasibility of a transition to AP Director, and cost benefit analysis will be performed in coming months.