

## Best Practices in Accounts Payable

Kelly Augsburger  
Auburn City Schools

---

---

---

---

---

---

---

## Best Practices in Accounts Payable

- ▶ District AP Overview
- ▶ The way we were...
- ▶ Reasons to change...
- ▶ Transition to paperless Purchasing & Accounts Payable
  - Paperless Requisitions and Purchase Orders
  - Invoice Processing
  - Payment Processing
  - Paperless filing system

---

---

---

---

---

---

---

## AP Overview

- ▶ Auburn City Schools (ACS)
  - 11 schools
  - Athletics
  - Maintenance/ Transportation
  - Central Office (CO)
- ▶ Centralized accounting system
  - Schools pay invoices from local checkbook budgets
  - CO pays all other invoices (including school allocations from GF)
  - Each school/department generates their purchase orders
  - Vendor maintenance at CO
  - Purchase order maintenance is also handled at the CO: voiding, completing, and changes to existing POs

---

---

---

---

---

---

---

## How we were processing AP

- ▶ Purchasing
  - PO entry/maintenance
  - PO printed and approved via manually signed document
- ▶ Triplicate PO copies – printed copies drive purchasing/AP process
  - White copy retained
  - Pink copy to CO when PO created
  - Yellow copy to CO when items are received and ready for payment
- ▶ Invoice procedures
  - Invoice mailed/transferred to CO
  - Matched with PO copies
  - Entered in Nextgen
- ▶ Payment procedures
  - Issued check payment for all invoices
  - Pink PO copy stamped paid and returned to originator

 All steps involved movement of paper among locations

---

---

---

---

---

---

---

---

## Reasons to change

- ▶ Paper reduction
  - Over 7,000 POs created last fiscal year= 21,000 copies in circulation
- ▶ Already imaging checks in Softdocs
- ▶ Single database accessible to multiple parties
- ▶ Eliminate maintenance/storage space of paper documents

Identified Goal for AP:

***Transition to a paperless Purchasing & AP system***

---

---

---

---

---

---

---

---

## Transitioning to a Paperless Purchasing & AP System

- ▶ Step 1: RQs & POs

---

---

---

---

---

---

---

---

## Paperless Processes: RQ & PO

- ▶ Nextgen Purchase Requisitions
  - Routing Groups & Rules
    - Rules based on GL component, PO prefix, user ID, amount, etc.
      - Budget-specific rules and global rules (bid threshold, technology, Federal programs)
    - RQ entry/maintenance (same as PO module)
    - RQ submitted for approval → follows routing rules
    - Email sent to each user in routing with RQ attached as PDF
  - Once RQ is approved:
    - Transfer requisition to a PO
    - PO imaged with electronic signature (approval is captured via RQ)
    - PO printed- using SoftDocs virtual printer
- ▶ Email generated in lieu of printed PO copy
  - Automatically emails PO to the originator and to ACS purchasing email
  - Sends copy of PO to DocEScan

---

---

---

---

---

---

---

---

## Benefits of Paperless RQs & POs

- ▶ Time and paper saved
  - RQ approval simplified
  - Sending and receiving courier mail is no longer required
  - Eliminated need to file and maintain paper PO copies
- ▶ PO is immediately available in the originators email
  - Allows forwarding to the teacher or vendor
  - Eliminates the need to print, scan and then email
- ▶ Digital copies are filed in our virtual filing system
  - Pending PO folder is created in DocEScan
  - Eliminates scanning of the PO step from AP process
- ▶ PO can be printed from email if paper copy is needed

---

---

---

---

---

---

---

---

## Requirements for Paperless RQs & POs

- ▶ RQs
  - Mapping/planning of RQ routing groups and rules
  - Electronic signature collection
- ▶ Paperless POs
  - Changes in NextGen
    - PO report name must be changed for each PO prefix in the PO validation tables tab
    - Printing parameters for each PO originator are set to the MCAI DocEScan printer
  - SoftDocs requirements
    - List of all PO prefixes
    - Email address of the originators for those prefixes
    - Signature card for each PO prefix approver
  - Email organization
    - Outlook folder and rules

---

---

---

---

---

---

---

---

PO VALD PO Validation Tables (v3.11)

1. POPrefix 2. UMeasure 3. PO Message 4. PO Status 5. Signatures

PO Prefix Code: 35 Description: AUBURN EARLY EDUCATION CENTER

Expiration in Days: 30 PO Report Name: POFFPOAigAttn.rpt ☐ Inactive

☐ Print Required ☐ PO Form has Embedded Signature

OL Distribution: ☒ Allow by Document ☒ Allow by Item

Default Msg: 35 Add Message Code

Year	Last No...
2016	1055
2015	1035
2014	916
2013	795
2012	0
2011	0
2010	0

Inquire Mode: Enter the Key Word for the Desired Record

---

---

---

---

---

---

---

---

SC AP/PS Reporting Parameters (v3.07)

System ID (or ALL): MS2-3095-A/DOE-13-KAUGSBUR System Default Reports Printer: HP Laserjet 4350 PCL 5e-AP

Reload Available Printers

☒ Condensed Printing ☐ Ask Before Condensing

Optional Application/Transaction Specific Overrides of Defaults

Application/Transaction: AP Transaction Default Reports Printer: HP Laserjet 4350 PCL 5e-AP

☐ Condensed Printing ☐ Ask Before Condensing

Paper Size: Letter ☒ Landscape

Font: Sans Serif 20pts Font Size: 10

AP	TX	Printer Name	Paper Size	La...	Use	Ask	Font Name	Font Size
AP	PRPO	AIG-mcafeet	Letter	No	No	No		

Inquire Mode: Enter the Key Word for the Desired Record

---

---

---

---

---

---

---

---

## Transitioning to a Paperless Purchasing & AP System

- ▶ Step 1: RQs & POs
- ▶ Step 2: Invoice Processing

---

---

---

---

---

---

---

---

### Paperless Processes: Invoice Processing

- ▶ SoftDocs AP approval form
  - <http://eforms.auburnschools.org/index.aspx>
- ▶ Invoice approval procedure:
  - When invoice arrives at CO for payment, scan and attach to AP approval form in Doc e Fill
  - Route AP approval form to the PO originator
  - Bookkeeper receives email notification of awaiting item in Doc e Fill
    - Log into Doc e Fill inbox and open AP forms awaiting action
    - Open attachment and review invoice

---

---

---

---

---

---

---

### Paperless Processes: Invoice Processing

- Bookkeeper completes form
  - Select the document type
  - Enter PO number (this field has a "hook" that pulls PO information from NextGen)
  - Enter invoice number and date
  - Select a PO action
    - Close PO
      - Do not close PO—awaiting additional items
      - No PO on file
  - If invoice is greater than PO, must state why
  - Click check box to acknowledge that all items on invoice have been received and that invoice is ready for payment
- Form is then routed back to AP for payment or to the approver if additional approval was needed

---

---

---

---

---

---

---

### Paperless Invoice Entry

- ▶ AP logs into DocEFill and navigates to inbox
  - All approved and routed invoices are directed to this folder
- ▶ Create invoice batch in NextGen
- ▶ Key each invoice as usual
- ▶ Archive AP form
  - Once entered in NextGen AP form is archived in DocEScan as a pending invoice
  - Form is removed from the inbox
- ▶ Continue keying batch until all invoices have been archived

---

---

---

---

---

---

---

## Benefits of Paperless Invoice Processing

- ▶ Increased efficiency
  - Invoices are approved and received back to AP quickly
  - Additional approval is routed with the form
  - All steps necessary to issue a payment are achieved without the use of paper
- ▶ Improved organization
  - AP approval form serves as a vehicle for combining all documents into a scanned copy
  - Eliminated requirement of printed invoices needing folders and filing cabinets!
- ▶ All employees access through common platform
- ▶ Functions as a receiving document to AP
  - Bookkeepers can scan received invoices and send AP form to CO for payment

---

---

---

---

---

---

---

---

## Requirements for Implementing Paperless Invoice Processing

- ▶ SoftDocs
  - Created AP form according to ACS financial process and procedure guidelines
  - Created positions and routes for form
    - New position created to grant each cost center access to the form in the library for the person who will open and approve the invoice
- ▶ Training
  - SoftDocs provided onsite training for CO
  - ACS bookkeepers and principals/department heads trained by CO
- ▶ Equipment needs
  - Scanners
  - Dual monitor systems

---

---

---

---

---

---

---

---

## Transitioning to a Paperless Purchasing & AP System

- ▶ Step 1: RQs & POs
- ▶ Step 2: Invoice Processing
- ▶ Step 3: Payment Processing

---

---

---

---

---

---

---

---

## Paperless Processes: Payments

- ▶ Processing invoice payments in a paperless environment
  - Regions P-Card Program
  - ACH

---

---

---

---

---

---

---

## Transitioning to Paperless Processes: Paperless Payments

- ▶ Regions P Card payments
  - Ghost card used to pay all invoices from vendors that will accept cards
  - Regions Intersect – automated Visa payment of invoices
  - P-cards
    - Maintenance/Transportation – identified need for real-time purchasing; PO process ineffective.
    - Pilot program for school, principals, departments and athletic booster clubs

---

---

---

---

---

---

---

## Transitioning to Paperless Processes: Paperless Payments

- ▶ ACH payments
  - Started with employee reimbursements
  - Created an ACH letter and distributed it to all bookkeepers
    - Must be completed prior to employee reimbursement
  - Outside vendors
    - Enrolled vendors that provided ACH details on invoices
    - Next step: Campaign to enroll all vendors in ACH
      - Create a letter notifying vendor that ACS is converting to paperless payment system
      - Option to be paid with a credit card or ACH
  - Automated ACH payment notification email

---

---

---

---

---

---

---

March 12, 2015

Auburn City Schools now processes payments using ACH for employee professional development reimbursements, mileage and other expenses incurred by our employees.

Please complete this form and return it to Kelly Augspurger at the Central Office. It can be scanned and emailed or printed and returned by mail or courier.

Submit this form for timely processing of your expense reimbursement. You will receive an email alerting you of the upcoming deposit.

Account where you would like your funds deposited:

Routing # \_\_\_\_\_

Account# \_\_\_\_\_

Employee Name \_\_\_\_\_

Signature \_\_\_\_\_

Email Address to receive check receipt: \_\_\_\_\_

Should you have any questions or concerns please let me know.

**Kelly Augspurger**  
Accounts Payable Assistant  
Auburn City Schools  
304.387.1000  
kaugspurger@auburncityschools.org

---

---

---

---

---

---

---

---

---

---

### Benefits of Paperless Payments

- ▶ Reduction of mail
  - No postage costs
  - Lost checks/ incorrect addresses
- ▶ Bank reconciliation
  - No waiting for checks to clear
  - No voided/reissued checks
- ▶ P-card program rebate
  - Cash back to school district for all credit card transactions
  - ACS rebate on 2015 spend of \$61K

---

---

---

---

---

---

---

---

---

---

### Requirements for Paperless Payments

- ▶ Vendor Enrollment
  - Regions Intersect enrollment campaign
  - ACH – Obtain bank information from letters via standard letter
- ▶ Add ACH functionality to bank account
- ▶ Update vendor file
  - Tab 3 other
  - Input bank information and email details
- ▶ SoftDocs
  - Created/tested ACH notification email template
- ▶ Regions statements must be reconciled each month
  - Folders set up with DocEScan to file credit card invoices

---

---

---

---

---

---

---

---

---

---



---

---

---

---

---

---

---

---

## Transitioning to a Paperless Purchasing & AP System

- ▶ Step 1: RQs & POs
- ▶ Step 2: Invoice Processing
- ▶ Step 3: Payment Processing
- ▶ Step 4: Filing System

---

---

---

---

---

---

---

---

## Paperless Processes: Paperless Filing System

- ▶ POs
  - Pending purchase order folder
- ▶ Invoices
  - Pending invoice folder
- ▶ Check copies
  - Batch is merged
  - Invoices are selected to be paid
  - Check batch is printed
  - Scanned images of each check file into DocEScan
- ▶ Matching
  - PO number is used to match all related items
  - Once check is printed all items with same PO# are filed together under that check number and are removed from the pending folders

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

## Benefits of Paperless Filing System

- ▶ Organization
  - All items filed together
  - Nice clear quality scanned image of all documents
- ▶ Audits
  - Auditors receive login credentials to DocuSign where they can retrieve all disbursement documents needed

---

---

---

---

---

---

---

---

## What's next for ACS AP

- ▶ ACH vendor enrollment campaign
- ▶ Paperless travel expense request forms
- ▶ Local schools check imaging and scanning invoices using AP approval form

---

---

---

---

---

---

---

---

## Acknowledgements

- ▶ Judy Cominsky (NextGen)
- ▶ NextGen Support Team
- ▶ SoftDocs K-12 team
- ▶ Enterprise City Schools/Albertville City Schools

---

---

---

---

---

---

---

## Questions?

Feel free to contact us if you have questions!

Kelly Augsburger  
[kmaugsburger@auburnschools.org](mailto:kmaugsburger@auburnschools.org)  
Office 334-887-1908

---

---

---

---

---

---

---