Ordering and Paying for Stuff

Financial Services 13.11.2012
Why Change?

We need to use technology to make things better.

Governance processes need to improve.

There is money at stake here.

We intend to:
Make processes easier overall with minimal rules
Balanced with:
High quality control processes

One Step @ a time
Create options not rules and improve through implementation.

How?
Ordering and Paying for Goods and Services

- **Procurement Procedures** (identifying the requirement, the vendor, agreeing Price & Terms and Conditions)

- **Purchasing Procedures** (this document) (goods and services are ordered, approved, paid for and recorded)

- **$300 M per annum Dollars:**
  - Non Salary Spend (P&L) - $250 M
  - Capital Spending - $50M

- **130,000 transactions:**
  - AP Purchases (inc PO’s) - 40,000 (average $6,500/ trans)
  - Credit Card Purchases - 85,000 (average $360/ trans)
  - Reimbursements - 5,000 (average $250/ trans)

- In excess of 2,500 users of Finance Process or System
Ordering and Paying for Goods and Services – what's changing

Core Changes:

- Policy clean up
- New invoice payment process
- New employee reimbursement process
- Reviewer step option in Concur

Other Changes made or being made:

- Concur single sign on
- Finance Web site
- More rigor in supplier set up (e.g. No ABN will result withholding tax)
- Transaction review quality control
- Petty cash for employees is phasing out
- Credit Cards being cancelled monthly now not quarterly
- Employee contribution required for private portions of travel
- Defined list of what is in Payroll vs AP vs Employee reimbursement
- Cash advances on corporate cards continue to be discouraged with increasingly strict control processes

What's Next: Ideas for Phase 2:

- Online Vendor set up
- Asset integration
- Leases in Asset Module? Portable and Attractive items system?
- More frequent payment cycles
- AP workflow 2.0
- OCR invoice processing and workflow
- Purchase Order B2B revamp
- Improved student scholarship / re-imbursement processes
Ordering and Paying for Goods and Services
Target Policy and Procedure Framework for Financial Operations

Policy - Principles

Clear Procedures, Rules and Guidelines as to how to get stuff done

Official source for Procedures and Rules
Forms /Templates / Workflows
FS Web site: New Invoice Payment Workflow, F1 Ordering workflow, Credit Card request forms, AP vendor request forms, ……..

Help to get it right

Education Material / Best Practices
Web Site for Quick Reference Guides, How to Guides, Face to Face Training, Help

Quality coach role being created
Procedures Update (draft to be issued for consultation in a week)

- Overall changes per Policy Projects

- Procedures:
  Broadly covered how to get stuff ordered and paid for, eg how to get a corporate card, what are rules once you have a card, what documentation is required for a transaction, how to access in Finance one, when is the corp. card getting cancelled...........etc..etc...

Changes include:
  - Re-written from the perspective of user as much as possible.
  - Procedures formalised in to 1 key document.
  - $5,000 limit between credit cards and AP is becoming a recommendation only.
  - Online Invoice process requires an incurring officer and an approver separately in each transaction.
  - Document to be released for comment in the next week.

- Highlights
  - Responsibility of the Approver

Not much real change here trying to clarify what we actually do and need
Questions and Feedback

- What works and what does not today?
- Have you noticed any changes so far?
- What horror stores have you got?