UR Financials Project

Demo Days

August 21, 2013
Agenda

• Demo Disclaimer
• UR Financials Project Update
  – Upcoming Demo Days
  – UR Financials Project Timeline
• Processing Supplier Invoices
  – Review Key Process Changes
  – Review Supplier Request Workflow
  – Review PO and Non-PO Invoice Workflow
• Workday Demo
• Q & A
• Wrap Up
Demo Disclaimer

Please Note:

• The material presented in this PowerPoint deck is provided simply to introduce participants to the capabilities of Workday Financials. The demonstration today is to provide a view of the AP Supplier Invoice Initiation and approval workflow capability in the Workday application.

• The data presented in this demonstration is not representative of the final configuration for the University of Rochester. The configuration of Workday for the University of Rochester is still in process.
UR Financials Project Update

• Approach for upcoming Demo Days
  – September: Journal Entry
  – October: Reporting
  – November: Training
  – December: General update
UR Financials Project Timeline

Prototype Phase
July 2013
- Configure Prototype Tenant (P1) – completed
- Unit Test
- Validate Configuration
- Build Integrations and Reports
- Final Configuration Prototype

Test Phase
November 2013
- Create Test Cases and Scenarios
- System Test
- Conversions
- User Acceptance Test (UAT)
- Begin End User Training

Deploy Phase
July 2014
- Go Live Checklist
- Production Readiness Review
- Go Live
- Continue End User Training
- Post Production Support
- Post Project Review

We are here
End User Training
Spring through Summer 2014

UR Financials – Demo Days
August 21, 2013
Key Process Changes – Supplier Invoices

• Forms will be updated
• New Supplier Request Process
• Invoice scanning prior to invoice entry/submission
• Supplier Invoice Creation
  – Targeted Departmental Initiation
• Supplier Invoice Approval
  – High Dollar PMM Purchase Order invoices will require additional approval in Workday
  – Capital purchases not purchased via PMM PO will require Purchasing approval in Workday
• Settlement
  – Checks will no longer be mailed back to departments
  – ACH payments will be automated
PO Invoice Workflow

PMM
- Matched Invoice in PMM

Workday Integration
- Process Inbound Integration

Cost Center Hierarchy Manager
- Non-Grant Invoice > 20k?
  - Yes → Approve
  - No
- Grant Invoice > 20k?
  - Yes → Approve
  - No → Supplier Invoice Approved

Expense Recorded:
- Vascular Surgery OP349514
- Non Capitalized Equipment SC07240
- Ledger Account 62190
  - Dr. Expense $863.64
- Ledger Account 20200
  - Cr. AP Trade $863.64

Boston Scientific Invoice # 1540250 for PO # UK563904-12-002
Supplier Request Workflow

1. **Start**
   - Identify Need for New Supplier
   - Create Supplier Request; Attach Documentation

2. **Supplier Administrator**
   - Review and Approve
     - Approve
     - Supplier Object Available for Maintenance & Processing

3. **Buyer (Purchasing)**
   - Perform Due Diligence Review
     - Approve

End
Non-PO Invoice – Department Entry

<table>
<thead>
<tr>
<th>AP Data Entry Specialist Department Initiator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-PO Invoice</td>
</tr>
<tr>
<td>Create Supplier Invoice</td>
</tr>
<tr>
<td>PriceWaterhouseCoopers LLP Invoice #1032442540-3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AP Data Entry Specialist Senior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Center Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Center Hierarchy Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Grant Invoice &gt; 20k?</td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>Approve</td>
</tr>
<tr>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Principal Investigator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Invoice &gt; 20K?</td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>Approve</td>
</tr>
<tr>
<td>Supplier Invoice Approved</td>
</tr>
</tbody>
</table>

Expense Recorded:
- Professional Services OP217120
- Audit Fees SC09675
- Ledger Account 62820
Dr. Expense: $25,073.00
- Ledger Account 20200
Cr. AP Trade: $25,073.00
Non-PO Invoice – AP Entry

- AP Data Entry Specialist Senior
  - RFP
  - Create Supplier Invoice
  - Ergo Pros Invoice #1456210

- Cost Center Manager(s)
  - Cost Center Manager A Review
  - Cost Center Manager B Review

- Buyer (Purchasing)
  - Capital Invoice > 20K?
    - Yes → Approve
    - No

- Accountant
  - Spend Amortization?
    - Yes → Approve
    - No
  - Supplier Invoice Approved
Q & A
Wrap Up

• A survey link will be emailed to provide feedback on this Demo

• Visit UR Financials Project website for information and materials from Demo Days and other meetings
  http://www.rochester.edu/adminfinance/urfinancials/

• Next Demo Days is Wednesday 9/18/13

• Please continue reach out with questions and share project information with your Department
APPENDIX A

(Process Changes)
Key Process Changes – Supplier Invoices

• Forms will be updated
  – Financial Data Model section must be updated
  – No other significant changes

• New Supplier Request Process
  – More structured for internal control and consistency
  – Purchasing will be reviewing new non-PMM suppliers
  – Purchasing will check debarment and blocked payees
  – Purchasing may request additional documentation and/or counsel departments on PO use
Key Process Changes – Supplier Invoices

• Invoice scanning prior to invoice entry/submission
  – Paper invoices will be available to view/retrieve within Workday
  – Departments responsible for Pcard, FedEx, SOLO-ordered supporting documentation (not Central Finance-AP)
    • SOLO policy: Documentation shall include, at a minimum, order confirmations, packing slips/proof of receipt, return authorizations, etc.
  – Departments permitted to Initiate/Enter invoices will be required to scan their invoice and supporting documentation and attach to the Workday transaction
Key Process Changes – Supplier Invoices

• Supplier Invoice Creation
  – Targeted Departmental Initiation
    • Departments showing good compliance with University objects
    • Departments not permitted to Initiate/Enter will continue to submit forms/invoices to AP and will still be subjected to the WD business process workflow approvals regardless of any approvals obtained on the paper documentation sent to AP
  – PO invoices will continue to be entered into PMM as they are today
    • AP-imposed $10k+ approval requirement on invoices will end when WD implemented in lieu of Workday dollar threshold condition for Cost Center Manager approval
    • Expired Blanket Order invoices will be held for appropriate departmental follow up effective immediately
  – Payment timing
    • Net 30 on all invoices regardless of PO or not
    • Non-invoice payments will remain Immediate
Key Process Changes – Supplier Invoices

• Supplier Invoice Approval
  – Approval of Non-PO invoices in Workday
  – Ability to view a copy of the invoice within Workday
  – High Dollar PMM Purchase Order invoices will require additional approval in Workday
  – Capital purchases not purchased via PMM PO will require Purchasing approval in Workday

• Settlement
  – Checks will no longer be mailed back to departments
  – ACH payments will be automated
Key Process Changes – Supplier Invoices

• Renewed efforts in the following areas
  – Increase use of 3-way match purchase orders
    • Blanker Orders are better than no PO in most situations
  – Suppliers should send invoices directly to AP
    • Where suppliers can provide PO number on the invoice
    • If no PMM PO #, the required Workday FDM components on the invoice
APPENDIX B

(Demo: PO Invoice)
PO Invoice

- Scenario: A two way match is done in PMM and PMM performs an integration with Workday.

1. An AP Data Entry Specialist (Departmental Initiator) Logs onto Workday
PO Invoice

2. Type: “Fin Sup Inv” in Search box and select “Find Supplier Invoice” task in pop up menu
3. Type the Supplier Invoice Number in the Supplier Reference Number field and click the OK button. This will return the supplier invoice that came over as an integration from PMM into Workday.
4. Every invoice meeting the searched criteria is listed below. Since we did a find on a very specific data dimension (Supplier Reference Number) we retrieved only one invoice. By selecting the magnifying glass below details will be shown for the specific invoice.
5. This brings up the View Supplier Invoice window where many details are viewable. Note that electronic images will be available of the actual invoice. The Process History is given showing who has completed tasks for the Workday event.
PO Invoice

Start

Submit Invoice

Is Invoice Paper or Electronic?

Paper Invoice

Electronic

PG-080-010 Process Incoming Mail

PG-080-010

PG-080-020-010

Filter Out Bad Record

Process EDI 810

Bad Record?

No

Yes

PG-080-020-030

PG-080-02

Receive Notification

Determine Next Steps

Create Supplier Invoice in PMM

Still need to confirm process for handling bad records

Not Matched

Matched Invoice?

A

B

PG-060-020-020

PG-060-020-010

PG-030 Manage Payables

PG-030
PO Invoice

Grant Principal Investigator

Grant Invoice over $20,000?

Yes
PG-060-020-120
Review Supplier Invoice for Grant Spend

No
PG-060-020-120
Approval Step (Not Review)

Send Back Supplier Invoice for Additional Information

Deny Supplier Invoice

End

Approve Supplier Invoice

Send Back

Deny

End

PG-080-020-40
PG-080-020-60

Plant & Debt Accountant

Receive Notification

Notification - Based upon Approved invoice for "capital" spend categories, route to P&A Accountant (clarify names with Carrie B.) Thresholds will be applied automatically based on WID Configuration. For Non-PO and PO.
APPENDIX C

(Supplier Request)
Supplier Request

- Scenario: A Department Requests a Supplier after attempting to submit an invoice for a Supplier that is not in the drop down box as a selection Option.

1. An AP Data Entry Specialist (Departmental Initiator) Logs onto Workday
Supplier Request

2. An invoice is attempted to be created in Workday by the Department. However, in our example, this is a new Supplier in Workday so the Supplier is not located in the drop down box of the Create Supplier Invoice entry screen.
Supplier Request

3. A Supplier Request is needed (determined from step 2). The Department Initiator then types “Sup Req” in the search box and selects the “Create Supplier Request” task in the search results box.
Supplier Request

4. The Create Supplier Request entry screen is where the user would enter all available supplier information. In our example, we have the Name (Required field) and the remit address. We will also attach the invoice along with the request. Click OK.
5. Once the Add Address Button is selected the more detailed expansion box appears or entry. Be sure to select the primary radio button. This primary dimension is a required field.
6. Clicking the attachments tab, the user will then click the plus icon, select the attach button, locate the file on his or her computer, and select it.
Supplier Request

7. Once the file successfully loads the attachment will appear. Click OK to send request for approval.
Supplier Request

8. The User will be taken to a confirmation screen where, in our example, it is awaiting action from approval by the Supplier Administrator (Central Finance - AP)
Supplier Request

9. Signed in as the Supplier Administrator, Julie Perkins, the Review of the Supplier Request task is awaiting approval.
Supplier Request

10. Required fields must be updated for Supplier Category, Accepted Payment Types, and Default Payment Type. Payment Terms and Currency are also updated so they will default in when creating invoices for this supplier. The Supplier Group “1 P” will be selected so users will later be able to locate the supplier within the supplier dropdown box in this alphabetic grouping.
11. The confirmation screen then appears indicating that the supplier has been approved and is ready to be used for invoices. It also indicates there is a To Do step required by purchasing. This is due to the supplier being added as a non-PMM supplier.
Supplier Request

12. Purchasing (Buyer Role) then performs due diligence outside of Workday and clicks submit when done or save for later with notes
Non-PO Invoice (Department Entry)

• Scenario: A Department who can Initiate the Supplier Invoice Event Business Process submits an invoice in Workday.

1. An AP Data Entry Specialist (Departmental Initiator) Logs onto Workday
Non-PO Invoice (Department Entry)

2. Type: “Cre Sup Inv” in Search box and select “Create Supplier Invoice” task in pop up menu
3. Enter Data for Invoice

- Required Fields to Data Enter: (In red on following slide)
  - Company (Header) = Division
  - Supplier = Vendor
  - Supplier Reference Number = Invoice Number
  - Invoice Date = Date on Invoice
  - Spend Category = Sub Code
  - Amount = Dollars Requiring Payment
  - Financial Activity Object = FRS Account Number (not on following image due to image sizing)

- Defaulted Fields (In green on following slide)
  - Currency = USD
  - Payment Terms = When invoice will be paid, is based on supplier terms
  - Company (1st Line Item) = Division
  - Cost Center = Department (not on following image due to image sizing)
  - Fund = FRS Account Type (not on following image due to image sizing)
Non-PO Invoice (Department Entry)

3. Data Entry Screenshot
Non-PO Invoice (Department Entry)

4. Attach a scanned PDF image of the invoice and Submit
5. The confirmation screen appears which acknowledges the invoice is in process and ready for additional approvals.

- This will now begin to route through the Business Process configured for the Supplier Invoice Event. It clearly shows which user will be required to take action for the event to complete. In this case, the user group is “APSenior DataEntry”. This is the user group (group of users with this particular security level) who will be responsible for approving the submission. At the U of R, this is Central Finance. More specifically, this is our Accounts Payable department.
Non-PO Invoice (Department Entry)

6. Sign Out as AP Data Entry Specialist (Departmental Initiator)

7. Sign In as AP Data Entry Specialist Sr. (Central Finance- AP)
Non-PO Invoice (Department Entry)

8. Select the inbox navigation sidebar
Non-PO Invoice (Department Entry)

9. Select the task requiring approval by clicking the Review button
Non-PO Invoice (Department Entry)

10. Select Approve. Note that fields are editable.
11. Confirmation Screen Appears. This is now showing the next person in this Supplier Invoice Business Process which is Cost Center Manager (Sub Department Manager) Mike Bonanno for the associated Cost Center (Department) being charged the invoice.
Non-PO Invoice (Department Entry)

12. Sign Out as Accounts Payable Data Entry Specialist, Sr. and sign in as Mike Bonanno Cost Center Manager (Sub Department Manager)
Non-PO Invoice (Department Entry)

13. A task is sitting in Cost Center Manager (Sub Department Manager) Mike Bonanno’s Workfeed. Click Review, then click the more to bring up the details.
14. The Cost Center Manager (Sub Department Manager) Mike Bonanno will then Approve the invoice. Note that fields are still editable.
Non-PO Invoice (Department Entry)

15. The Next step in the Business Process is due to the invoice hitting a condition rule for large dollar amount invoices. In this case, the Cost Center Hierarchy Manager (The Departmental Manager) would then approve.

You have approved:
Supplier Invoice: PriceWaterHouseCoopers LLP on 08/21/2013 for $25,073.00

Next Steps

Approval by Cost Center Manager Chain

Abe Manager - Due 08/18/2013

Details and Process

UR Financials – Demo Days August 21, 2013
Non-PO Invoice (Department Entry)

16. Sign Out as Mike Bonanno (Sub Department Manager)

17. Sign In as Abe Manager (Department Manager)
Non-PO Invoice (Department Entry)

18. A task is sitting in Abe Manager’s Workfeed. Click Review, then click the more to bring up the details.
Non-PO Invoice (Department Entry)

19. After clicking Approve there is a final confirmation screen that appears signifying that the invoice has been fully approved. This means the expense has been recorded on the University of Rochester’s books. Please Note, Abe could only approve and not edit fields. This is because our business process is configured to have the Hierarchy Manager (Departmental Manager) as an Approval step in the BP and not a Review step. If he or she noticed a change that is needed he would have to send the invoice back for editing to someone in the approval chain.
Non-PO Invoice (Department Entry)

Workday Suite

Process Inbound Integration

Filter Out Bad Record

Bad Record?

Access Create Supplier Invoice Task

Review Supplier Invoice and Modify as Necessary

Approve Supplier Invoice

Deny Supplier Invoice

Send Back Supplier Invoice for Additional Information

Department or AP Initiated?

Receive Notification

Adjusted Invoice Total Greater than Original Invoice Total Re-routed for Approval

Non-PO Invoice (Department Entry)
Non-PO Invoice (Department Entry)
Non-PO Invoice (Department Entry)
APPENDIX E

(Demo: Non-PO Invoice AP Entry Workflow)
Non-PO Invoice (AP Entry)

• Scenario: An invoice that crosses Departments is sent by a Department with an attached RFP form for Central Finance to enter into Workday.

1. An AP Data Entry Specialist, Sr. (Central Finance Initiator) Logs onto Workday
Non-PO Invoice (AP Entry)

2. Type: “Cre Sup Inv” in Search box and select “Create Supplier Invoice” task in pop up menu
Non-PO Invoice (AP Entry)

3. Enter Data for Invoice

- Required Fields to Data Enter: (In red on following slide)
  - Company (Header) = Division
  - Supplier = Vendor
  - Supplier Reference Number = Invoice Number
  - Invoice Date = Date on Invoice
  - Spend Category = Sub Code
  - Amount = Dollars Requiring Payment
  - Financial Activity Object = FRS Account Number *(not on following image due to image sizing)*

- Defaulted Fields (In green on following slide)
  - Currency = USD
  - Payment Terms = When invoice will be paid, is based on supplier terms
  - Cost Center = Department *(not on following image due to image sizing)*
  - Fund = FRS Account Type *(not on following image due to image sizing)*
Non-PO Invoice (AP Entry)

3. Data Entry Screenshot
Non-PO Invoice (AP Entry)

4. Attach a scanned PDF image of the invoice and Submit
5. The confirmation screen appears which acknowledges the invoice is in process and ready for additional approvals.

- This will now begin to route through the Business Process configured for the Supplier Invoice Event. Since multiple Cost Centers (Departments) are allocated invoice expense lines the Business Process is allocated to both Cost Center Managers (Sub Department Managers). Mike Bonanno is the Cost Center Manager for 2 lines and Bill Manager is the Cost Center Manager for one line in our example.
Non-PO Invoice (AP Entry)

6. Sign Out as AP Data Entry Specialist, Sr. (AP Initiator)

7. Sign In as Mike Bonanno (Cost Center Manager)
Non-PO Invoice (AP Entry)

8. A task is sitting in Cost Center Manager (Sub Department Manager) Mike Bonanno’s Workfeed. Click Review, then click the more to bring up the details.
9. The Cost Center Manager (Sub Department Manager) Mike Bonanno will then Approve the invoice. Note that fields are still editable but Mike cannot edit line level detail. He would need to send back to AP if there was an error detected.
Non-PO Invoice (AP Entry)

10. Sign Out as Mike Bonanno (Sub Department Manager)

11. Sign In as Bill Manager (Sub Department Manager)
12. A task is sitting in Cost Center Manager (Sub Department Manager) Bill Manager’s Workfeed. Click Review, then click the more to bring up the details.
13. The Cost Center Manager (Sub Department Manager) Bill Manager will then Approve the invoice. Note that fields are still editable but Bill cannot edit line level detail. He would need to send back to AP if there was an error detected.
Non-PO Invoice (AP Entry)

14. After clicking Approve there is a final confirmation screen that appears signifying that the invoice has been fully approved. This means the expense has been recorded on the University of Rochester’s books.
Non-PO Invoice (AP Entry)
Non-PO Invoice (AP Entry)

Please refer to the UR Financials Print Crosswalk for a list of applicable integrations.

Adjusted Invoice Total Greater than Original Invoice Total Re-routes for Approval.

Review Supplier Invoice and Modify as Necessary.

End

Send Back Supplier Invoice for Additional Information.

Deny Supplier Invoice

Approve Supplier Invoice

Receive Notification

Department or AP Initiated?

Approve, Deny or Send Back Invoices?

Send Back

Approve Supplier Invoice

Deny

Review Step (Not Approval)
Non-PO Invoice (AP Entry)