Procure-to-Pay and Expense Management Road Show

Cornerstone
Transforming the Way We Work at Rutgers
## High-Level Project Timeline and Milestones

<table>
<thead>
<tr>
<th>Activity</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
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<td>User End-to-End Training</td>
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<td><strong>Deployment and Support</strong></td>
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<td>Conduct System Cutover</td>
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** Go Live

** System Integration Test Cycle 2 includes, Imaging, Cloud Interfaces, IPRs, and Data Warehouse
Project Guiding Principles

1. Consistent “best practices” created based on industry standards and comprehensive business process review

2. Focus on system ease of use and comprehensive reporting functionalities

3. Improved transaction and project visibility for departments and impacted users

4. Streamlined workflows and processes that help achieve significant process efficiencies and cost savings

5. Emphasis on change management, communications, and training throughout project
What Does It Mean to Me?

Greater detail and transparency associated with transactions
- Users can see detailed transactional information associated with the Requisitioning and Expense Management end-to-end process

Greater ability to control expenditures
- Systems provide robust controls to manage transactions more closely before they impact financials

Enhanced reporting capabilities
- Enhanced, real-time reporting and more data to support analysis and decision making
Administrative Information Systems
Procure-to-Pay and Expense Management

NOTE: HFM (Hyperion Financial Management), HPCM (Hyperion Profitability and Cost Management), DRM (Data Relationship Management), Planning (Hyperion Planning)

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PROCURE-TO-PAY OVERVIEW
Project Components / Modules

**Sourcing Director**
- RFx Development
- RFx Tracking
- RFx Award

**Total Contract Manager**
- Contract Development
- Contract Tracking
- Contract Award

**ePro Module**
- Shop
- Prepare Requisition
- Approve Requisition
- Issue Purchase Order

**AP Module**
- Receive Purchase Order
- Invoice Matching
- Invoice Approval
- Payment Authorization

**Total Supplier Manager**
- Vendor Onboarding
- Vendor Management

Diagram illustrated an integrated end-to-end Procure to Pay system that has real-time inquiry and reporting capability.
**Purchasing Policy**

**REQUISITION**
Department seeking to purchase goods/services initiates the process of submitting a requisition to the Procurement system.

**FINANCIAL APPROVALS**
Requisition must be checked and approved by the department/unit.

**UNIT & BUYER ASSIGNMENT**
Requisition assigned to one of University Procurement’s commodity-based units.

- PROFESSIONAL SERVICES
- RESEARCH & SCIENTIFIC
- IT
- BUSINESS SERVICES
- FACILITIES

**PROCUREMENT AUTHORITY**

- **UP TO $5,000**
  - Existing Authority
  - Matching Quote

- **$5,001-$49,999**
  - Existing Authority
  - Informal Bid (3 Quotes)
  - Sole Source

- **$50,000+**
  - Existing Authority
  - Formal Bid (RFP)
  - Sole Source

**CONTRACT**
If separate agreement is required, the buying staff negotiates the terms:
- Reviewed and approved by Category Manager
- Reviewed and signed by Executive Director if under $500,000
- Reviewed and signed by Executive VP Finance and Administration if over $500,000

**PURCHASE ORDER**
Once buyer confirms procurement authority and obtains fully-executed contract (if required), the PO is issued to supplier.

**Operating under the same policy since 2013 integration**
Requisition Approval Hierarchy

Financial Approvals

- Primary Approvals
- Secondary Approvals (optional)

Approvers in these two steps are responsible for ensuring the expense is justified and allowable under the terms of the funding source.
Requisition Approval Hierarchy

Routing Criteria
- Unit, Division, Org, and Fund Type for unrestricted funds
- Project ID for restricted funds

Available Primary Approval Thresholds
- Any dollar amount
- Between $0 and $5K
- Between $5K and $10K
- More than $10K
Requisition Approval Hierarchy

Primary Approvals

Secondary Approvals (optional)

Secondary Approvals
- Driven by UDO / Project ID and Dollar Amount
  - Any dollar amount
  - Over $50K

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# Invoice Matching Process

<table>
<thead>
<tr>
<th>What Is Staying the Same?</th>
<th>What Is Changing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Invoice approvals are still required for high dollar orders</td>
<td>• Units are only required to create a receipt for goods or services in SciQuest if the purchase order is for capital assets</td>
</tr>
<tr>
<td>• Payment notifications will be still be used to alert departments of impending payments when invoice approvals are not required</td>
<td>• Invoice approval is only required if the corresponding purchase order line is over $5,000</td>
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</tbody>
</table>
## Changes to Internal Purchase Order (IPO) Process

<table>
<thead>
<tr>
<th>What Is Staying the Same?</th>
<th>What Is Changing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Users can still search for services by item number (e.g., 1431)</td>
<td>• Each IPO receives its own, unique purchase order number for each release</td>
</tr>
<tr>
<td>• Requesters are still prompted to complete a “template” when requesting services</td>
<td>• Units providing goods or services will now create an invoice to initiate cost transfers rather than creating a receipt in the Oracle application</td>
</tr>
<tr>
<td>• Requisitions for services are still routed to the providing department for approval</td>
<td>• Requesting departments will be notified of impending cost transfer once the invoice is processed</td>
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<tr>
<td>• Charge accounts are still dictated by the supplier site</td>
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</table>

**Cornerstone**
Transforming the Way We Work at Rutgers
## Department / Unit User Roles

<table>
<thead>
<tr>
<th>Role</th>
<th>Access / Responsibility</th>
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</thead>
<tbody>
<tr>
<td>Shopper</td>
<td>• Cannot submit a requisition / Minimum requisitioning capabilities</td>
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<td>• “Browse” catalogs</td>
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<td>• Assign shopping carts to preparers</td>
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<tr>
<td>Preparer</td>
<td>• Full requisitioning capabilities</td>
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<tr>
<td></td>
<td>• Can be assigned shopping carts from shoppers</td>
</tr>
<tr>
<td>Approver</td>
<td>• Reviews and approves requisitions and invoices</td>
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<tr>
<td></td>
<td>• Verifies business need for the requested goods or services</td>
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<tr>
<td></td>
<td>• Confirms a requisition is allowable under terms of funding source</td>
</tr>
<tr>
<td>Inquirer</td>
<td>• Queries transactions in SciQuest</td>
</tr>
<tr>
<td>Internal Purchase Order (IPO) Processor</td>
<td>• Notified of IPOs</td>
</tr>
<tr>
<td></td>
<td>• Initiates cost transfers</td>
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# P2P System Demonstration Components

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<tbody>
<tr>
<td>1</td>
<td>Create Requisition</td>
<td>![Pencil Icon]</td>
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<tr>
<td>2</td>
<td>Approve Requisition</td>
<td>![Check Mark Icon]</td>
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<tr>
<td>3</td>
<td>Review Purchase Order</td>
<td>![Magnifying Glass Icon]</td>
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<tr>
<td>4</td>
<td>Receive Goods or Services</td>
<td>![Pencil Icon]</td>
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<tr>
<td>5</td>
<td>Approve Invoice</td>
<td>![Check Mark Icon]</td>
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<tr>
<td>6</td>
<td>Reporting</td>
<td>![Magnifying Glass Icon]</td>
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</table>
EXPENSE MANAGEMENT OVERVIEW
Administrative Information Systems
Expense Management

The Oracle Expense Management application is part of a larger application landscape that includes the systems shown below.

**Procurement (SciQuest)**
- Accounts Payable Director
- Supplier Manager
- Req/Ord Manager
- Sourcing Director
- Contract Compliance

**Budgeting (Hyperion)**
- HFM
- HPCM
- DRM
- Planning

**Human Resources and Payroll**
- PeopleSoft

**Oracle Cloud Financials**
- Procurement
- Cash Management
- Accounts Payable
- Projects & Grants
- Expense
- Accounts Receivable

**Oracle General Ledger**

**Data Warehouse**
- Financial Data Warehouse (Reporting)

**NOTE**:
- HFM (Hyperion Financial Management)
- HPCM (Hyperion Profitability and Cost Management)
- DRM (Data Relationship Management)
- Planning (Hyperion Planning)
Project Components

• Expense entry using Cloud services
• Mobile expense submission capability
• Automated approval management
• Audit tracking
• Integration with Payables, Projects, General Ledger and Payments
**Approvals are at discretion of department / unit level**
Pre-Trip Request and Approval Process
(Manual process: form outside of Oracle Expense)

** Approvals are at discretion of department / unit level
Expense Submittal Process for Employees

1. Create Expense Report
2. Select Expense Types
3. Create Expense Report
4. Enter Project Information
5. Project Expense?
   - Yes: Create Expense Report
   - No: Attach Receipts
7. Submit Expense Report
Expense Payment Process for Employees
(via Oracle Expense)

1. Expense Report Approved
2. Ready for Payment Status
3. Run process “expense reimbursements and cash”
4. Invoice loaded as “Payment Request”
5. Validate the Invoice

Process Invoice for Payment
Process for Expense Payment for Non-Employees
(via SciQuest Check Request and Approval Process)

- Complete Check Request
- Obtain Department Approval
- Audit Review
- Revise Check Request
- Over $250K?
- Approved?
- Yes: Process Invoice → Check Request Match → Check Request Release → Print Check → Over $250K?
- No: Countersign Check
- No: Yes: Distribute Payment
- No: Countersign Check
## Department / Unit User Roles

<table>
<thead>
<tr>
<th>Role</th>
<th>Access / Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee</strong></td>
<td>• Create and submit expense reports, manage bank accounts, manage delegates, and request cash advances</td>
</tr>
<tr>
<td><strong>Delegate</strong></td>
<td>• Enter an expense report on behalf of another employee/user</td>
</tr>
<tr>
<td><strong>Expense Approver</strong></td>
<td>• Review expense reports to ensure policies are being followed and proper documentation is attached then approve or reject the report</td>
</tr>
<tr>
<td><strong>Reassignee Approver</strong></td>
<td>• Review and approve expense reports reassigned to them by an expense approver</td>
</tr>
<tr>
<td><strong>Auditor</strong></td>
<td>• Perform audits on expense reports</td>
</tr>
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</table>
NEXT STEPS AND SUPPORT
Legacy Purchase Order (PO) Conversion Overview

Oct. 10, 2016

All Open POs (RIAS/MarketPlace)

PO issued in FY16 or FY17? Yes

PO for a capital project? No

PO funded by an active grant? Yes

PO will not be converted (internal POs will not be converted)

PO issued in FY16 or FY17? No

Converted POs (will retain current PO numbers from RIAS and MarketPlace with new Chart of Accounts)

Successor PO* (created in new RU MarketPlace with special expedited form)

Jun. 30, 2017

Converted POs will be closed upon one of the following:
1. Request of department
2. When funds in PO have been exhausted
3. End of Fiscal Year 2017

*Successor PO should be requested only if a converted PO needs to be supplemented (or increased), or the purchasing activity or engagement associated with the converted PO will continue after June 30, 2017.

Updated: August 8, 2016
How do I find out information about ongoing projects?

• **Business Advisory Group and School/Unit Representative Members** are your link to the SciQuest P2P and Oracle Expense Implementations.

• Both groups meet with the implementation team on a monthly basis and receive updates on:
  – Project Status, Accomplishments, and Upcoming Activities
  – Key Decisions
  – Future Business Processes
  – Special Topics

• Contact your Business Advisory Group and/ or School Unit Representative Members if you have questions about the Procure-to-Pay SciQuest and Oracle Expense implementation
What other resources are available to me?

A number of resources will be provided to you to facilitate the transition to the new systems and processes.

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<tr>
<th>Business Advisory Group Members</th>
<th>School/Unit Representatives</th>
<th>Project Website</th>
<th>Training</th>
<th>Support</th>
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<tbody>
<tr>
<td>Business Advisory Group Members are your “go-to” source for information about the SciQuest P2P and Oracle Expense implementation projects.</td>
<td>School/Unit Representatives are available at every location to provide additional support as needed.</td>
<td>A project website will be created to post important information about the program.</td>
<td>Role-based, training will be delivered to all impacted end users.</td>
<td>Resources will be available to support you after go-live.</td>
</tr>
</tbody>
</table>
Will there be training?

Yes! **Role-based training** will be provided to all end users of SciQuest and Oracle Cloud. Training will be:

- **Instructor-led lecture training**, will be available in both auditorium and small classroom settings.

- **Convenient Web-based training**, will be available on-demand.

- **Hands-on experience will be provided** with the system through the use of realistic exercises in a training environment.