Dear Colleagues,

In July of 2015, we launched the Accounts Payable Invoicing Service. Known as APIS, this new service is designed to process purchase order based invoices quickly and efficiently, lower administrative costs, and generate additional early payment discounts from our suppliers. Detailed information is available at http://ssc.ucdavis.edu/financial-services/ap-invoicing/index.html.

Key highlights of the service:

- Invoices are received at a single campus location, entered in the financial system, and routed for appropriate approvals.
- Low value invoices (less than $1,000) that match the associated purchase orders have a streamlined approval process.
- Direct payments, without a PO, are not part of this service.
- Subaward-related invoices are optional.

The project began with the administrative departments supported by the campus Shared Service Center (SSC) for their finance needs. Over time, the service was expanded for other academic and administrative departments that requested the service. These early adopters include such diverse groups as the Genome Center, School of Education, University Extension, Departments of Chemistry and Plant Sciences, College of Agricultural and Environmental Sciences Dean’s Office, The Office of Research, Molecular & Cellular Biology, College of Biological Sciences NPB, Graduate Studies, The Center for Neuroscience, and the School of Law.

Results from the first full year of service have shown significant improvement in the processing time for invoices. Over the course of the first year, APIS processed about 20% of the total invoices paid and those invoices were processed on average 14 days faster than the rest of campus. As well, the invoices processed by APIS realized more than 10 times the early payment discounts captured by the rest of campus. Early payment discounts result in cost savings for the unit (account) purchasing the goods.

In light of this success and to maximize the opportunities for discounts and other financial incentives, we will roll out APIS to the entire campus. To ensure a smooth transition to this service, the rollout will occur in phases. An onboarding schedule is proposed to add about 10% of the campus invoices every month through 2017. We anticipate that all campus departments will be served by APIS by the beginning of calendar year 2018. The costs for expanding APIS will be funded using central resources including incentive payments and central discounts. We do not intend to establish a separate or new recharge mechanism for this service.

This is a great opportunity to unify and align our University processes with best practices implemented by other universities, increase our negotiating power with vendors, and reduce fraud. It
supports the 2020 Initiative, allowing us to handle an increasing volume of work with less expense, and matches the One UC Davis vision.

Attached you will find a draft onboarding schedule.

Kelly Ratliff
Interim Lead
Finance, Operations, and Administration

/MCH