UCSF

University of California
San Francisco

Supply Chain Management

Subcontract Invoice Approval

January 26, 2022

Agenda

Background and current process

Short- and long-term solutions

How to expedite payment
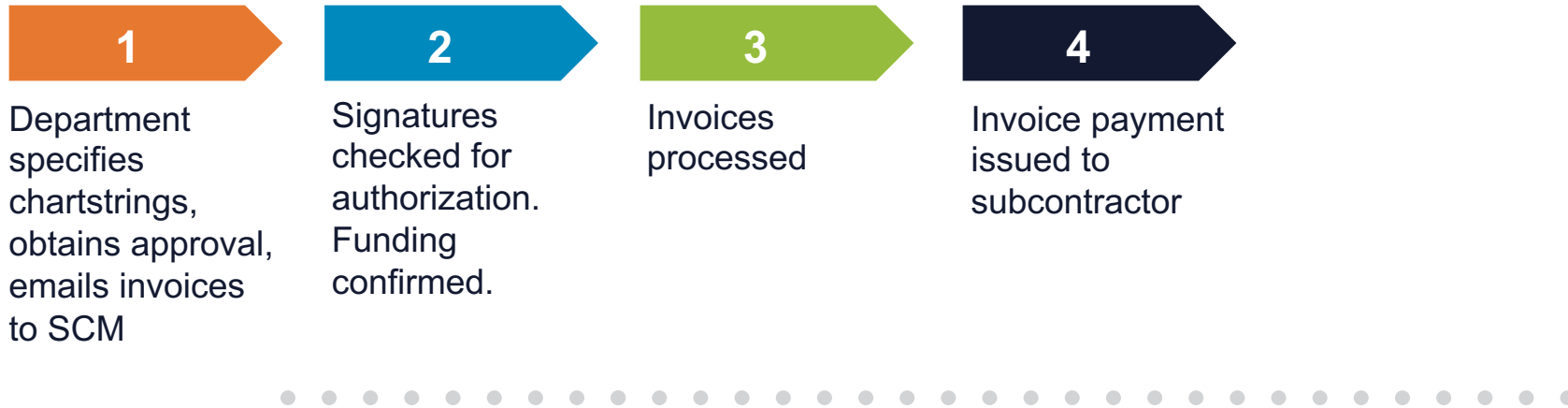
Next steps

Background & Current State

- Non-standardized process is labor intensive

- Averages 50 days to pay a subcontract invoice

- Average of 800+ invoices in queue

- Limited staffing

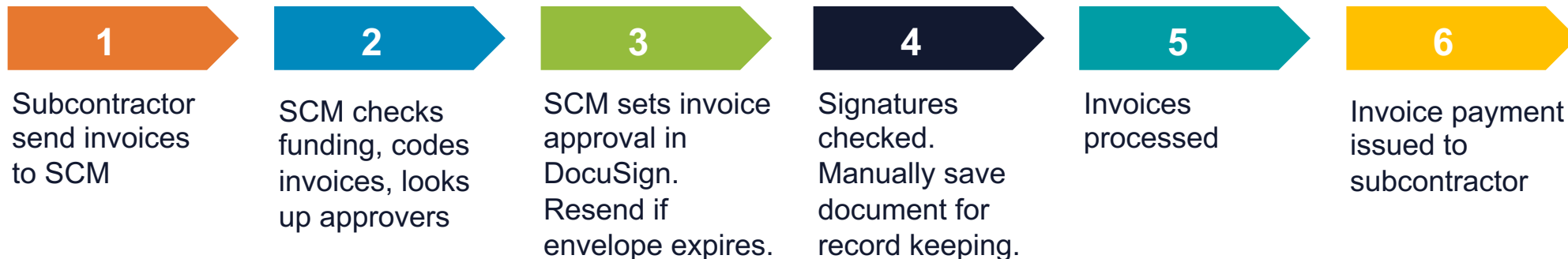- Attempt to streamline not successful

Gap Analysis of Invoice Approval Process

A. Pre-Approved, 3-10 days (+10 days if paid by wire): Campus department sends approved subcontract invoices to SCM Accounts Payable

1	**2**	**3**	**4**
Department specifies chartstrings, obtains approval, emails invoices to SCM	Signatures checked for authorization. Funding confirmed.	Invoices processed	Invoice payment issued to subcontractor

B. Without Pre-Approval (30-50 days): Subcontractor sends invoices directly to SCM Accounts Payable

1	**2**	**3**	**4**	**5**	**6**
Subcontractor send invoices to SCM	SCM checks funding, codes invoices, looks up approvers	SCM sets invoice approval in DocuSign. Resend if envelope expires.	Signatures checked. Manually save document for record keeping.	Invoices processed	Invoice payment issued to subcontractor

Short-Term Solution & Benefits

- **Implement pre-approval of invoices**
  - Subcontractors send invoices to campus departments
  - Departments obtain invoice approval via DocuSign
  - Departments send approved invoice to SCM for processing

- **Benefits**
  - Subcontract invoices will be processed faster (average 3-10 business days)
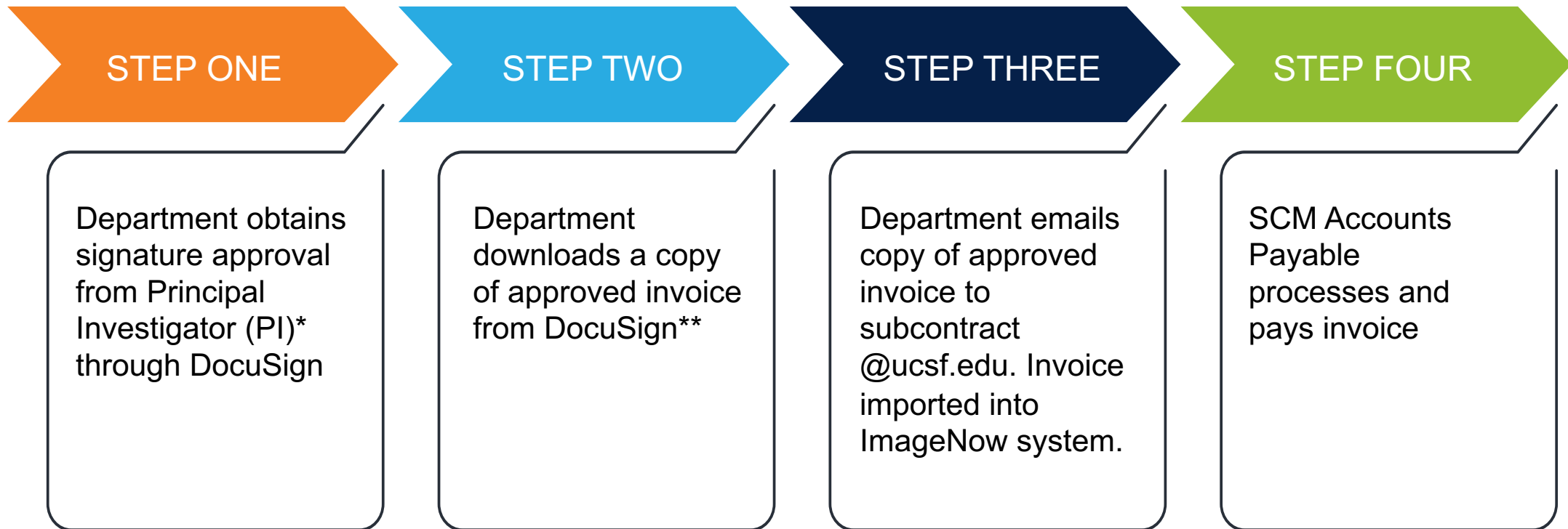 - Departments have more control over the approval timeline

Long-Term Solution & Benefits

- **Revisit BearBuy for subcontract processing**

- **Benefits**
    - Better tracking and visibility of expenses and balances
    - Controls in spending
    - Automate approval process

Steps to Expedite Invoice Payment

STEP ONE	STEP TWO	STEP THREE	STEP FOUR
Department obtains signature approval from Principal Investigator (PI)* through DocuSign	Department downloads a copy of approved invoice from DocuSign**	Department emails copy of approved invoice to subcontract @ucsf.edu. Invoice imported into ImageNow system.	SCM Accounts Payable processes and pays invoice

*PI or delegated person with U242 Signature Card Authorization
**Please do not route invoices or include SCM emails in DocuSign. They will not be received or processed. DocuSign does not integrate directly into ImageNow. ImageNow is a document storage system for record retention.

Steps to Expedite Invoice Payment

STEP ONE   Campus Department obtains signature approval through DocuSign

- Ask your subcontractor to:
  - Submit invoices to your campus department directly
  - Discontinue emailing invoices to SCM (subcontract@ucsf.edu)

- Upload the subcontract invoice into DocuSign
  - On the invoice, type in the full chartstring, including Account Code
    - Ensure that the funding is active and valid
    - Ensure that the subcontract has funding available
  - Route the invoice to the Principal Investigator (PI) or delegated person with U242 Signature Card Authorization to approve subcontracts*

*Please do not route invoices or include SCM emails in DocuSign. They will not be processed. DocuSign does not integrate directly into ImageNow. ImageNow is a document storage system for record retention.

Steps to Expedite Invoice Payment

STEP TWO

Department downloads approved invoice from DocuSign

- The invoice is approved in DocuSign
- Campus department downloads a copy of the approved invoice from DocuSign

Steps to Expedite Invoice Payment

STEP THREE

Department emails approved invoice to subcontract@ucsf.edu. Invoice imported into ImageNow system

- Using Outlook, create a new email and attach the copy of the approved invoice
- In the email subject line, type **Pre-Approved** as the first word
  - Be sure there are no words before this in the subject line including any RE: or FW:
- If you have an invoice for a foreign subcontractor type **Pre-Approved International** in your email subject line
  - The foreign invoice must have the full bank account information for the wire payment
- Send the email with attached invoice to SCM at: subcontract@ucsf.edu

*Be sure to follow the directions above including the keywords in the email subject line, otherwise we will not be able to identify your pre-approved invoice for priority processing.

Steps to Expedite Invoice Payment

SCM Accounts Payable processes and pays invoice

- SCM Accounts Payable (AP) receives invoice
- Invoice are processed in the order received
- Pre-approved invoices are prioritized over invoices that are not pre-approved
- SCM AP pays invoice

Next Steps

- Communicate with departments on new invoice process
- Support campus inquiries on process and provides guidance
- Departments start using the pre-approval process

For assistance on the pre-approval process, please contact the SCM Response Team using the buttons on the **Need Help?** section of SCM's website: supplychain.ucsf.edu

Need Help?

Connect with the SCM Response Team. Submit a service ticket by choosing the appropriate option.

UCSF COMMUNITY (FACULTY, STAFF & STUDENTS)

SUPPLIERS / EXTERNAL CUSTOMERS

Thank You

Additional Questions?