Non-Student Billing and Receivables Project

Business Process Forum
March 8, 2023
Project Goal, Objectives and Deliverables

**Project Goal**

Standardize, simplify, and modernize non-student billing and receivables operations across OSU

**Project Objectives**

- Improve internal controls and manage risk
- Improve the customer experience
- Reduce costs
- Increase revenue realization
- Enhance decision-making

**Project Deliverables**

- Inventory of existing AR systems in use
- Current and future state journey maps
- Standardized workflow with internal controls
- Training and support plan
- Implement AR technology solution
- Standard reports
- Reporting metrics
# Project Scope

## In Scope
- Centralized non-student account receivables solution for external billing
- Centralized reporting capabilities
- Integration with university financial system
- Electronic payment acceptance in-person and online (PCI DSS-compliant)
- Standardized invoice templates with unit level customization and messaging
- Accessible and easy-to-understand user interface
- Accounting integrated with invoicing
- Fee Book integration
- Internal invoicing and accounts receivable
- Any billing within Centers and Institutes that doesn’t fit under lab management equipment software
- Integration with other existing accounts receivable solutions in use (also within policy & oversight)
- Cascades campus
- Integration with new OSU Identity System

## Out of Scope*
- Student account receivables
- Modifications to current departmental inventory control or room reservation systems
- Grant research billing (however, include in journey mapping)
  - Lab management equipment software
  - Royalties & licensing
- Point of sale (map this out but point of sale may or may not interact with a chosen solution)
  - Represents a ‘preferred functionality’ in an RFP seeking an accounts receivable solution
- OSU Foundation reimbursements (OSU F & ARF)

*While items listed within the section are considered out of scope, we are attuned to their potential alignment with project objectives as we pursue a comprehensive solution.
Core Project Team & Sponsors

- **Heidi Sann** – AVP for Finance and Controller (Sponsor)
- **Amy McLaughlin** – Executive Director, Technology & Solutions Architecture (Sponsor)

- **Kirsten Bradley** – Project Manager, Enterprise Project Portfolio Management Office
- **Thomas Arand** – Business Analyst, Enterprise Project Portfolio Management Office
- **Lissa Perrone** – Director of Business Services, Controller's Unit (Business Owner)
- **Dwight Brimley** – Accounts Receivable Manager, Controller’s Unit (Business Owner)
- **Issam Rifai** – Programmer Analyst, Enterprise Computing Services
- **Gwen Frye** – Accounting Technician, College of Agricultural Sciences
- **Greg Balck** – Student Accounts Manager, Controller’s Unit
- **Carly Weber** – Project Manager, Conference Services
- **Yanli Zhang** – Fiscal Services Manager, Research Office
- **Allison Majnarich** – Operating Systems Network Analyst, Telecommunications
The core project team collaboratively designed an inventory survey in Qualtrics to better understand how non-student billing and receivables are currently processed across OSU. The final survey consisted of 22 questions that looked to gain insight into process tools, customer and payment types, systems used, and who was involved in each major step of the process.

The survey was distributed to 204 contacts in billing units across the university. To date, the total number of complete responses is 113 (55%). The project team summarized the findings in a report and used that data to help determine how to best move forward with current state journey mapping.
Non-Student Billing and Accounts Receivable Project Inventory

The purpose of this inventory is to better understand the systems, processes and people currently involved in non-student billing and accounts receivable functions across OSU. The long-term goal of this project is to simplify and standardize processes, as well as to create resources and training to assist billing units in this area.

Your responses will be viewed only by the project team and analyzed only for the purposes of this project. Reports on survey data will only be reported as aggregated anonymized data.

We are seeking candid, professional feedback and want to make the work you do day in and day out easier - thank you for your part in helping us help you!

Survey Instructions

Please answer each question to the best of your ability (estimates are fine). If you are confused or unsure on how to answer the questions, please reach out to Kirsten Bradley (kirsten.bradley@oregonstate.edu) for clarification.

If you represent more than one billing unit, please complete this survey for each billing unit you represent.

Billing Unit: the unit who has goods or services they provide that need to be billed to clients and payments to process. For example Biochemistry would have units for Analytical Services and Electrophysiology Core Facility, and Conference Services would have units for LaSells Stewart Center Room Rentals and Conference Services Event Fees.
Building on preliminary inventory efforts, the project team worked on the next milestone activity around current state journey mapping. Guided by high-level questions informed by project sponsors, the project team detailed out specific interview questions and interviewed 19 units.

After all sessions were completed a single journey map was created to represent the current state of billing and receivables across the university. To ensure accuracy and open communication with stakeholders, the project team held feedback sessions.
The first step for future state work was to research and compile industry best practices which would help the project team envision a future state. Stakeholder journey mapping sessions were then held to better understand unit needs.

Using this information the project team created a future state process flow with corresponding risks, controls and monitoring actions. The project team then vetted this with stakeholders and project sponsors. During this work, the project team worked to gather and document preliminary business requirements.
Establish Customer Record

• Shared file for customer records that can be easily accessed across billing units
• Customers can have multiple addresses
• Easy to look up previously set up customers by customer name and/or contract name
• Self-service option for customer to set up their own record
• Process to prevent duplicate records
• Centralized office to register with customers (provide W-9, fill out forms or on-line registration)
• Others?

Generating & Sending Invoices

• Customer information auto populates on invoice
• Unique invoice numbers are automatically generated
• Ability to produce quotes/proposals that can be converted to invoices.
• Ability to setup complex invoices for progress billings, not to exceed amounts and tie the invoice to a contract
• Revenue account codes automatically populate with ability to override if necessary
• Ability to validate Index and Activity Code and to split revenue between indexes
• Standard “look and feel” of invoices but with companion logos so customers know which department provided the service
• Role-based access for invoice entry, credit memos, approvals, etc...
• Ability to require invoice approval for some transactions
• Error checking built in so amounts are correct
• Ability to include customer requested info on invoice, and add attachments
• Charges are aligned with Fee Book rates with the ability to enter items not in the Fee Book
• Ability to automate recurring billings
• Ability to easily reverse (and potentially reissue) invoices if errors have been made
• Ability to send the invoice to more than one contact
• Invoices automatically post to tracking system
• Others?

Receiving & Processing Payments

• Online payment portal for customers to pay invoices
• Easy method to accept credit/debit cards and ACH
• Ability to centralize receipt of payments
• Real-time update of customer account and visibility into transaction status
• Role-based access for payments & refunds
• Ability to apply payment as the customer requests (apply against specific invoices) to make reconciliation easier
• Ability to apply payment as the customer requests (apply against specific invoices) to make reconciliation easier
• Easy way to match ACH payments to the appropriate invoice
• Automatic notification when payments are processed
• Ability to store customer credit/debit card information securely
• Ability to accept installments/partial payments, and apply them to the correct unit
• Others?
Future State Process Flow – January 2023

Customer

Unit

AR Tracking Innovation (ARTI)

Billing & Receivable Services

Update approved price list with fee & associated item (ongoing)

Establish Fee

If customer record already been established? Yes

Customer establishes / locates their own record in self-service portal?

No

1. Customer requests good(s) / service(s)

2. Has customer record already been established?

3. Unit uses system to establish / locate customer record

4. Provide good(s) / service(s) to customer

5. All system notified that good(s) / service(s) were provided

6. Is supplemental invoice information required?

7. Yes

8. No

9. Customer establishes / locates their own record in self-service portal

10. Receive good(s) / service(s)
Phase 1.5 Plan

Phase 1.5 will focus on pursuing standardization and simplification around best practices to bring university billing units to a state of readiness for AMP. The project team will complete activities to **assess**, **train**, and **transition** units to an envisioned future state.

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<td>Perform an assessment of billing units' processes and controls to identify alignment/gaps with best practices</td>
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<td>Identify and prioritize training topics based on needs discovered during best practices assessments</td>
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<td>Develop training materials in multiple modes</td>
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<td>Conduct training and reinforce community of practice amongst billing units and BRS</td>
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<td>Group billing units around common practices and transition readiness</td>
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<td>Move units to best practices</td>
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<td>Review user requirements with stakeholders</td>
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<td>Document the similarities/differences in requirements and functions between Non-student A/R, Student A/R and Research Labs A/R</td>
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<td>Outreach for past due invoices to funnel to in-house collections</td>
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Phase 1.5 Activities

• **Assess**
  • Work with the Billing and Receivables Services team to assess billing units’ process and controls to better help us identify ways to align units with best practices
  • Map fee development and cash path to have a comprehensive vision of order-to-cash target state

• **Train**
  • Identify and prioritize training topics, using information gathered in the previous steps to inform
  • Reinforce community of practice amongst billing units through continued outreach and communication

• **Transition**
  • Start moving units to best practices prior to an IT system implementation
  • Review user requirements with stakeholders
  • Cleaning up past due invoices
Phase 2 Plan

Phase 2 of this project will include application of standardized processes and controls, implementation of an integrated technology solution, and design and launch of new training and reporting. The technological functionality will be contained within a finance module of a future ERP.

Collected system and user requirements from Phase 1 should be used to guide the configuration of billing and receivables functionality in the new ERP system.
Questions?

• Project info on EPPMO site
  • [https://fa.oregonstate.edu/eppmo/non-student-billing-and-receivables-project](https://fa.oregonstate.edu/eppmo/non-student-billing-and-receivables-project)