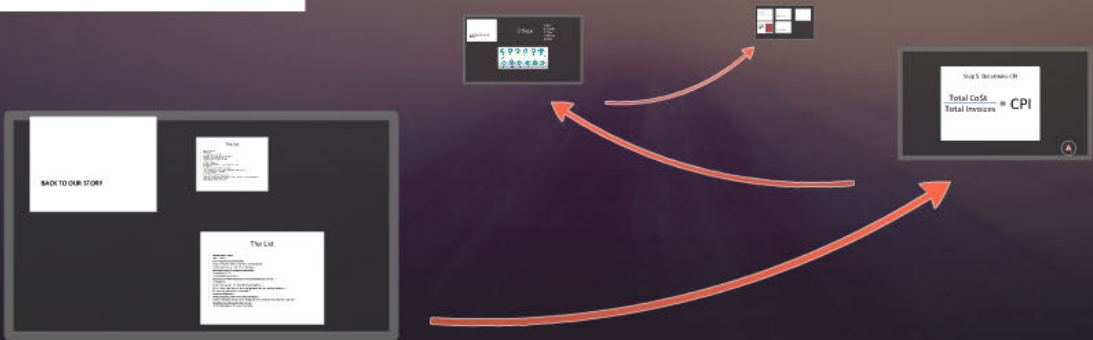


avidxchange Cost Per Process

Item Category	Amount	Frequency	Rate	Units
Accounting System Entry	1.00	1	1.00	1
Approve	1.00	1	1.00	1
Budget	1.00	1	1.00	1
Check	1.00	1	1.00	1
Code	1.00	1	1.00	1
Invoice	1.00	1	1.00	1
Open Mail	1.00	1	1.00	1
PO	1.00	1	1.00	1
Route Mail	1.00	1	1.00	1
Research	1.00	1	1.00	1
Total	8.00	8	1.00	8



The 8 Pitfalls!

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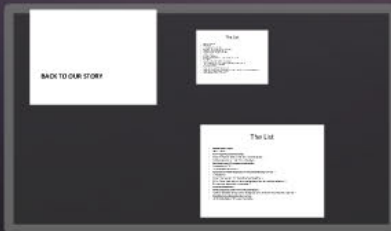
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Route Mail	1.00	1	1.00	1
Budget	1.00	1	1.00	1
Accounting System Entry	1.00	1	1.00	1
Promote to GL	1.00	1	1.00	1
Check	1.00	1	1.00	1
Invoice Filed	1.00	1	1.00	1
Research	1.00	1	1.00	1



Time?

1. Order
2. System Admin
3. Hardware Production
4. Contract
5. Vendor
6. Receipts
7. Do This All

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Agenda

- The 8 Pitfalls of AP Automation
- What is Automation
- How to Stay Out of the Pit.... Everyone Loves a Good Spreadsheet
- (but first).... A Story

The 8

1. Know Your Environment
2. Selecting a Service Provider
3. Getting Organized
4. The Project
5. Training and Going Live
6. Communicating with Vendors
7. The Evaluation
8. The Future



....a little story

DOES THIS SOUND FAMILIAR

The List

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- Enter the dirty stack of invoices into the AP system
- Match and fix invoices that were cut yesterday

WHAT IS AUTOMATION?

Agenda

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- (but first).... A Story

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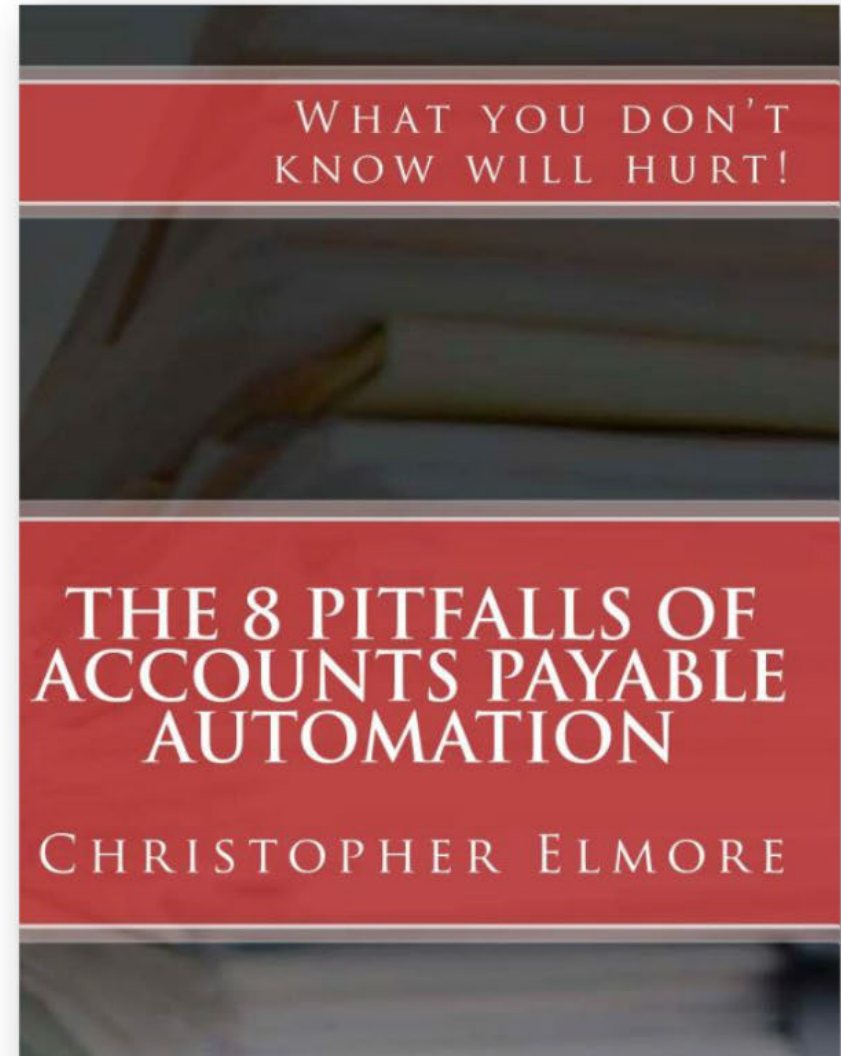
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YouTube

WHAT IS AUTOMATION?

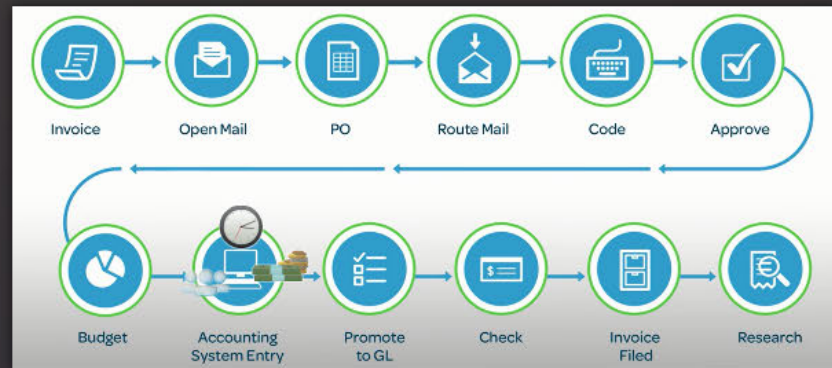


CPI – How to Stay Out of the Pit!

DETERMINE YOUR COST PER INVOICE

5 Steps

1. Map
2. People
3. Time
4. Money
5. Math



5 Steps

1. Map
2. People
3. Time
4. Money
5. Math







et

Accounting
System Entry

Pro
to

Step 5: Determine CPI

$$\frac{\text{Total Co\$\text{t}}}{\text{Total Invoices}} = \text{CPI}$$





Hard and Soft Savings



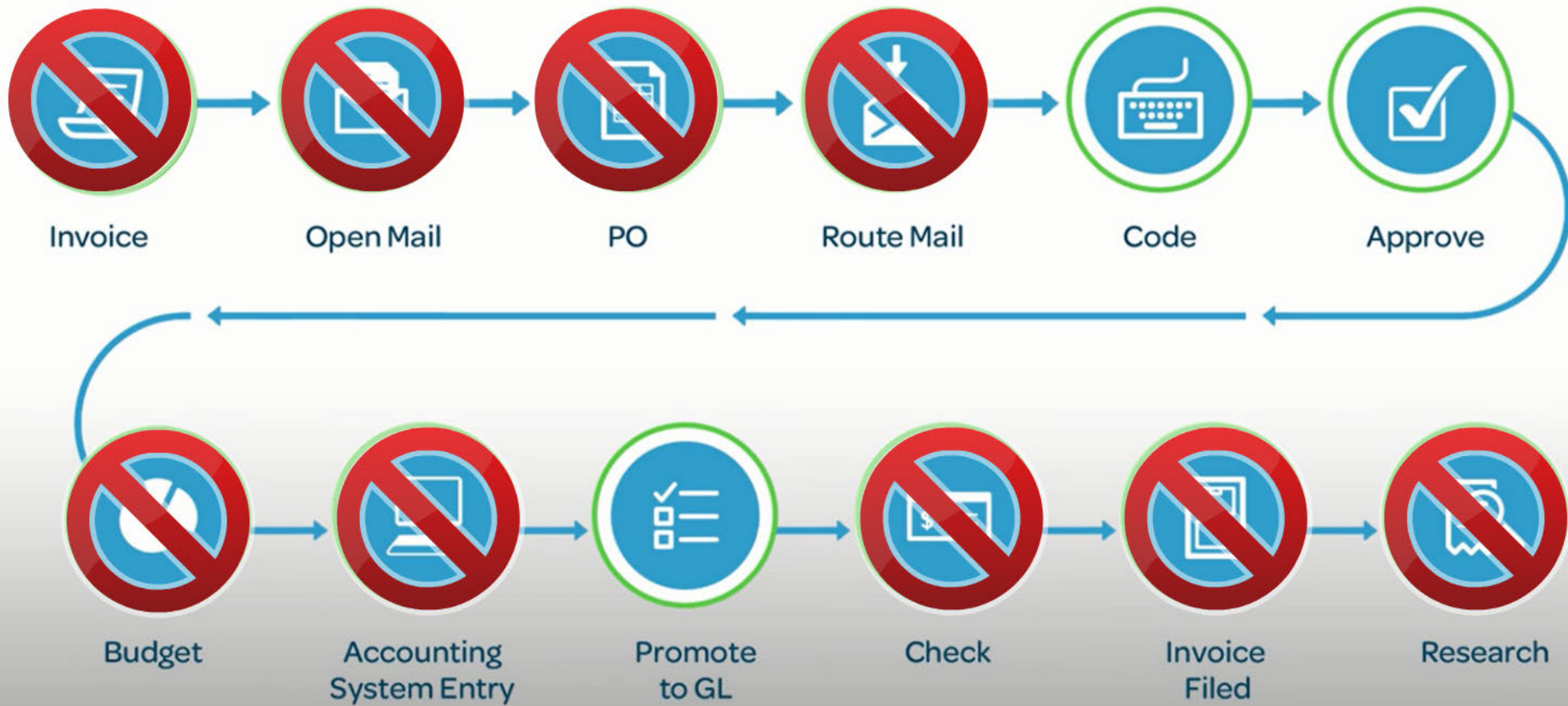
Cost Per Process

Rate Calculator	Answers	Formulas	Rate	
Number of Invoices (month)	4000	33600		
Number of Bank Accounts	2			
Number of Payments (month)	2000	24000		
Self Scan?	FALSE		\$	-
Avid QA?	TRUE		\$	0.75
AvidInvoice	TRUE		\$	1.00
AvidBill	TRUE		\$	0.50
AvidUtility			\$	2.00
AvidUtility with Pay			\$	2.50
AvidPay Transaction			\$	0.68
AvidPay Monthly Fee		\$ 0.78	\$	195.00
Discounts				
CPI Calculator	Answers	Formulas	Cost	Hours
What percentage of invoices have are utilities	30%			
How many people open payables	2			
Annual Salary	\$40,000.00	\$80,000.00		
What percentage of time does each person spend per week	20%	\$16,000.00	\$	0.48
832.0				
How many people input payables (AP - Managers - Assistants...)	2			
Annual Salary	\$35,000.00	\$70,000.00		
What percentage of time does each person spend per week on entry	80%	\$56,000.00	\$	1.67
3328.0				
How many people input Energy information into spreadsheets or Energystar?	2.00			
Annual Salary	\$30,000.00	\$60,000.00	\$	0.42
416.0				
What percentage of time does each person spend per week entering energy information?	10%	\$6,000.00		
How many people file payables	2			
Annual Salary	\$35,000.00	\$70,000.00		
What percentage of time does each person spend per week on filing	50%	\$35,000.00	\$	1.04
2080.0				
What percentage of invoices have a PO	4			
What is the amount of late fee you pay a year	\$10,000.00		\$	0.30
What is the % of late fees relate to utilities?	100%		\$	0.69
Storage Cost (per month)	\$0.00		\$	-
Annual Transit Cost (UPS, FedEx...)	\$0.00	\$0.00	\$	-
What Percentage of invoice have Job Cost	10%		\$	0.00
How many audits are performed per year (CAM, Financial, Internal...)	2	\$1,000.00	\$	0.03
How many vendor call do you receive a week	10	\$2,067.00	\$	0.06
What percentage of invoices are copied (per month)	50%		\$	0.02
Receipt & Capture CPI			Costs	Hours
			Hard Cost CPI	\$ 3.48
			Hard Cost CPI With Utility	\$ 4.70
1996.8				
CPP Calculator	Answers	Formulas	Cost	Hours
What percentage of checks are utilities?	20%	400		
How many people print checks?	1			
Annual Salary	\$40,000.00	\$40,000.00		
What percentage of time does each person spend per week	20%	\$8,000.00	\$	0.33
416.0				
How many people stuff checks in envelopes?	1			
Annual Salary	\$35,000.00	\$35,000.00		
What percentage of time does each person spend per week	50%	\$17,500.00	\$	0.73
1040.0				
Check Stock Costs per Month	\$500.00	\$6,000.00	\$	0.25

	TRUE		\$	1.00	
	TRUE		\$	0.50	
			\$	2.00	
			\$	2.50	
			\$	0.68	
		\$	0.78	\$	195.00
Discounts					

	Answers	Formulas	Cost	Hours	
	30%				
	2				
al Salary	\$40,000.00	\$80,000.00			
per week	20%	\$16,000.00	\$	0.48	832.0
..)	2				
al Salary	\$35,000.00	\$70,000.00			
on entry	80%	\$56,000.00	\$	1.67	3328.0
or	2.00				
al Salary	\$30,000.00	\$60,000.00	\$	0.42	416.0
entering	10%	\$6,000.00			
rmation?	2				
al Salary	\$35,000.00	\$70,000.00			
t on filing	50%	\$35,000.00	\$	1.04	2080.0
	4				
	\$10,000.00		\$	0.30	
	100%		\$	0.69	
	\$0.00		\$	-	
	\$0.00	\$0.00	\$	-	
	10%		\$	0.00	
ernal...)	2	\$1,000.00	\$	0.03	
	10	\$2,067.00	\$	0.06	
	50%		\$	0.02	

			Costs	Hours	
		Hard Cost CPI	\$	3.48	4160.7



Time?

1. Grow
2. System Admin
3. Headcount Reduction
4. Contract
5. Vendor
6. Discounts
7. Do Their Job

BACK TO OUR STORY

The List

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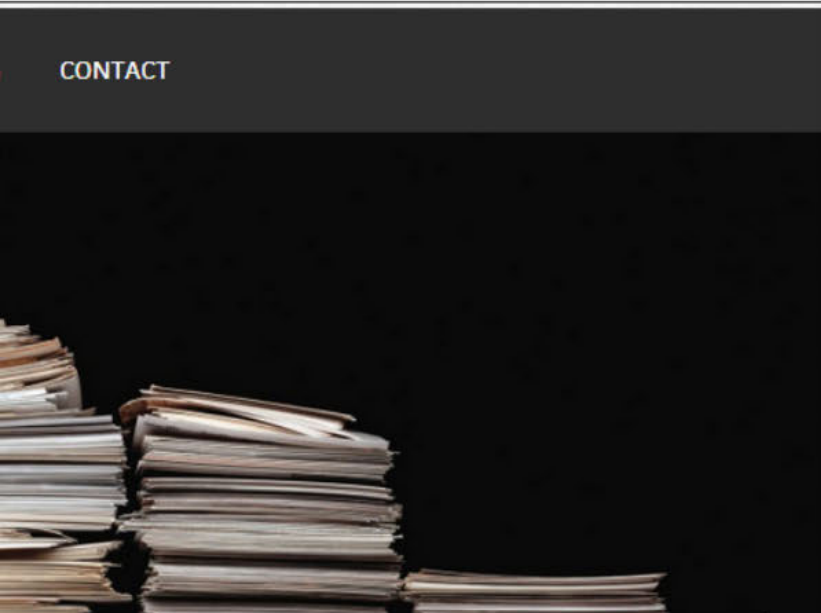
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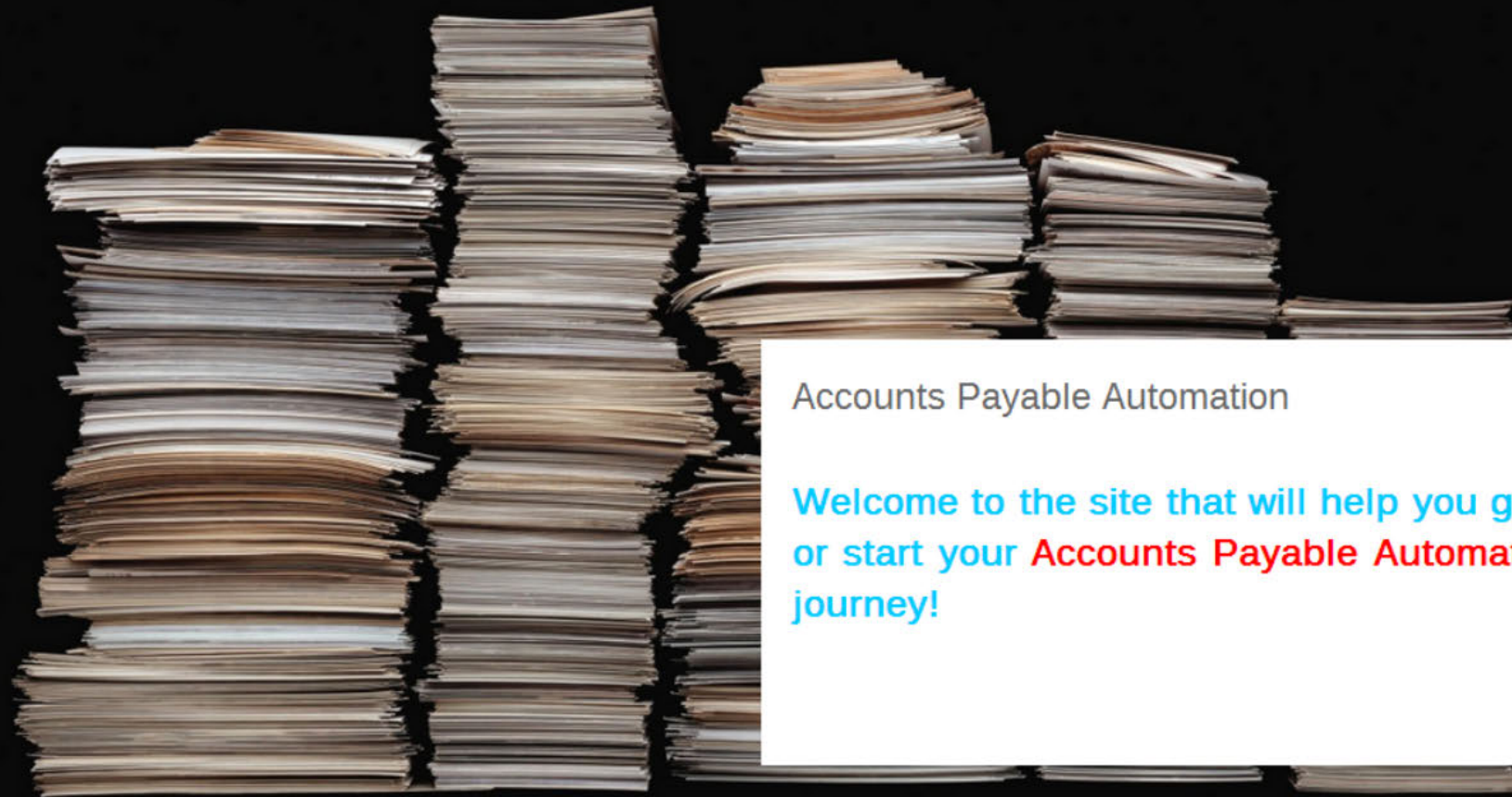
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