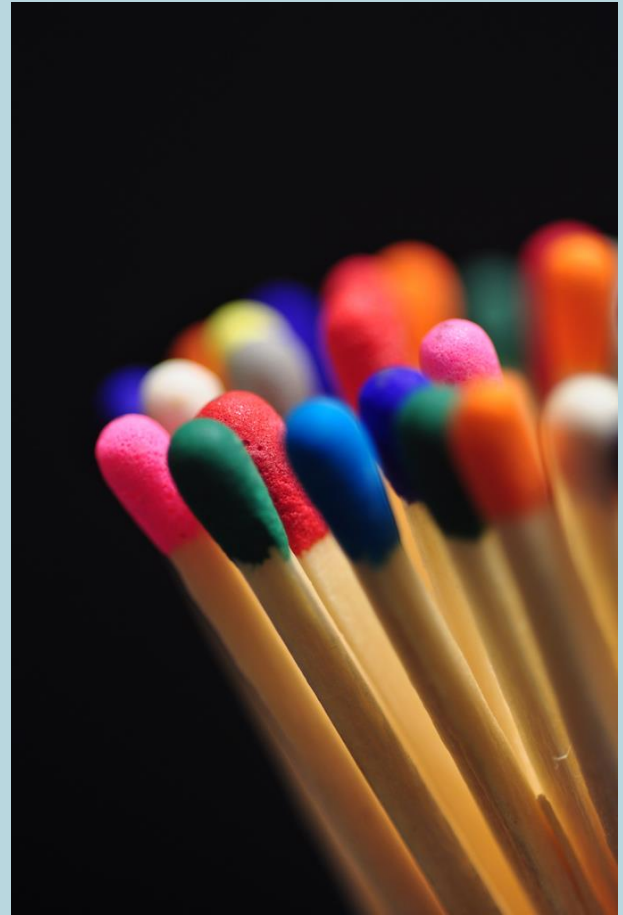# MAXIMIZING THE THREE-WAY MATCH

THE MATCH MAKERS

The Match Makers

Heidi Mertler – ODOT
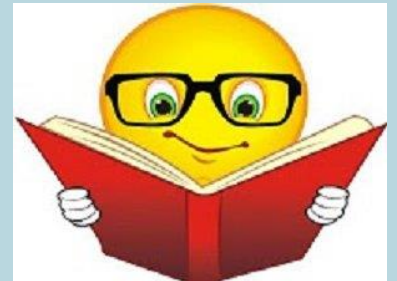
Andrew Plagenz – OPD

Lisa Wirick – DODD

Matthew Monell ODMH – OPS

Paula Orchowski – DVS-OVHS

WHAT IS THE THREE-WAY MATCH?

MAXIMIZING THE THREE-WAY MATCH

WHAT IS THREE-WAY MATCH?

- **QUANTITY**
- **PRICE**
- **TERMS**

PURPOSE

- **AVOID PAYING INCORRECT INVOICES**

- **AVOID PAYING FRAUDULENT INVOICES**

WHY AUTOMATION?

LABOR INTENSIVE

REDUCE MISSED DISCOUNTS AND IMPROVE PROMPT PAYMENTS

REDUCE ERRORS

AGENCY DIFFERENCES

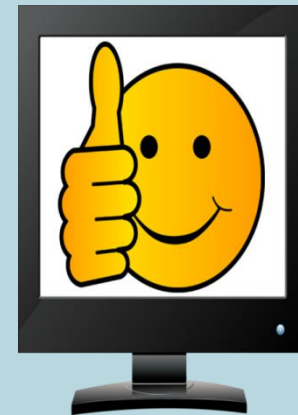# THERE HAS TO BE A BETTER WAY

RESEARCH METHODOLOGIES

- Electronic Survey

- Interviews with Subject Matter Experts

- Academic Research

SURVEYS

A survey was constructed through Survey Monkey for more than 100 Fiscal personnel in various state agencies.

SURVEY TAKEAWAYS

- 148 surveys and only 22 responses

- Survey Design

- What is the three-way match?

INTERVIEWS WITH SUBJECT MATTER EXPERTS

- Ohio Shared Services
- Ohio Department of Public Safety
- Opportunities for Ohioans with Disabilities
- Ohio Department of Transportation
- Ohio Department of Mental Health
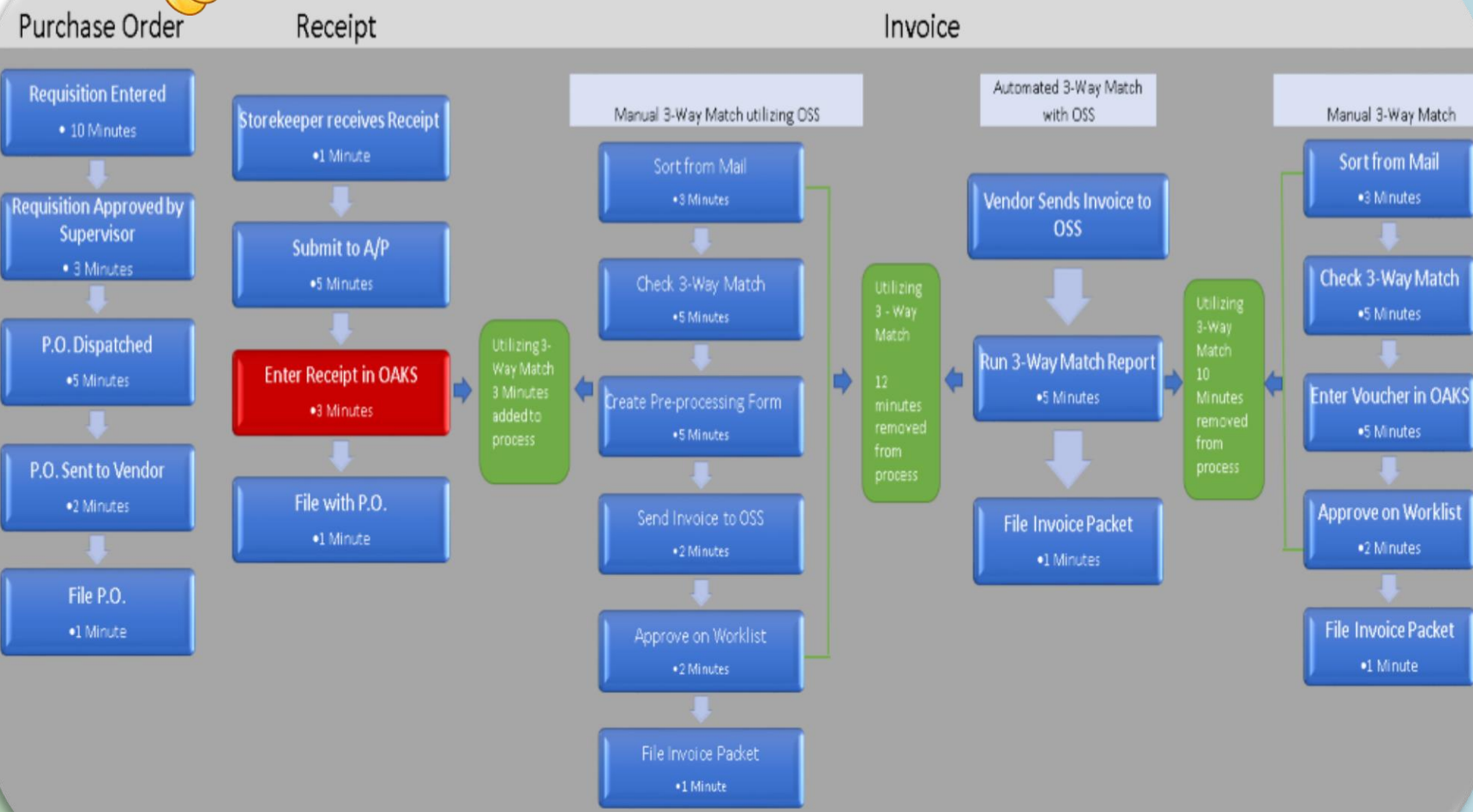- Office of Budget and Management

ACADEMIC RESEARCH

- Best Practices

- Innovative Technology

CURRENT STATE

Purchase Order

- Requisition Entered
  - 10 Minutes
- Requisition Approved by Supervisor
  - 3 Minutes
- P.O. Dispatched
  - 5 Minutes
- P.O. Sent to Vendor
  - 2 Minutes
- File P.O.
  - 1 Minute

Receipt

- Storekeeper receives Receipt
  - 1 Minute
- Submit to A/P
  - 5 Minutes
- Enter Receipt in OAKS
  - 3 Minutes
- File with P.O.
  - 1 Minute

Utilizing 3-Way Match 3 Minutes added to process

Invoice

Manual 3-Way Match utilizing OSS

- Sort from Mail
  - 3 Minutes
- Check 3-Way Match
  - 5 Minutes
- Create Pre-processing Form
  - 5 Minutes
- Send Invoice to OSS
  - 2 Minutes
- Approve on Worklist
  - 2 Minutes
- File Invoice Packet
  - 1 Minute

Utilizing 3 - Way Match 12 minutes removed from process

Automated 3-Way Match with OSS

- Vendor Sends Invoice to OSS
- Run 3-Way Match Report
  - 5 Minutes
- File Invoice Packet
  - 1 Minutes

Utilizing 3-Way Match 10 Minutes removed from process

Manual 3-Way Match

- Sort from Mail
  - 3 Minutes
- Check 3-Way Match
  - 5 Minutes
- Enter Voucher in OAKS
  - 5 Minutes
- Approve on Worklist
  - 2 Minutes
- File Invoice Packet
  - 1 Minute

SUBJECT MATTER EXPERT INTERVIEWS

John Palermini (OSS)

Therese Dyer (OOD)

Bridget Brubeck (OBM)

SUBJECT MATTER EXPERT INTERVIEW

JOHN PALERMINI (OSS)

- DAS and BWC fully utilizing Three-Way Match

- 9.2 upgrade caused major issue with Three-Way Match functionality

- Agency issues in adoption

SUBJECT MATTER EXPERT INTERVIEW

THERESE DYER (OOD)

- Receipts not tied to inventory

- Consumables cannot be tracked

- No value

- Suggested E-Settlement

Ohio | Opportunities for Ohioans with Disabilities

We Hire Individuals with Abilities 2016

SUBJECT MATTER EXPERT INTERVIEW

BRIDGET BRUBECK (OBM)

- E-Settlement Process
  - ➢ Suppliers enter invoice directly into OAKS
  - ➢ State enters in requisition and receipt

- DPS and OOD testing system

BARRIERS

Perceptions

Inventory

Cost

PERCEPTIONS

All our Knowledge
has its origin in
our Perceptions.

Leonardo Da Vinci

We can't approve the invoice

We don't receive the invoice

This is not going to work!

Loss of control

PERCEPTIONS

Control is not lost

Control has moved to Purchase Order and Receipt

Purchase Order and Receipt will now drive accounts payable workflow

INVENTORY

ASSIGNMENT OF PART NUMBERS

- SUPPLY INVENTORY

- GOODS HELD FOR RESALE

ITEM TRACKING

CYCLE COUNTS

ECONOMIC REORDER QUANTITY

CONSUMPTION OF INVENTORY

OBSOLETE INVENTORY

COST

PER TRANSACTION COST

SCALABILITY

CONCLUSION

How do we maximize the 3-Way Match with multiple disparate agencies efficiently?

RECOMMENDATIONS

Current Technologies

System Interfaces

Additional Training

E-Settlement

CURRENT TECHNOLOGIES

Cost-feasibility study

Optical Character Recognition (OCR) and ERP technology

OBM has tested this technology but not in several years

Increase efficiency and decrease keying errors

SYSTEM INTERFACES

Useful for agencies with inventory

Successfully used by some agencies now

Saves duplication of work

ADDITIONAL TRAINING

Only three agencies using automated process

Many negative perceptions of automated process in OAKS

Formalized training could increase use of existing automated process

E-SETTLEMENT

Still in early stages

Most useful for smaller suppliers

Benefits to supplier

Benefits to agencies

OBM asking all agencies to submit at least one supplier to use E-Settlement

QUESTIONS