



Accounts Payable Solutions

Nutritional Supplements Manufacturer

Streamlined the various Accounts Payable operations including invoice processing, statement reconciliation, updating vendor information etc. and sanitized client's AP tool to ultimately enable the Balance Sheet to capture current and accurate liabilities

Accounts payable solutions for nutritional supplements manufacturer

Situation

- The client was experiencing an increasing backlog of invoices in their AP management system leading to late payments and out of period financial statement adjustments
- Partnered with the client to augment their accounting capabilities and streamline the Accounts Payable operations through invoice processing, AP mailbox management, payment prioritization etc. (utilizing AP Management tools MediusFlow and ReadSoft)

Accordion Value Add

- Processed vendor invoices by ensuring 3-way matching (invoice, purchase order & receipts) and reconciling quantities and prices across these documents
- Ranked all vendors by reviewing total spend & recency, and reconciled over 600 statements for all critical and major vendors
- Prioritized weekly vendor payments based on past dues, and vendor payment inquires/escalation over mail
- Managed the AP mailbox by responding to vendor outreach about payment inquires, AR statements, and new invoices
- Created automated process to retrieve data for all received invoices, approved purchase orders and receipts for quickly tracing invoice history

Impact

- Statement reconciliation ensured the AP management tool is sanitized and financial statements reflect accurate information. The client was additionally able to recover over \$250k due to this activity as old and missing credit memos were recovered from vendors and applied against vendor accounts.
- Payment prioritization and AP mailbox management ensured that critical vendors are paid on time. This made sure that the client was not put under “credit holds” by their vendors and therefore lowering the risk of operations getting delayed
- Accurate general ledger account coding resulted in reduction in expense reclassification after period close from \$200k to \$10k per month

Methodology/ approach



AP Reporting

- Created reports to retrieve data for all received **invoices**, approved **purchase orders** and **receipts**
- Analyzed **invoice age**, **payments terms**, **processing stage** to identify corrective actions to reduce unvouchered invoices within MediusFlow
- Reached out to respective vendors for **bill of lading** and **proof of delivery**
- Reached out to the **buyers/receiving team** for missing receipts or purchase orders
- Reached out to **management team** for authorization on deviations



Statement Reconciliation

- Identified all vendors with **payments within the last years** and total **cumulative invoice amount over of over \$5,000**
- **Sent out requests to share latest AR statements** to all identified vendors
- **Reconciled the statements** against these vendor accounts on the AP management tool
- **Requested and added invoices not on the tool**
- **Sanitized the tool** by removing all **orphaned receipts and duplicate invoices**



Setting SOPs

- Analyzed current tool automation level and determined that **over 60% of invoices were being entered and processed manually**
- Identified operations that need to be standardized such as **processing prepaid invoices & credit memos, attaching BOLs to freight invoices etc.**
- Identified process to ensure **accurate general ledger coding** for purchase orders and other expenses by **setting up accounting templates**

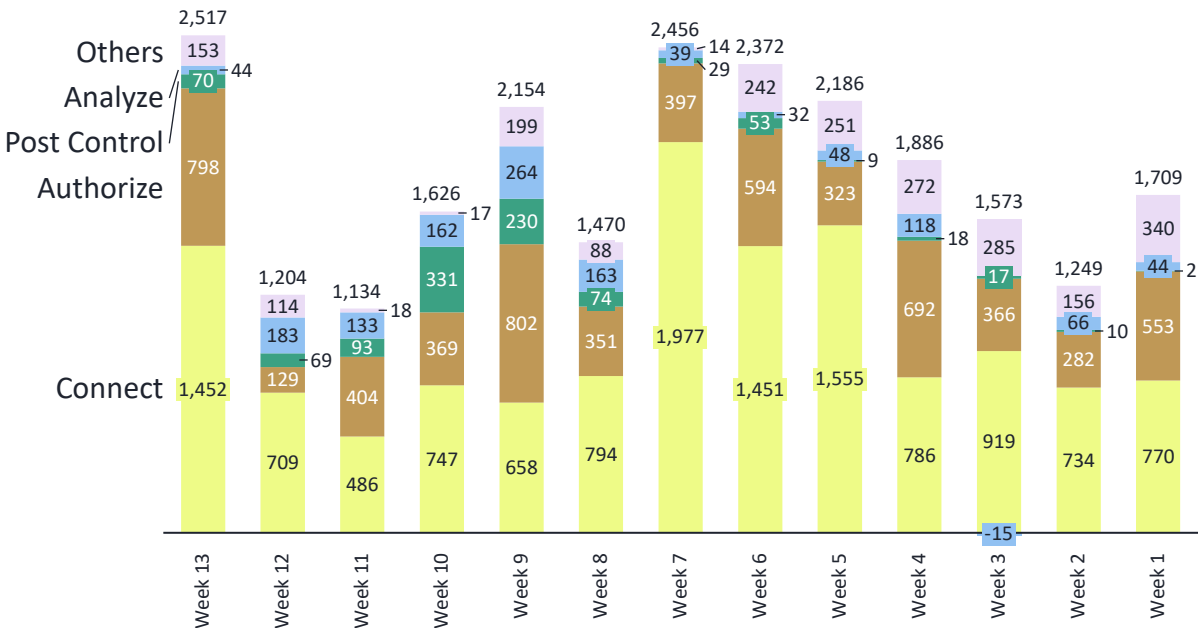
A/P reporting

Tasks	Open Invoices	Past Due	Due in 5 Days	Due in 5-10 Days	Due in 10-20 Days	Due in 20-30 Days	Due in 30+ Days
Connect	\$786,869	\$163,192	\$20,222	\$11,188	\$110,692	\$326,439	\$155,135
Authorize	\$541,628	\$338,744	\$9,464	\$72,137	\$86,109	\$35,173	\$0
Authorize Deviations	\$57,295	\$59,057	\$5,507	-\$45,378	\$36,464	\$1,645	\$0
Distribute	\$253,880	\$19,693	\$13,984	\$116,678	\$21,461	\$82,064	\$0
Post Control	\$5,763	\$4,902	\$0	\$0	\$225	\$636	\$0
Analyze	\$76,761	\$30,522	\$0	\$5,935	\$7,500	\$31,604	\$1,200
Final Integration	\$2,409	\$0	\$0	\$0	\$0	\$2,409	\$0
Total	\$1,724,606	\$616,110	\$49,178	\$160,561	\$262,451	\$479,971	\$156,335

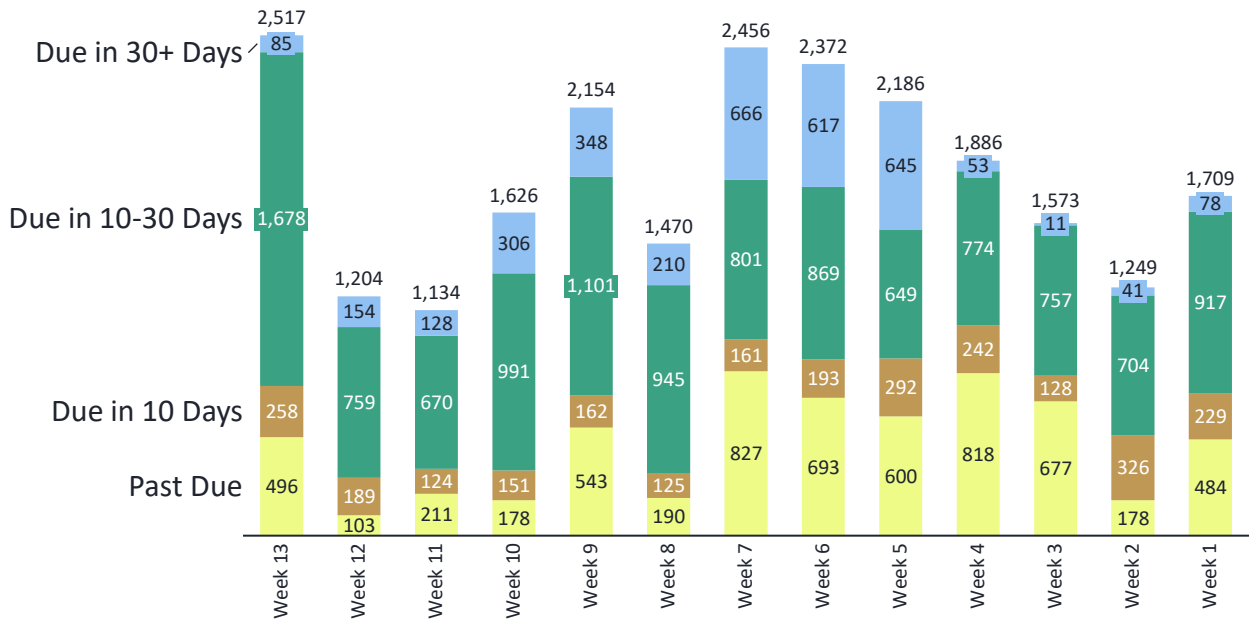
Current status of all Open Invoices tracked on a daily basis

Weekly trend by category and due date to show progress

Trailing 13 Weeks Open Invoices by Category (\$) - Thousands



Trailing 13 Weeks Open Invoices by Due Date (\$) - Thousands



Readsoft invoice ingestion

Invoice PDF received from the vendor

KOFAX AP Essentials

Track ID: 20230518-83/1

Help Log out

INVOICE

Invoice No: [redacted]
Date: 5/15/2023

Customer ID: [redacted]

Sold To: [redacted]
Attn: [redacted]

Ship To: [redacted]
Attn: [redacted]

Ship Date: 5/15/2023

S/O No.	S/O Date	PI/O No.	Sales Rep.	Ship Via	F.O.B.	Terms	Due Date
8230716	5/09/2023	PO085177-1	CRAI	FOB CA		NET30	6/14/2023

OrderQty	Ship Qty	B.O.Qty	Item No.	Lot#	Description	Price	Disc%	Sale Price	Ext.Amount
100.00	100.00		CYB12-1%-DCP-25	Z012303002	CYANOCOBACAMIN 1% DCP ITEM#R626 VENDOR#104400	35.000		35.000	3,500.00

Checks supplier validity against ERP system

BUYER AND SUPPLIER

Customer account

Buyer

Supplier name

Supplier number

GENERAL

InvoiceNumber

InvoiceDate

PONumber

AMOUNT

DeliveryCost

TotalAmount

Data entry driven by OCR with some manual intervention

Invoice lines identified through OCR with manual intervention – checks item ID against ERP system

ArticleNumber	Description	Qty	UnitPrice	ExtAmt
ITEM#R626	CYANOCOBACAMIN 1% DCP	100.00	35.00	3,500.00

OK

Mediusflow invoice processing

Invoice PDF received from the vendor

Invoice under 'connect' state – Connecting invoice, PO, and receipt

AP Automation

HOME INBOX DASHBOARD REPORTS CREATE

Add/remove labels

1 of 2 Automatic Zoom

Invoice

Page 1 of 1

ACHIEFT Instructions

Remit To Address

DOCUMENT NO.	DOCUMENT DATE	DISCOUNT DATE	DUE DATE
2932189520	04/28/2023		05/28/2023

BILL TO:

SOLD TO:

SHIP TO: SOFT GEL FACILITY

PLEASE NOTIFY US IF THE ABOVE INFORMATION IS INCORRECT:

PURCHASE ORDER NO.	REFERENCE DOC.	SHIPPED DATE	CUST. NO.	CARRIER	ORDER NO.
PO84635-1	9220123963	04/28/2023	VU50904007	Goes Enter	1115031424

PRODUCT CODE/ PRODUCT DESCRIPTION	LOT QUANTITY & U/W	PACKAGE SIZE & U/W	NO OF PKGS.	PRICING QUANTITY	UNIT PRICE & U/W	AMOUNT
Prod. No. 5015187420 MSD-3R 1812170, 100 KG MSB Old Prod. No. EPA111800 Your Prod. No. RWL0225 Batch TS00021431	2,880 KG	190 KG	14	2,880,000 KG	13.50 KG	35,910.00

Issued By:

Pay this amount on or before discount date \$

Net Invoice Total USD \$ 35,910.00

SEE PROVISIONS ON REVERSE SIDE

Connect - Order based invoice

Supplier Company

Net amount 35,910.00 USD

Tax 0.00 USD

Invoice date 4/28/2023

Due date 5/28/2023

Invoice no

Payment ref

This invoice is not fully connected. See the list below for reasons why connections could not be completed.

- GR not found or fully connected

Manual connection Invoice details Comments File Attachments History Links

Connect lines

Invoice order number:

Invoice total: 35,910.00 USD

Connected total: 0.00 USD

Invoice lines

Show fully connected lines Show connections Remove selected connections

In... Order number	Delivered date	Delivery ... PO Line number	Item number
			RWL0225
		10000000	RWL0225

Showing 1 of 1 line (filtered from 1 total lines)

Invoice already connected to PO. Receipt line not connected

Save On hold Send for review Control Center Redistribute Invalidate Connection done