

## **Abstract**

# **Municipal Modernization Fund – Intake 2 Review Stream Final Report**

## **Joint County of Oxford, Town of Ingersoll and Town of Tillsonburg AP Digitization Process Review project**

The Municipal Modernization Fund supported a joint Accounts Payable Digitization Feasibility Review with a view to find efficiencies in staff time and physical built storage space, both of which could be redeployed for more impactful public service purposes. An independent third party consulting firm with expertise in finding efficiencies in work processes leveraged by technology was engaged by three municipalities having similar systems in place utilized at different levels of maturity.

The problem statement as described by the municipalities is that automation of the accounts payable process as it relates to requisition, purchase order, invoice to payment remains predominantly paper based, and therefore manual and not readily sustained during business interruption.

The consultant's recommendations included: adopt a requisition and purchase order process; implement a robotic process automation system to capture invoices at receipt; match invoices to purchase orders in our common financial systems platforms; retain current payment process - combination of electronic funds transfer; business credit card/purchasing card programs, and cheques; and to demonstrate sustainability, they designed a business continuity plan.

Estimated implementation costs range from \$273,000 to \$327,000 for all three municipalities (\$91,000 to \$109,000 per municipality) and ongoing costs range from \$6,600 to \$19,300 per year (per municipality), suggesting costs could be reduced by employing a centralized invoice processing station or seeking a Cloud based RPA solution.

In terms of efficiency gains, the recommended process will result in staff time savings (hours per year) of up to 43% for redeployment to procurement related functions to better serve the community.

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