

Lean Gahanna Project Status Report

Project: Processing Invoicing/ PO Reconciliation **Department:** Service Department

Problem Statement

The current process required the following steps:

- Gather invoices, print a copy of the PO and record invoices by hand on the PO.
- Total the invoices and subtract those balances from the current PO balance and record both on the PO (if multiple account numbers were associated with the invoice, it added another level of detail).
- Make a copy of the entire batch, file one copy, and forward the second copy to Finance.

It took seven minutes process and file each PO and eight minutes to verify statements. Fleet Maintenance makes 25 to 50 purchases each week, with an average of 15 vendor statements each month.



Steps Taken/Tools Used

- ✓ Utilized the 5-whys to analyze the current process.
- ✓ Determined information required by Finance.
- ✓ Created an electronic spreadsheet for invoice tracking.
 - Record the Invoice Number, Cost/Credit amount, and the date entered.
 - Formulas now calculate the remaining balance after each entry.

Accomplishments

- ✓ Reduced processing time for POs by 57% , saving **2 hours of staff time** per week
- ✓ Reduced processing time for statements by 75%, saving **90 minutes of staff time** per week