



November 26, 2010

Dear Vendor,

Alberta Health Services (AHS) has launched the Procure to Pay (P2P) project to enhance business processes in procurement and payables. The purpose of this letter is to provide you with an overview of some of the impacts to you, our valued partner, and in the way we conduct business together.

The implementation of P2P is centered on moving to a single shared technology platform – Oracle R12 - with standardized processes to support this platform. Year One is currently scheduled to **'go live' on February 15, 2011** at which time, the following changes will come into effect:

#### **Purchase Orders**

- Electronic Data Interchange (EDI) will be the preferred method of purchase order transmission.
- A new standardized printed purchase order format will be used for faxed orders.
- Purchase Orders will be required for all product shipments *with the following exceptions*: after hour emergency requests, and exempt items .e.g. stationary, books, subscriptions and education courses.
- All product substitutions will require AHS' approval before shipping.
- Where goods shipped are not FOB destination, order confirmation must include freight cost.

#### **Invoices**

- Invoices should be sent to AHS by email to ensure timely turnaround. In the event this is not possible, invoices can be sent by fax or by Canada Post. In the near future, information will be communicated on the location of a central billing address for all AHS invoices.
- Invoices should not be sent to the requestor as it will delay payment.
- For all exempt items and emergency orders (non-PO), requestor contact information (first name, last name and phone number) will be required on the invoice. Invoices without requestor contact information will be re-routed to the vendors.

#### **Payments**

- Electronic Fund Transfer (EFT) payments will be the preferred method of payment.
- EFT forms will be sent out to vendors when cheque payments are made to encourage adoption of EFT payment method.

We value our vendor relationships and look forward to your ongoing support and cooperation as AHS makes this transition. Further information and details will be communicated in January prior to the 'go-live' date. Please share this information with your colleagues as well as monitor the AHS website for further information (<http://www.albertahealthservices.ca/207.asp>).

Sincerely,

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