

End user: University of Melbourne
Industry: Education
Products: Solution for Invoice Processing

University Of Melbourne Learns A Valuable Lesson With Imaging Solution

The University of Melbourne wanted to replace decentralised, paper-based, manual Accounts Payable processes. After implementing an imaging solution which utilized scanning products from Kofax Australia, invoices are now scanned, indexed, shared and stored electronically in the Oracle Financials database with greatly improved efficiency, saving time and space while reducing errors.

“The Kofax imaging product has assisted in facilitating this major process and procedural change that has made us more efficient and less prone to errors across the accounts payable process.”

- Jacinta Savage, Project Manager, Financial Operations, University of Melbourne.

With nearly 42,000 students, almost 3,000 academic staff and more than 3,200 administration staff, the University of Melbourne has been firmly established as a pre-eminent provider of teaching and learning in Australia for more than 150 years.

The Challenge

With the University receiving up to 1,000 invoices a day from its 30,000 suppliers, they wanted to make the end-to-end process more efficient and effective.

Decentralised, manual processing and approval created numerous challenges, including lack of visibility and control, time delays, loss of documents and a high level of errors and rework, with each of the University’s 210 departments responsible for entry of its own invoices into the financial system.

“The departments entered the information and then Accounts Payable reviewed it at the end of the process,” University of Melbourne Financial Operations Project Manager Jacinta Savage explained.

To improve invoice management, the University decided to move to a more centralised system with key data entry and processing handled first by the Finance department, with approvals and coding sought from the departments online.

The Solution

The University of Melbourne chose Kofax's Invoice Processing solution to support its introduction of integrated Accounts Payable imaging.

"We have a mixture of jobs from various departments, which all have different requirements, but Kofax could accommodate that and give us uniformity and predictability in how we do our work," said University of Melbourne's Digital Imaging Coordinator Joe Arthur.

"We also really wanted VRS (VirtualReScan) for image clean up on the fly and that led us to Kofax too. There were other solutions that did imaging, but Kofax had everything we wanted."

The Kofax Advantage

Implementing the Kofax solution assisted Accounts Payable in changing its processes. The central Accounts Payable department is now the first stage in the processing cycle. Accounts Payable groups invoices into batches before sending them to the University's Imaging Centre for scanning into the Oracle Financials application.

"It's very quick automatic document processing," Mr. Arthur said. "Kofax gives us the ability to scan and manage multi-page invoices, so if there are terms and conditions on the back, we capture them as well."

Kofax Capture's digital image of the invoice and a text file created in Advanced Forms is interfaced to Oracle Financials for processing and then sent electronically to the department responsible for the purpose for online coding, verification and approval.

"Kofax Capture is very good workflow software. Kofax tailored it to reflect the variables we needed to add, such as the queue an invoice is in," Mr. Arthur added.

Results:

Greater Efficiency – Speed Without The Errors

Kofax's Optical Character Recognition (OCR) capability has delivered the greatest benefits in the scanning stage, according to Ms. Savage. Invoice scanning picks up key fields the Accounts Payable team look for on invoices, including the 11-digit Australia Business Number (ABN), invoice date and amount.

"The ABN is key for us because it links into our supplier database in the finance system and ensures we pick up the right supplier," she said.

"The system is faster and reduces data entry time and potential errors. When the scanning search picks up the ABN, we don't have to type it in, hence searching is more accurate."

Traceable Documents

The ability to track a document from receipt to payment is another major benefit.

“We used to send invoices via internal mail, which could be slow and papers could get lost,” she said. “Now there’s always a traceable document within Oracle Financials. You can always see where something is in the document lifecycle. We couldn’t do that before, because the document may have been sitting on someone’s desk.”

“It provides us with a lot more clarity and helps us resolve queries quickly. If a supplier rings us up chasing a payment, we can instantly see where the invoice is without having to ask them to fax it to us, so it’s improved customer service too.”

Time And Space Savings

There’s been a massive reduction in manual filing and the need for huge filing cabinets and floor space for storage.

“It was getting to the point where we were going to need a new building to keep all the invoices in,” Ms. Savage said. “Now the electronic version can be the original if needed. There’s been a huge reduction in both the amount of physical space needed and the time it takes to file or find documents.”

“Retrieving documents is so easy now that we store the images in our financial database. We just click on an icon and the document is accessible in a few seconds.”

Feature-Rich, Bulletproof Solution

Errors in scanning are easily managed by exception. Mr. Arthur added, “We get an error message within Kofax Capture if it doesn’t work instead of us having to check manually. If something disappears off our workflow queue, it’s because it’s been completed.”

“VRS - VirtualReScan - gives us very strong image processing on the fly. We can use it to clean up most images automatically using specific settings, with minimal rescanning of the documents and know it will come out perfect every time.”

“Kofax Capture has given us a lot more flexibility. It’s more bulletproof as a process – and that’s the business efficiency the University is looking for.”