

CASE STUDY

INTRODUCTION

The U.S. Department of Veterans Affairs Financial Services Center (VA FSC) was an early adopter of e-invoicing, joining Tungsten Network in 2007. Ben Sandlin, Supervisory Financial Manager, VA FSC, oversees the centralized financial services center that process and pay commercial invoices for all of its facilities, which range from medical centers and clinics to cemeteries. The center handles 1.2 million invoices annually.

THE CHALLENGE

Ben Sandlin helped to oversee the search for a solution provider that met the organization's needs. The VA FSC needed to find a partner that could handle a large volume of invoices and provide the organizational and technological flexibility to grow with the agency's needs. It also wanted a solution that would support the VA's goals to automate its purchase-to-pay process.

The ability to add and upload attachments to e-invoices was a critical factor in selecting Tungsten Network over competitors. Additionally, Tungsten's reputation in the marketplace and their proven methodology for vendor enrollment, engagement and delivery, backed by contractual SLAs separated them from others.

CUSTOMER SNAPSHOT

INDUSTRY Government & Healthcare
COUNTRY U.S.A.

KEY OBJECTIVES

- Process a high volume of commercial invoices efficiently
- Ensure compliance with the Federal Prompt Payment Act
- Achieve purchase-to-pay process automation goals
- Ensure proper allocation of funds
- Reduce taxpayer burden of invoice processing

RESULTS

- Receive **650,000** e-invoices annually via Tungsten Network
- E-invoicing enables VA facilities to **certify invoices** for payment
- Staff reallocated to other tasks due to **processing efficiencies**
- Vendors can be paid within 15 days, **removing unnecessary processing costs**

SOLUTION

The VA FSC leveraged Tungsten Network's supplier onboarding program to reach out to its vendor community and other groups to educate providers about how and why they needed to adopt e-invoicing, tapping into financial conferences, conference calls, and meetings to discuss the benefits of e-invoicing.

Initially, the VA FSC made e-invoicing optional and focused on selling the program's benefits;

however, in 2012, e-invoicing was mandated. Beginning January 2013, the VA FSC worked with Tungsten Network to inform suppliers about the mandate, first targeting the highest-volume providers, and dramatically increasing overall vendor engagement and new enrollments. In July 2013, the organization began to reject and return any invoices that were submitted via paper, directing vendors to submit them online via the network.

THE IMPACT

Before the mandate, the VA FSC received 28% of its invoices electronically. Since the mandate has been implemented, that number has grown to over 75%. However their digitisation journey is not over, as they continue to focus on driving all invoices to an electronic submission through the Tungsten Network. While over 26,000 suppliers have been onboarded and \$13 billion in billed invoices are processed through Tungsten, opportunity remains to broaden scope and vendor adoption even further.

Working with Tungsten Network also provides the VA with key data points. As a result, they're able to more clearly and proactively communicate with suppliers about payments. E-invoicing has enabled the VA to realize new process efficiencies and reallocate internal staff resources to more strategic projects. In addition, Tungsten Network provides key data the VA needs to comply with the Federal Prompt Payment Act.

26.000+
onboarded to
the Tungsten
Network

650.000
e-invoices received
annually via Tungsten
Network

46%
increase in
electronic invoice
submissions

\$13 billion
in billed invoices
processed efficiently
through Tungsten

"There are lots of organizations out there that provide web forms, and Tungsten does that too. But when we made our selection it was very rare to have anyone that had an integrated solution – integrated meaning that it mapped into the vendors' accounting solution directly and completely automated the system"

Ben Sandlin, Supervisory Financial Manager