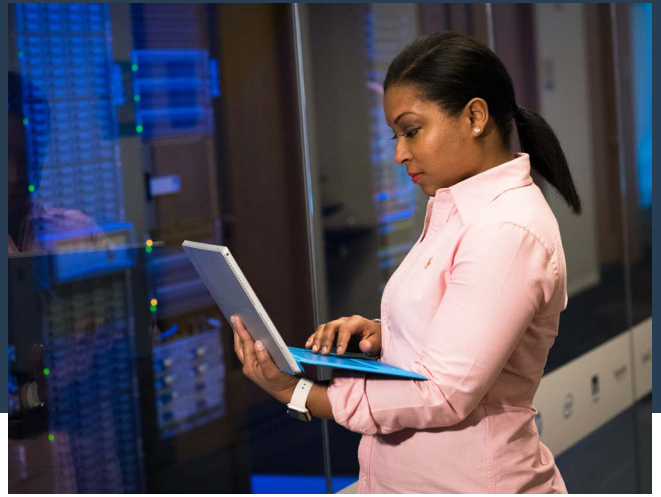


CASE STUDY

U.S. Veterans Affairs receives 600,000 e-invoices annually with Tungsten Network



The U.S. Department of Veterans Affairs Financial Services Center (VA FSC)

was an early adopter of electronic 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.

CHALLENGE

The VA FSC needed to find a partner that could handle a large volume of invoices and provide the organizational and technology 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.

TUNGSTEN NETWORK

SOLUTION

Ben Sandlin helped oversee the search for a solution provider that met the organization's needs. "There are lots of organizations out there that provide web forms, and Tungsten does that too," says Sandlin. "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," he states. The ability to add and upload attachments to e-invoices was also 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.

JOURNEY

Tungsten Network worked with the VA FSC to educate several groups who would eventually become users and promoters of the network, about the benefits of e-invoicing: including the VA FSC's accounts payable (AP) staff, individual facility AP staff, and the vendors themselves. Facility AP staff also participated in training, with sessions held twice weekly for three months,

to ensure they knew about the initiative and could discuss the solution accurately with vendors. In addition, the VA FSC sent out a regular newsletter to its facilities, providing updates on its electronic invoicing initiative.

The VA FSC leveraged Tungsten Network's supplier onboarding program to reach out to its vendor community and educate providers about how and why they needed to adopt

e-invoicing. It also tapped 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 and beginning in January 2013, the VA FSC worked with Tungsten Network to communicate to their suppliers about the

CUSTOMER

ORGANIZATION: U.S. VETERANS AFFAIRS

SECTOR: Government and Healthcare

COUNTRY: U.S.A.

GOALS

- 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 administration and processing of invoices

RESULTS

- Currently onboarded 26,000+ onto the Tungsten network
- Receive 650,000 e-invoices annually via Tungsten Network
- E-invoicing enables VA facilities to certify invoices for payment
- \$13 billion in billed invoices are processed through Tungsten quickly and efficiently
- E-invoicing has resulted in re-assignment of existing staff to other tasks due to processing efficiencies
- Federal legislation mandating suppliers' participation in Federal e-invoicing programs has allowed the local procurement (Certifying Officials) and specific internal departments resisting change to manage
- Vendors can be paid within 15 days, removing unnecessary processing costs to support the Directive

mandate, targeting its highest-volume providers first, however increasing the overall vendor engagement dramatically at all levels with impressive numbers of vendors enrolling. After planning and communication, 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.

BENEFITS

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%.

The journey is not over however as they continue to focus on driving all invoices to an electronic submission, through the Tungsten Network and approved electronic means. The VA uploads and distributes e-invoices, enabling certifying officers at all of the facilities it serves to attest they are ready for payment, before paying them. Tungsten Network also provides key data points the VA needs to comply with the Federal Prompt Payment Act, which requires that it pay suppliers within 15 days.

FUTURE

The VA FSC has seen first-hand that e-invoicing results in significant benefits for buyers, vendors and tax-payers and Sandlin expects to achieve 90% vendor adoption of e-invoicing with the successful enrollment of a final sensitive vendor group, which includes utilities and previously defined out of scope vendors.



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