document options.

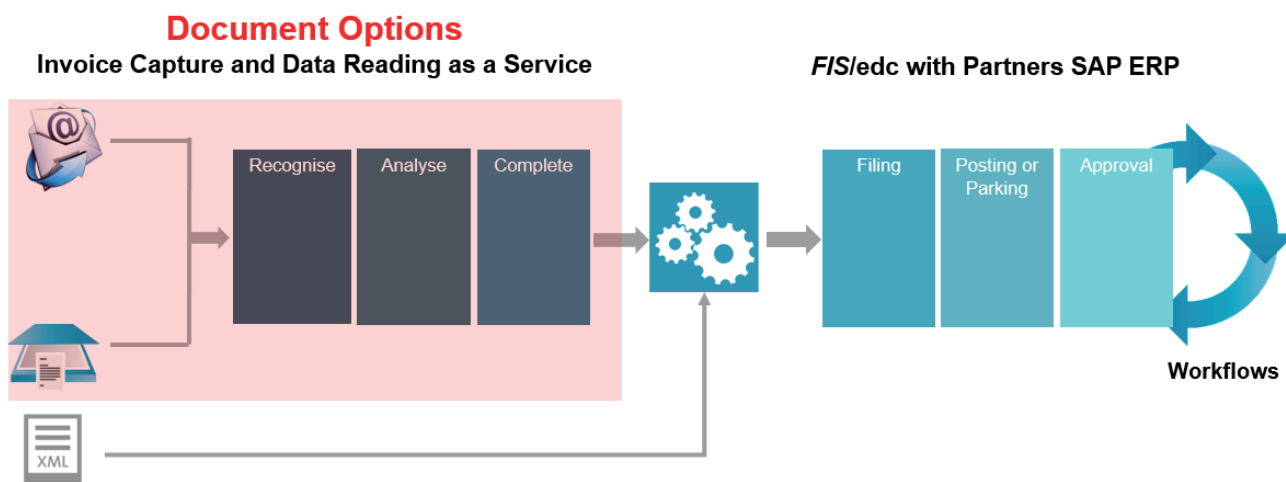# Automated Invoice Processing
SAP Edition

Automated Invoice Processing - SAP

Document Options offers you the solution to eradicate costly, error prone accounts payable processes such as document handling and manual invoice entry.

Our invoice processing service adds value to your organisation by significantly reducing the number of administrative steps, and the time it takes to process supplier invoices.

For SAP users we have developed a solution that allows invoices to be received and processed in paper, emailed attachment or EDI format.

We have partnered with FIS/edc so that all parts of the process are fully managed and the integration with SAP is robust, the diagram below outlines the 2 service stages:

Document Options
Invoice Capture and Data Reading as a Service

| Recognise | Analyse | Complete |

FIS/edc with Partners SAP ERP

| Filing | Posting or Parking | Approval |

Workflows

With standard SAP, invoice processing is generally a labour intensive task and may involve:

- Manual entry of invoice data
- Printing emailed invoice attachments
- Adding barcodes to invoices
- Separating invoices into different groups based on company codes, currencies, PO present or exempt
- Sending invoices for archiving after they have been processed

Document Options remove the administration burden from organisations, firstly providing a service for invoice scanning (prior to processing) and secondly a service for accurately reading the required invoice content.

The service eliminates the need for manual invoice pre-sorting, printing and manual keying of data.

Stage 2 of the process involves forwarding invoice data to an SAP integrated posting and workflow application FIS/edc (Invoice Monitor). In combination the solution provides:

- Processing methods for Invoices received in paper, emailed attachment or EDI format
- High resolution capture of paper invoices using state of the art digital scanners
- Invoice data presentation in SAP ERP within 1 – 2 days of receipt
- Data validation and quality assurance with automatic comparisons against SAP data.
- Arithmetic agreement checks, Tax value and currency determination
- Invoice content in foreign languages is read
- Invoice recognition of company codes, suppliers and currencies
- Automatic reading of invoice positions

Common Issues

Many organisations encounter expensive and inefficient methods of posting vendor invoices within SAP standard:

- Invoices are received via email, paper and fax
- The emailed invoices are often printed and their content entered manually into SAP
- Inevitably there are keying errors due to human error
- Invoices are often different from the original purchase order and the goods delivered
- The invoices maybe physically stored or electronically stored "off-line" without a direct link to SAP
- Invoices requiring attention from approvers are passed for signature in the internal post
- Organisations often scan query invoices and send to approvers as attachments, using email as a workflow tool

The entire supplier payment process can be made less labour intensive, data quality improved and invoices paid in a more timely manner.

By utilising the combination of capture and data extraction services from Document Options and the SAP integrated products of FIS Information Systems.

Document Options are able to accommodate the different invoice formats, layouts and provide invoice data that has been checked and validated prior to transfer to SAP ERP.

Document Options are able to confidently provide very high quality data by utilising the OCR invoice reader, FIS/fci, in the invoice recognition process.

Data Quality Checks and Balances

Document Options provide an invoice scanning and data extraction service. The 'early archiving' of the invoices together with lifting the data content adds greater value than capturing the invoice image retrospectively. The OCR software is designed to ensure that data is checked and validated prior to SAP transfer.

The checks and balances include:

- Completion of all required fields and format checking
- Supplier validation or "one-time" vendor (CpD) recognition
- Company code recognition check
- Arithmetic agreement between net, tax and gross
- Multiple OCR engines to highlight possible invoice data reading errors
- Invoice position reading and with checking against expected data for plausibility
- Ability to read invoices in 'foreign' languages
- Multiple tax rates and multiple PO references can be extracted on the same invoice

The automated extraction of invoice data assists with meeting supplier payment agreements. Manual checking of the data fields is required infrequently as the OCR software builds knowledge of data from each supplier.

At this stage, with validation checks, the invoice data file is released as "plausible" and is a true representation of the data presented on the invoice.

> " *The invoice processing solution implemented by Document Options has completely transformed the efficiency of our purchase ledger process. It has saved time and improved efficiency all along the process.*
>
> **Network Aviation Group** "

Invoice Capture & Recognition as a Service

Enhanced Data Quality

Automatic Posting of Invoices in SAP ERP

Automated Invoice Processing - SAP

Flexible Invoice Import Channels

 Invoices received via email are generally ideal for OCR reading. Invoices are generally created from an output from the vendors' ERP/Accounts system and therefore cleaner and easier to process. The paperless processing of emailed invoice attachments runs continuously in the background.

 Paper invoices are scanned at an optimum resolution by Document Options.

EDI EDI invoices are transported directly to FIS/edc (invoice monitor) bypassing the invoice data extraction stage.

Capture and Check

Document Options use the capture and invoice checking methodology to ensure that invoices are passed to clients with the highest levels of data quality and in a timely manner.

The invoice reading service is robust as it utilises a software resource rather than data-entry keying, which is prone to human error.

We're Accredited

Cert No. 11191
ISO 27001 / ISO 9001

Optimum Resolution Image Capture

High Quality Data - Integrated Validation Checks

Fast Invoice Turnaround Times
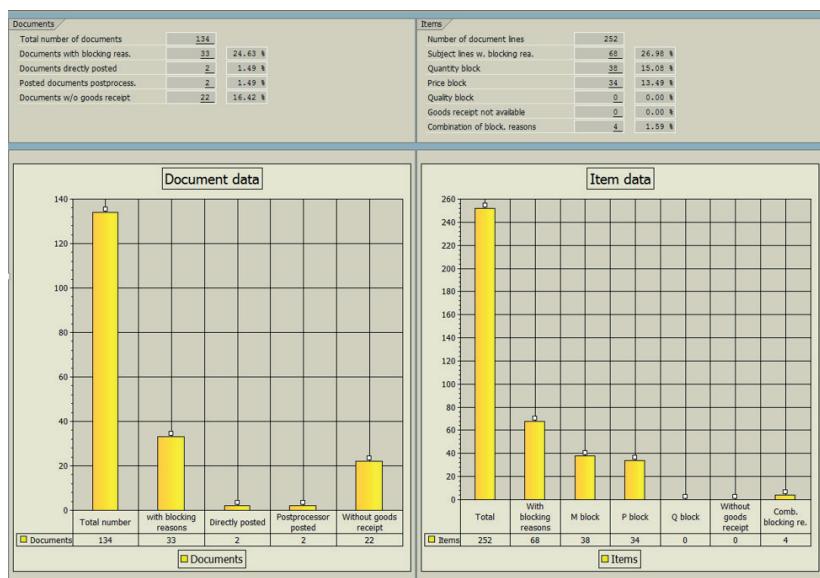
Data Checks and Reporting

Document Options invoice capture and data extraction services ensure that invoices are read accurately and comprehensively.

Reporting functions allow Document Options to identify "problem" vendors with invoice reading issues. Combined with FIS/edc (invoice monitor) the majority of invoices will be posted automatically.

Example of Field Accuracy Report
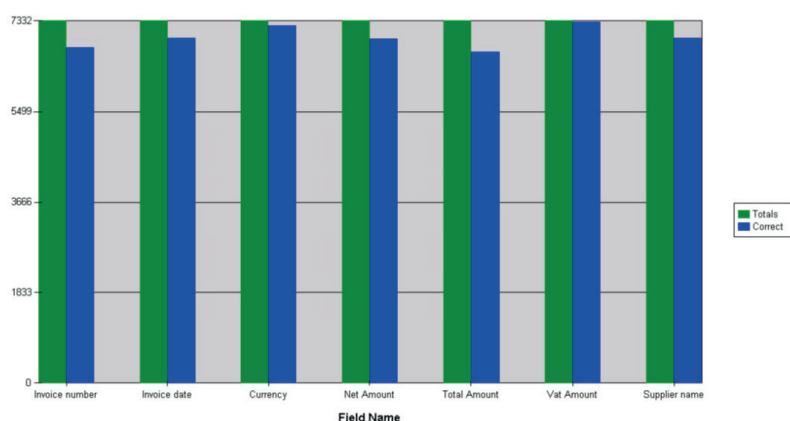
Example of Field Accuracy Vendor Report

250,000

invoices scanned and processed monthly by Document Options
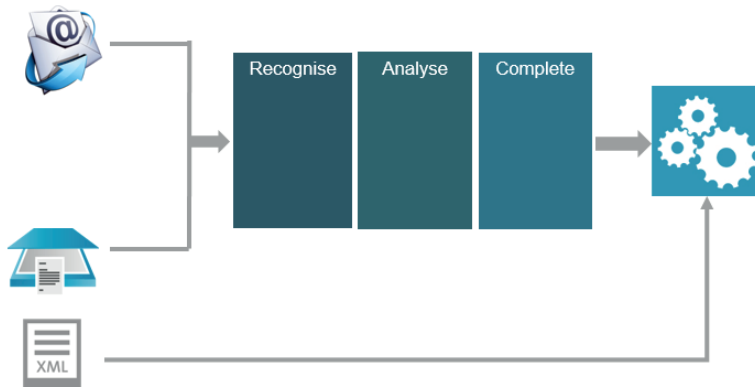
Reporting

Plausibility Checks Against SAP Master Data
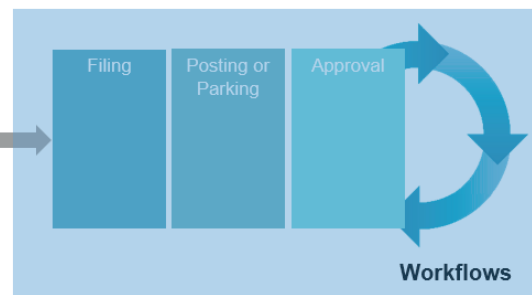
Recognition of Currency, Company Code & Vendor ID

FIS/edc - Matching and Through Posting

Document Options

Invoice Capture and Data Reading as a Service

Recognise → Analyse → Complete

FIS/edc with Partners SAP ERP

Filing → Posting or Parking → Approval

Workflows

Invoice data is passed to FIS/edc (invoice monitor) - a technology that is deeply integrated into SAP (ECC6 or S/4HANA). FIS/edc performs a posting attempt in SAP ERP. For a successful post, PO attributed invoices need to be balanced against open orders and goods receipts within pre-set tolerances.

PO exempt invoices may be are directly assigned to approvers based on vendor and key word content.

FIS/edc "Detail" screen illustrating position matching
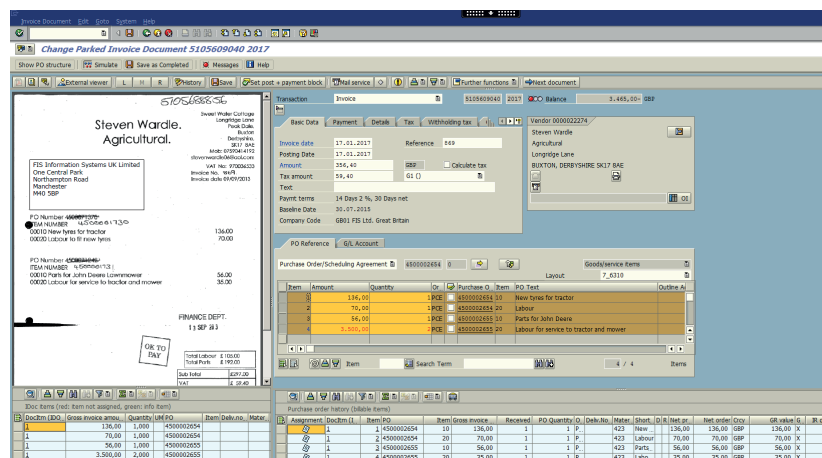
FIS/edc (invoice monitor) provides additional functionality for AP users including:

- Automatic letter of rejection to be sent to vendors with persistent errors

- Accruals reporting for parked invoices

- Invoice workflow status management via traffic light overview

- Pre-set approval workflows for FI invoices depending on vendor, value and content

- Comprehensive invoice history / audit trail on all invoices

- Automatic Posting of matched or approved invoices into SAP standard

- Reports to measure vendor throughput and average invoice processing times

- Functionality to change invoice status and company code

- Invoice image display in both FIS/edc and SAP

Automated Posting of Images in SAP

Worklist - Query Management in SAP Environment

Approval Workflow - Including Goods Receipts

FIS Web Dynpro Approval Workflow - FIS Flori apps

FIS/edc Approval Workflow running on SAP Dynpro

FIS Web Dynpro Approval Workflow Approvers are normally alerted via email that a new invoice has been forwarded for review.

The Web Dynpro technology environment provides a simplified view of the invoice to the approver.

The approver is presented with the invoice image, history and the reason for the required action.


Flori apps for FIS/edc

The FIS/edc comprises a number of Fiori App options including apps for invoice approval, reporting and receipt analysis.

The Fiori app for invoice approval has been designed for approvers of invoices which have been approved or coded within a number of workflow steps. The simplified screen gives final authority for invoice payments.

Fiori apps for invoice approval are an optional method for employees "on the move". The Fiori app can be used for approvers with tablets, smartphones or desktop computers. The FIS app supports the approval workflow for FI and MM invoices and can be called via the SAP Launchpad or as a direct link.
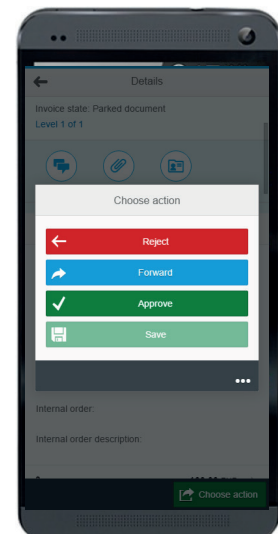
Flori report for through-posting i.e. posting with no intervention
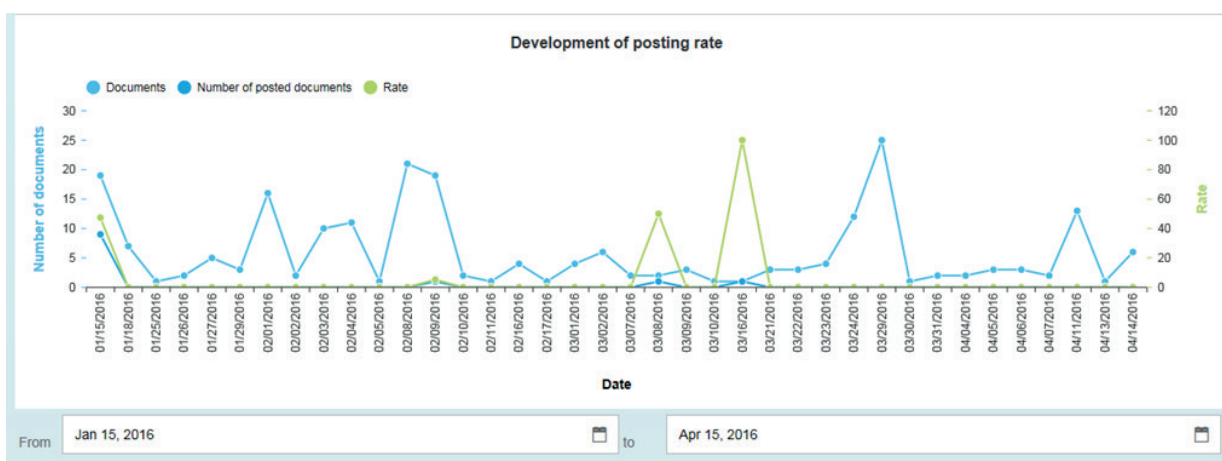
Simplified Approval Workflow

Adheres to SAP Standards

Flori Technology Option for Mobile Devices

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