

AUTOMATING ACCOUNTS PAYABLE

NEW DOCUMENT & DATA CAPTURE SOFTWARE SOLUTION



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No one can argue that processing Accounts Payable invoices is a time consuming task. Invoices arrive every day at your organization. They come from various vendors for purchased goods and services, maintenance, corporate credit cards, telephone bills, raw materials, etc. The list is endless. And each invoice must be opened, reviewed, sorted, matched to the PO, routed, approved, entered (usually manually in your Accounts Payable systems), paid and, ultimately, filed and stored for months, if not years.

So much time, so much effort, so much to go wrong.

Manual invoice data entry is labor intensive. It costs money, takes a long time, and has a great potential for mistakes. You know there must be a better way.

There is - Automation!

Adding automated invoice processing into your Accounts Payable Department can offer a return on investment in as little as six to nine months, but utilizing automation to process your invoices offers paybacks well beyond ROI by:

- Experiencing massive leaps in productivity
- Reducing labor for data entry
- Maximizing available cash discounts
- Eliminating finance charges for late payments
- Improving vendor relationships with prompt and accurate payments

While you may already have state-of-the-art accounting software, processing your incoming paper invoices manually is cost-intensive. A noted benchmark study estimates the

average cost to manually process an invoice is \$15 per page. Introducing an automated software solution can cut this cost by more than 90%.

For years, there have been software products that have automated manual data entry. However, these solutions require a template for each form identifying the exact location of the data. This is great for automating uniform internal purchase orders or time sheets where the data location is consistent. However, every company you do business with sends you an invoice that is unique. The basic information is the same: invoice date, invoice number, total due, etc., but the information is in a different location on each invoice... Consequently, creating a template for each vendor's invoice is too time consuming to be cost productive.

Recently, Optical Character Recognition (OCR) technology has made great strides and is successfully employed in hundreds of thousands of businesses worldwide. This same OCR technology is now available to automate your Accounts Payable by capturing your invoice data. Invoices need only to be scanned and the important data is automatically extracted regardless of its location on the page. Then the data and images can be retained for storage and retrieval by adding a document management system. Imagine eliminating rows of filing cabinets and instantly accessing invoice images via your desktop PC!

The benefits are obvious, but before you can make the transition to automation, you have to find the right solution for your company.

Eight Key Features for Evaluating Automated Accounts Payable Solutions

Automated document and data capture software has moved to the next generation. All the important data on both forms and invoices, can now be captured seamlessly. Simultaneously, the data and images are automatically saved and fed into both the Accounts Payable system and the document management system.

Recent developments in technology have opened up the final frontier in automation: invoice processing. Vendor invoices have the same information on each form (e.g., invoice number, terms, total due, etc.) but, each vendor places the data in a different location on the page. With standard structured forms, such as purchase orders, it's easy to capture the data via pre-defined templates. But because businesses receive thousands of different invoices annually, creating individual templates for each just isn't cost effective.

Current forms processing technology has now made possible automated invoice data capture. And while several automated invoice-processing solutions are now available, not all are created equal. To be an effective tool for your business, ensure the software you choose will meet your current, as well as, future requirements.

Here is a guide to available features in an automated invoice processing solution.

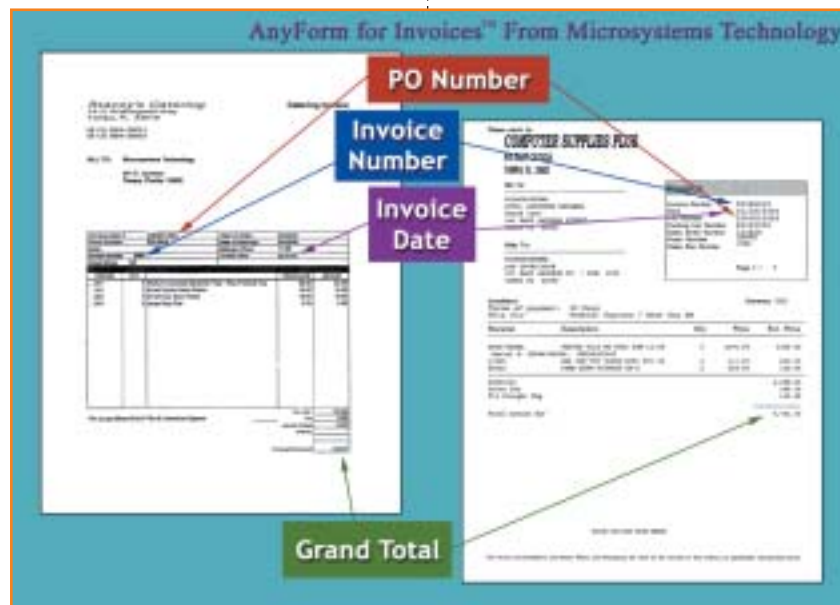
No Templates - As stated earlier, creating individual templates just isn't cost-effective in the invoice and unstructured environment. The recommended approach uses logic and key words to find the correct data on the form.

INVOICES PAYABLE: WHY THEY ADD BENEFITS BEYOND RETURN ON INVESTMENT (ROI)

Look for a solution that can handle invoices without the need for templates.

More Than Invoices - Even if you're currently looking to eliminate manual data entry of invoices, don't limit yourself. Companies deal with many unstructured documents: tax bills,

Numbers (FEINs) must be nine digits; phone numbers must be numeric; names must be alpha; and addresses can be both alpha and numeric. The aforementioned business rules minimize human intervention and the need for further verification while ensuring maximum data accuracy.



insurance titles, automobile registrations, the list goes on and on. Look for a solution sufficiently versatile to automate all your unstructured forms.

Multiple Pages - Invoices and other unstructured documents often have more than one page so the ability to handle multiple pages is essential. A solution should be able to process multiple pages while keeping the data and images together from scan to capture to storage.

Business Rules - Let the software do the work for you. You know the kind of data you want. Establish criteria to define your data. For example, character length: social security numbers and Federal Employer Identification

Auto Rotate - Seemingly little things often take the most time. Presorting and batching documents to scan either in portrait or in landscape format can cut productivity by 50%. An auto-rotate feature allows you to feed your forms into a scanner one way while letting the software automatically determine the correct document position for viewing and data extraction.

All-in-One Solution - Invoices and forms are two sides of the same coin. No organization gets one without the other, therefore no software is effective if it limits users to one or the other. Look for software to automate all your data entry.

Compatibility - The best system in the world is no good to you if it's incompatible with your

existing network. Look for Windows-based software that interfaces with existing Open Data Base Connectivity (ODBC) - compliant databases. And if you already have an imaging and document management system, look for software that offers a simple point and click interface to import your data and images.

Scalability - Ultimately you want a solution that will grow with your company. So look for the system that works for you today and will keep working for you tomorrow.

Microsystems Technology urges you to do your homework when looking for any automated form and invoice processing software solutions. We believe the key to your ultimate success is education.

If we can be of help in this process, please don't hesitate to contact us. Microsystems Technology has more than 12 years of experience in the forms processing industry and thousands of installations worldwide with our award-winning software, OCR for Forms™ and AnyForm for Invoices™.

Please visit us on the web at www.mti-info.com, contact us via e-mail at info@mti-info.com or give us a call at (813) 222-0414.

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