

Veterans Affairs Turns Invoicing Over to A&T, OB10

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The U.S. Department of Veterans Affairs Financial Services Center (VAFSC) is leaving paper invoices behind and moving to electronic invoicing, contracting with A&T Systems and OB10. OB10 operates a global e-invoicing network (which has members in 70 countries and across six continents), and A&T Systems is a provider of technology and other solutions to the federal government.

The two vendors will enroll suppliers on the OB10 network, allowing invoice submission to the VAFSC in any electronic format. The network also provides data mapping and translation services, and presents the VAFSC with the invoice in its desired format. The VAFSC operates in a shared services environment, with a central site located in Austin, Texas, which processes invoices for the nationwide network of Veterans Health Administration hospitals and other field facilities. Currently, the VAFSC processes more than a million invoices annually.

VAFSC Director Rod Wood noted, “We are looking to eliminate invoice errors, reduce or eliminate late payment penalties, and make our accounts payable process a model for other federal agencies.” By going electronic, the VAFSC will gain significant efficiencies in its invoice handling. The agency hopes to free up staff time from the chores involved in opening mail and dealing with the mountain of paper involved with nearly 17,000 invoices arriving each week.

Because the OB10 network operates in a secure electronic environment, security and privacy issues inherent in paper invoice processing will be eliminated, as will manual errors that occur through typing invoice data into the payment system. The OB10 solution provides instant invoice delivery, which will help VAFSC comply with Prompt Payment guidelines that assess interest penalties when payments are not completed within certain time periods.

OB10 and A&T Systems plan to convert 70 percent of the VAFSC annual invoice total from paper to electronic within 12 months. Peter Watson, SVP of OB10, said the fact that invoices can be submitted in any format makes it easier to make the transition.

Fred Sanders, VP of Strategic Relationships for A&T Systems, said that when A&T and OB10 began closely working together a year ago, he knew that the e-invoicing solution would appeal to A&T Systems’ clients in the federal government. “E-Invoicing is the wave of the future, and is a great addition to the range of solutions that A&T Systems offers to government agencies.”

On a “green” note, the companies pointed out that e-invoicing yields environmental benefits by eliminating paper. If half of the VAFSC’s paper invoices were replaced by e-Invoices, 175 trees would be saved, as well as 30,000 kilowatts of electricity and 438 pounds of air pollutants involved in paper manufacturing, along with 24 cubic yards of eventual landfill space.