

# FACT SHEET

## INVOICE AUDITING SERVICE

# Utilizing Automation To Audit Complex, High Value Vendor Invoices

### The Dirty Little Secret That Isn't

It is a dirty little secret that everyone who works with vendor invoices at a financial institution knows; only a fraction of the invoices are audited and often after those invoices are paid. The impact of this practice is minimal with vendors whose services are straightforward and low in cost.

However, other vendors – many who provide the services that an institution's customers depend on – produce high dollar invoices that are complex, with hundreds of line items that may cover dozens of different types of functions that vendors perform.

Auditing these types of invoices takes hours. In addition, auditing them using human beings and highly repetitive processes produces numerous errors. Add to the fact that the practice of auditing invoices months after they are paid means additional time spent trying to "claw back" any funds associated with errors.

These facts are exacerbated by expectations of consumers and businesses in the digital age, which means institutions must introduce an increasing number of services often provided by new vendors who also produce complex, high value invoices. The good news is the innovations driving all these changes offers tools that are able to put financial institutions back in control of this area of their operations.

### VALUE OF AUTOMATION



82%<sup>3</sup>

REDUCTION IN TIME



44%<sup>2</sup>

REDUCTION IN COST

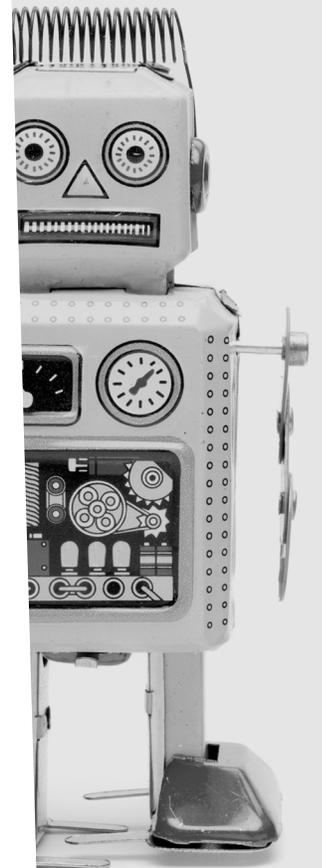


37%<sup>1</sup>

REDUCTION IN ERRORS

### Every Line, Every Invoice, Every Month – Before Processing For Payment

SRM's Invoice Auditing service utilizes automation to audit vendor invoices. SRM uses intelligent workflow, robotic process automation and machine learning to review invoices that include the most complex that an institution receives. SRM has audited



these types of vendor invoices in thousands of contract negotiation engagements. By incorporating automation, SRM offers a standalone invoice auditing service that provides clients with a way to ensure they pay only for what they should. The process is fast, accurate and timely.

### How Does It Work?

- The invoice and contract information are parsed for processing
- The results are compared to contract baselines and previous invoices
- The information is passed to an intelligent workflow that surfaces anomalies
- Exceptions are noted and reviewed by analysts to confirm the error
- Once confirmed, the client is alerted to the error so the vendor can be contacted and the error rectified.

For a fraction of the cost that is involved in staffing and managing a team to audit vendor invoices, SRM's Invoice Auditing service allows institutions to protect and increase stakeholder value while demonstrating a high level of fiscal responsibility .

### How Hard and How Much

How hard is it to begin to use SRM's Invoice Auditing Service? Not very. With a copy of the vendor's contract and the past six months of invoices related to that contract, SRM configures its service establishing a unique process for each client. Once this step is completed, each month the relevant invoices are processed and cleared for payment or identified as requiring remediation with the vendor.

How much? Not much given the money at stake. The pricing for the service is straight forward. Processing fees are dependent upon the value of the invoice audited. If any errors are detected and recovered, a portion of that savings is shared with SRM. Lastly there is a small per contract fee to optimize the system for the particular invoices being audited.

### Sleep Better Saving Time and Money

SRM is a leading advisory firm serving financial institutions here and in Europe. In addition to invoice auditing, we provide counsel to help reduce cost and increase revenue in strategic plans, vendor evaluation, vendor selection and vendor negotiation. We have served more than 1,050 institutions across 7,500 projects adding more than \$2.4 billion of value to their bottom line. For more information on how our invoice auditing service can help you sleep better while saving time and money, contact us at [info@srmcorp.com](mailto:info@srmcorp.com).

## DO THE MATH

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Manual contract and vendor management **sacrifices 9.2% of value from the bottom line.** (IACCM)

On average, **10% of manually audited vendor invoices have errors** that are undiscovered, some very large. (SRM Auditing Research)

**41% of organizations report that** correcting the errors that are discovered increases the time and cost of manually processing invoices. (Tradeshift)

Due to a lack of independent benchmarks, banks pay hundreds of thousands of dollars **more than they should to many suppliers.** (SRM Project Research)

## AREAS WHERE MANY INSTITUTIONS UTILIZE SRM'S INVOICE AUDITING SERVICE

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- Credit/Debit Card Processing
- Core Processing
- Merchant Processing
- Telecommunications
- Full Service Debit Processing
- ATM Driving
- Call Center
- Rewards
- Statement Printing
- Card Personalization
- Domestic Debit/ATM Networks
- Gateway Debit Processing