



## 70,000 p.a. Travel & Subsistence Claims, from 13 Offices, Submitted, Checked 3 Times and Paid Within 5 Days.

### Overview

#### ■ Challenge

To enable more stringent expense checking controls, while cutting processing time from up to 6 weeks to 5 days. Solution needed to handle claims for 4,500 employees working at the Milton Keynes H.Q. plus the 13 regional offices.

#### ■ Solution

AutoFORM electronic forms

Form distribution via e-mail

On-line form tracking & enquiry solution

Automatically post expenses to accounting applications

#### ■ Why AutoFORM?

Following implementation of other output and document management solutions at the O.U., it was recognised that EFS could apply their expertise to resolving the difficulties associated with processing paper expense forms.

#### ■ Key Business Benefits

Allows 100% checking with additional features to highlight duplicated, incorrect or creative claims.

Posts claims directly to accounting systems without manual input.

Centralised control of expenses for 14 offices.

Cuts settlement time down from up to 6 weeks to 5 days.

Improves quality and speed of delivery of management information.

Saves time and money.



When we have incurred expenses on behalf of our company, we all like to be reimbursed promptly. But when your claim is one of 70,000 p.a coming from one of 14 offices, in different currencies, with variable allowance rates and all requiring coding against hundreds of different budget codes, you may expect a long wait.

Well you would if your employer used a paper processing system. Fortunately for the 4,500 employees of the Open University (the world's largest distance teaching establishment) use AutoFORM's on-line expense processing software. This has typically cut the processing time from up to 6 weeks to a mere 5 days and is enabling significant improvement in expense expenditure control.

The O.U. already used the Delphi Millennium Payroll system to arrange for all expense claims to be settled by electronic transfer direct to the claimant's bank account. However, expense submission and approval relied heavily on time consuming paper processing.



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too laborious and too messy."

John Gillespie  
Staff Payments Manager

## Expense Payments Automation

John Gillespie O.U. Manager explains...

### The Difficulties Associated with 70,000 Paper Forms

"Imagine distributing, filing, copying, storing, keying in and above all controlling over 20,000 paper forms per year...Forms with receipts stapled to them making photocopying and filing troublesome...Forms that are easily lost when they are sent to the authorisation department...Forms which come back with one of 200 ever changing authorisation signatures to authenticate. Forms with 30 or 40 items of data that had to be manually keyed into the accounts system, and the inherent potential for error...And on top of that several hundred calls per week from staff anxious about when their claim was going to be paid..."

In all paper was just too slow, too laborious and too messy. As expenses accounts for several million pounds of expenditure each year, the potential of providing tighter control was obviously of major interest to the O.U."

Gillespie continued: "we recognised that electronic processing was the answer. However, we wanted a solution that would work with, rather than replace, our Delphi Millennium application that was handling the remittance side extremely well. What we wanted was to spend modestly on a "front end" enhancement that would eliminate the costs, delays and problems associated with paper. In particular we were looking to:"

- Provide a centralised processing system for the UK Head Office and the 13 regional O.U. centres. This would not only reduce administration costs, but concentrate reserves in one account, with the benefit that we achieve increased returns on our overnight investments.
- Allow for more stringent checking, with inbuilt controls to highlight accidental errors, duplicate, or 'creative' claims.
- Cut settlement lead times from up to 6 weeks to 5 days and thereby remove a constant source of irritation for our staff.
- Improve the quality and speed of delivery of management information.

### Developing a More Effective On-Line Solution with AutoFORM

The O.U. were already using a number of other AutoFORM applications to solve similar document management issues in the admissions department. According to Bill Ridsdale, an O.U. Leading Analyst, "the successful working relationship with EFS was a major influence on our purchasing decision. At the time, electronic form technology was in its infancy and it was important for us to work with a company that we knew and trusted." The development engineer at EFS responded: "what helped us to provide the O.U. with exactly what they wanted, first time, was the very detailed specification written by John Gillespie and the IT technical team."

Following several development meetings between the O.U. and EFS a vision emerged as to what the solution should encompass:

- Expenses to be submitted via an electronic form, with look up tables for key data and hyperlinks for exchange rates and mileage distances.
- Integration with existing O.U. IT infrastructure to avoid manual input at several stages of the authorisation and settlement process.
- E-mail facilities to enable electronic circulation of claims for approval.
- On-line means of searching, tracking and viewing claims, on a restricted individual, department or university wide basis. Security protected.
- Management reports at the click of a mouse.

### Inland Revenue Approves Proposal

Before the O.U. placed their order, they ensured that the proposal would meet with the Inland Revenue requirements. Indeed the O.U. could foresee many advantages during tax inspections as the electronic environment would mean that they would be able to search and view claims at the desktop. This would make auditing so much easier and faster.

By integrating AutoFORM with Delphi Millennium and three other IT applications, the O.U. now has a virtually paperless end-to-end expense management IT solution. All claims from submission through to approval and settlement are handled entirely electronically, resulting in significantly more control over expense expenditure while ensuring that staff are not inconvenienced by delayed payments. A win, win solution all round.

### Inbuilt Controls Highlight Duplicate & 'Creative' Claims

"The AutoFORM solution has proved to be extremely successful", says John Gillespie, Staff Payments Manager. One word sums up the advantage of electronic processing: 'control.'

By using AutoFORM we have the time and the means to examine every single claim in detail. In addition we have a number of security measures to highlight claims that require further investigation by the department managers: for example, possible duplicate claims; non recognised bank account for apparent claimant; claims over a certain value and for expenses for capital equipment bought outside the ou's procurement procedures. The vast majority of claims are perfectly legitimate. However, for a largely public funded organisation it is important that we demonstrate that stringent expenditure controls are in place.

Initially a small minority of staff expressed misgivings about submitting expenses electronically, but now most recognise that it is an extremely reliable and convenient method. It helps them keep accurate personal records and most importantly, ensures that they receive hassle free, prompt, settlement of all their claims within 5 working days.

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