

Cedar Falls Utilities

Cedar Falls Utilities transformed accounts payable into a near-paperless, highly efficient function, using Lexmark solutions to digitize content and automate workflows. With improved insight and control, teams can work more productively and accurately than ever before—ensuring that invoices are paid on time to keep suppliers satisfied and vital utilities services flowing to customers.

Challenge

To keep essential utilities services flowing to customers, CFU partners with dozens of specialist vendors. These vendors provide supplies and services that play a key part in helping CFU to develop and maintain its infrastructure—making it critical for the company to pay them in a timely, accurate manner.

In the past, accounts payable (AP) was a paper-driven department, processing around 1,000 vendor invoices a month. With business expanding, CFU found that staying on top of so much paper was proving to be increasingly difficult.

“Relying on paper poses a number of issues: it’s expensive to work with, takes up a great deal of physical space and, above all, it’s very difficult to keep track of,” said Joe Smith, Business Systems Project Coordinator at Cedar Falls Utilities. “Once we processed an invoice and sent it off to the relevant manager for approval, we had very little visibility into the location and status of that document.

“For the most part, our managers turn around invoices quickly, but inevitably some were getting lost in the shuffle. This led to delays that put us at risk of missing payment deadlines, as well as opportunities to capture early payment discounts. CFU has a very good reputation for paying our bills on time and we absolutely did not want to jeopardize this, which prompted us to look for a more efficient, transparent way of processing invoices.”



Meet Cedar Falls Utilities

Cedar Falls Utilities provides electric, water, natural gas, broadband internet, telephone and TV services to homes and businesses in Cedar Falls, IA. The utilities are owned by the community, operated for public benefit and governed by a local citizen board of trustees.

Products in use: Perceptive Content Client™, CaptureNow™, Perceptive Output Agent™

Focus: Accounts Payable Automation

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Business Systems Project Coordinator
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Solution

CFU decided to make the move to electronic invoice processing supported by Lexmark enterprise content management solutions.

"We looked at offerings from a few vendors and the Lexmark solution immediately stood out from a price perspective," Smith added. "They offered concurrent licensing, which made for a very cost-effective offering, as it meant that we didn't have to purchase separate licenses for every potential user. On top of that, Lexmark simply offered the best fit for our company in terms of design and functionality."

Today, all paper invoices are scanned upon receipt at CFU. Using Lexmark technology, teams automatically classify and extract relevant information from the newly digitized invoices. The Lexmark solutions also capture and process content from invoices received via email.

The electronic content is validated against a set of business rules and loaded into the company's Oracle PeopleSoft Financial Management system. CFU has created a series of workflows that automatically route the digitized documents as they move through the invoicing lifecycle. Email alerts notify managers when an invoice is ready for review, who can now simply approve the invoice electronically to release payment to a supplier.

Since introducing Lexmark technology to digitize AP processes, CFU has steadily extended the solutions to a number of functional areas, and integrated them with a range of existing enterprise applications. Today, approximately 100 people across the company make use of the Lexmark solutions.

"We currently use Lexmark solutions to support all of our finance functions, automating procure-to-pay, purchasing requisitions, general ledger, project and inventory transactions, and more," Smith noted. "The solutions also support our warehouse activities, human resources, and customer services, including customer billing. We have been very impressed with how easy it has been to apply Lexmark solutions to different areas of the business. There really doesn't seem to be anything they can't do!"

Results

Going digital and automating previously manual processes has brought a new level of efficiency to AP operations at CFU. With clear visibility of documents at every stage in their lifecycle, teams can work more effectively.

"Today, invoice processing is highly automated and virtually paperless," Smith said. "It is so much easier to track where different documents are in the process and to ensure people are accountable for the work assigned to them. We can now see when a certain invoice was received, how long it spent at each stage in the process, and when it was paid, enabling us to identify areas for improvement to help drive even faster processing.

"With Lexmark solutions, we have transformed AP into an incredibly efficient and accurate function. Today, we can be sure that invoices are paid on time, every time—helping CFU maintain great working relationships with our partners and ensuring that we have the supplies and support we need to keep utilities flowing to customers."

Thanks to the productivity gains delivered by the new approach to invoice processing, AP has been able to stay on top of rising workload without increasing headcount, supporting profitable growth at CFU.

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“CFU is growing steadily, rolling out new services and bringing on more partners and customers,” Smith said. “As we expand, it becomes more and more important for us to run operations as efficiently as possible, so that we can maintain a high level of service without letting operating costs skyrocket. Lexmark solutions have helped us to become more efficient at what we do, so that we are able to handle a much higher volume of work today with the same amount of people.”

He concluded: “I’ve been working with Lexmark technology for nine years now and I’m excited to see where else it can be used at CFU in the future. Lexmark has brought a new level of insight and control to operations, helping staff work more productively and deliver top-notch service to a growing customer base.”

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