



## COVENANT CARE BENEFITS FROM A TIME SAVINGS OF 20% FOR ACCOUNTS PAYABLE TEAM

ENTIRE DOCLINK IMPLEMENTATION RESULTS IN ROI OF LESS THAN A YEAR IN AP DEPARTMENT ALONE



### COMPANY

Covenant Care

### INDUSTRY

Skilled Healthcare Facilities

### ERP SOFTWARE

Epicor ERP

### WEBSITE

[www.covenantcare.com](http://www.covenantcare.com)

### LETTER FROM BILL COBB, SENIOR DATABASE ADMINISTRATOR

"After meeting with the Director of IT and hearing his vision of integrating technology into the workflow, I was sure it was the opportunity of a lifetime. The first order of business at Covenant Care was to make sure databases were secure and performing optimally. The first pressing need was to prepare Vendor 1099s for 18,000 active vendors in the database which was further complicated by the fact that there were nine company databases with twelve separate taxing entities. The deadline was intense and stressful. When we completed that task, I was ready to turn my attention to the accounting software upgrade. Covenant Care wanted to upgrade and to upgrade the file server to migrate from SQL 6.5 to SWL 7.0. Combining this with the size of the database made it daunting.

Even as I prepared for the upgrades, I was told a document imaging software package that integrated with the AP program was priority. I was surprised but encouraged to find that the vendor selected was Altec. As a VAR and consultant for Epicor and its predecessors dating back to 1983, I was very familiar with Altec as a forms supplier. We already used Altec forms and their MICR check solution. The prospect of having them as the software vendor for document imaging was appealing.

# “WHILE THE PROJECT PAID FOR ITSELF IN LESS THAN ONE YEAR IN AP ALONE, THE REWARDS OF EXTENDING FUNCTIONALITY WILL ENHANCE THE PAYBACK MANY TIMES OVER.”



After the DocLink demonstration, we didn't even bother with competitors. The functionality was exactly what we needed. Most importantly, I knew we had the right partners. Implementing this would have an incredible impact on processed transactions and distributed financial information. We needed the best team we could find.

On average, Covenant Care processes 8,400 AP invoices and 4,200 checks each month. The AP department was swimming in paper – or should I say drowning? We needed help as soon as we could get it. After our ERP upgrade, we began working on specifications, timetables, and pricing. I had to cost-justify the project. To do this, I placed a value on tangible and intangible cost savings. Tangible cost savings were placed them into three categories. First, we had a full-time file clerk; that position cost approximately \$35,000 per year. By implementing DocLink, we could eliminate that function. Next was storage. A file room of 720ft<sup>2</sup> at \$2.42/ft<sup>2</sup> lease rate cost \$21,000 per year. Off-site storage was \$1,500 per month. Based on these alone, the project fell well below the one-year payback requirement. Intangible cost savings added to the economic feasibility but they wouldn't be recognized until after implementation. Based on ROI, the decision was unanimous.

During the design phase, new opportunities to increase functionality and enhance the product came from all participants. With the support of Altec, we designed our forms, decided what field values would be indexed, and mapped out our workflows. Altec delivered the configured system, installed and tested it, and trained the AP Manager and myself. We set up a test environment, did our testing, made adjustments, and locked on the system design. We brought AP into the classroom and trained them. Next, we did live exercises. No more paper; everything was digital.

No more filing invoices after voucher entry, pulling invoices to match with checks, and filing paid invoices with the check. Total time saved on the entire workload – 20%. The first month brought additional cost saving benefits. The GL department can now pull source documents themselves. AP is free to concentrate on AP activities. We gained three extra days each month plus time saved by the analysts. Our AP Manager monitors the entire process to spot bottlenecks and overflow. She can monitor current workload status and productivity to anticipate future workloads.

At Covenant Care, all checks over \$5,000 require a second signature. Previously, these were produced with full backup documentation. Now, the second signer can view the check and all the invoices it paid from one screen. We're extending functionality of DocLink to create workflow, document imaging, and electronic document publishing for general ledger journal entry working papers, Legal, HR, and payroll. While the project paid for itself in less than one year in AP alone, the rewards of extending functionality will enhance the payback many times over. We've just begun!"

Connecting data for thousands of companies globally through integrated document management and workflow solution DocLink, we enable configurable, business-critical document capture, archiving, workflow and routing for any process, anywhere.