

# FIS/edc Automated Payment Advice Note Processing within SAP ERP



## Reduce the Processing Costs of Customer Remittance Notes

### Introduction

*FIS/edc* (Payment Advice Note Monitor) is an application that is utilised primarily for the automatic preparation and comparison of payment advice notes with electronic bank statements.

As with all FIS document monitors the software is an application that is deeply integrated with SAP standard.

The financial benefit of the solution is largely gained from the savings made from the significant reduction in time and effort required in the manual tasks for keying and data comparison between SAP, the remittance note and electronic bank data.

### Automatic Document Content Extraction

The application is usually combined with the OCR document reader, *FIS/fci*, so that payment advice note content is read automatically whether the documents was received either as a physical document or as an email attachment.

*FIS/fci* finds and lifts the content of the remittance note automatically, considerably reducing the degree of data entry tasks assigned to the accounts team.

Data is extracted at line-level (each line being an invoice reference sent to the customer) with inbuilt arithmetic checks and

### Deep Integration with SAP and in familiar SAP GUI for Account team

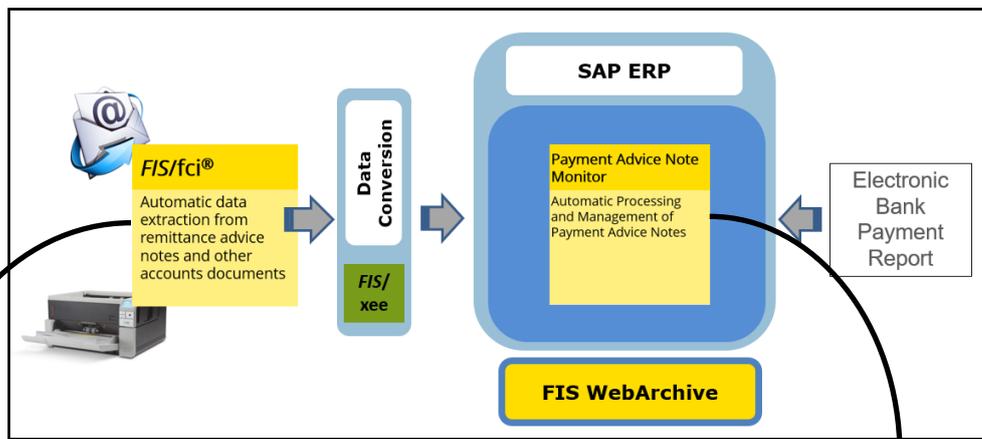
*FIS/edc* (Payment Advice Note Monitor) is installed in its own "namespace" on the SAP ERP server and therefore no modifications are required to SAP ERP standard.

The software also references real-time live data

### Key Benefits

- Increased employee productivity as the solution highlights content within the remittance advice note that is different from customer data on SAP ERP.
- Elimination of manual comparisons of customer remittances with bank statements.
- Deep integration with SAP standard - referencing real-time data.
- Accounts team working with familiar SAP GUI - but with additional tools to identify exceptions.
- Integrates with standard SAP processes for matching invoices with electronic bank feeds
- Reconciliations monitor can also be utilised for processing vendor statements.

# Process Overview and Screen shots of OCR Content Reading and Exception Handling



Date	Type	ID	Invoice No.	Reference	Due	Payment	Discount	Total
07/06/16	Invoice		507896127			27.00		27.00
06/06/16	Invoice		507880059			52.49		52.49
08/06/16	Creditnote		507896128			-27.00		-27.00
						52.49		52.49

Status	Print advice no.	Ident.	Doc no.	Code	A	Acc.	Bank reference	Paym.	Accou.	Ccy.	Payment date	Print A.	Cash da.	On	By	Entered at	Scan date	Type	Created on	Created by
OK	000012	71	614502	0801	D	93	0019			GBP	124.93					18:42:49	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	06101552	70	614502	0801	D	92	101552			GBP	17.40					18:42:49	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	69	614502	0801	D	94	ARCO			EUR	52.48					18:42:48	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	68	614502	0801	D	92	5293			GBP	17.40					18:33:49	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	67	614502	0801	D	94	BackRun 167			EUR	52.48					08:06:42	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	66	614502	0801	D	94	BackRun167			EUR	52.48					07:59:45	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	65	614502	0801	D	94	Back Run 167			EUR	52.48					07:59:01	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	64	614502	0801	D	94	Back Run 167			EUR	52.48					07:49:51	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	63	614502	0801	D	92	5293			GBP	17.40					07:49:51	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	62	614502	0801	D	93	52134			GBP	124.93					07:49:50	26.07.2016	OCR	26.07.2016	CPIC_EDC
OK	X	61	614502	0801	D	94	927496127			EUR	52.48					07:42:37	25.07.2016	OCR	26.07.2016	MUNU
OK	X	55	613026	0801	D	94	927496127			EUR	52.48					09:45:49	25.07.2016	OCR	25.07.2016	CPIC_EDC
OK	X	54	613026	0801	D	94	Back Run 167			EUR	52.48					08:57:40	25.07.2016	OCR	25.07.2016	MUNU
OK	X	53	613026	0801	D	94	Back Run 167			EUR	52.48					08:52:49	25.07.2016	OCR	25.07.2016	CPIC_EDC
OK	X	52	613026	0801	D	94	Back Run 167			EUR	52.48					08:42:32	20.07.2016	OCR	25.07.2016	MUNU
OK	X	43	612063	0001	D	1		00000	EUR	1,259.89						12:45:51	03.09.2015	OCR	22.07.2016	CPIC_EDC
OK	X	42	612063	0001	D	1		00000	EUR	1,259.89						12:46:52	03.09.2015	OCR	22.07.2016	CPIC_EDC
OK	X	41	612063	0001	D	1		00000	EUR	1,259.89						14:23:22	03.09.2015	OCR	21.07.2016	CPIC_EDC

## Automatic Document Content Reading

FIS/fci automatically reads the PAN data from each customer, eliminating the need for manual data-entry on the majority of documents. The extracted content is then passed into the FIS/edc (PANM).

## Straight-through processing with subtraction of lines against customer invoices

FIS/edc (PANM) is utilised primarily to compare data on the PAN from customers and matching the lines (i.e. invoices) with the SAP data for each customer. The solution will subtract all line/position data on the customer account where there is agreement.

If the monitor is successful with matching the incoming document data with SAP data then a Payment Advice Note will be created automatically.

However, if the monitor is unable to match the lines/positions, then the document will be filtered and the line/position deviations will be presented to the accounts clerk for review.

When all lines are manually matched (i.e. from the list of open invoices for each customer) then the operator can manually create a payment advice note - ready to be processed against bank payment data.

## Balances with Electronic Bank Payments

The process is integrated into the balance of payments feed from bank whereby invoices are matched and paid—leaving a remainder of unpaid invoices.

In practice, the majority of the remittances are completed automatically with only the “exceptions” being highlighted for review.

As a result the accounts receivables team have a significant reduction in workload as they focus on the notes with variations.

## Dual Function - Vendor Statements

FIS/edc (PANM) can be utilised further for processing Vendor Statements within the Accounts Payable team. The reconciliations monitor is able to switch between the two reconciliation documents and processed vendor statements.

Similarly, the FIS/edc (Vendor Statement Monitor) is able to automatically highlight discrepancies between the views of the amount owing to the supplier and the financials view from SAP on the date of the statement.

Similarly, line exceptions (vendor invoices) are highlighted and presented to the AP team - substantially reducing manual workload.