SPEND MEND

BACKGROUND

Headquarters: Galveston, TX

Auditable Spend: $498M

ERP: Oracle

PROBLEM

University of Texas Medical Branch Health had not participated in a recovery audit project in many years and was anxious to better understand the effectiveness of their internal processes, as well as gain insight into control gaps and appropriate remediation.

SOLUTION

SpendMend was contracted to conduct a Procure to Pay recovery audit and spend analytics review for a member of The University of Texas System under an agreement with the UT Health Alliance.

"SpendMend amazed me by what they were able to uncover. They're just so good at this. And by taking over this project, they freed up my staff to focus on more critical issues."

-Ken Hall, Finance Director, UTMB

RESULTS

SpendMend found over $1.2M against an annual spend of only $498M – a recovery rate of over twice the industry average. Key findings highlighted the need for the member to implement a return module within their ERP system in order to track and validate open return credits. It was also noted that invoice keying guidelines and training should be addressed on a routine basis, along with implementing enhanced vendor master maintenance to avoid duplicate payments.

BENEFITS

- Recovered $1.2 million in additional cashflow.
- Significantly freed up staff t focus on more critical initialives.
- Enhanced relationships with key suppliers.
- Improved negotiating leverage with suppliers.