Cooperative Educational Services (CES) Digitization Project Transforms Business

With the need to constantly provide high quality products at low prices to their customers, Cooperative Educational Services, must stay on the forefront of technologies to streamline their business practices. When the burden of managing more than 400 procurement contracts became overwhelming in their paper-based process, they turned to ImageSilo for help.

After implementing cloud-based document management with ImageSilo and setting up automatic processes with PaperVision Enterprise WorkFlow, they are able to offer clients and vendors a fully eProcurement experience, speeding member service and improving information accuracy.

Key Benefits

- Decreased the time to find information in response to customer requests from 20 minutes to seconds

- Cleared out a 1500 square foot document storage garage

- Enabled remote work overnight in response to stay-at-home orders during the COVID-19 pandemic

- Saves $111,000 annually on supplies and staff

The Situation

CES is a procurement agency that provides shared purchasing services to 211 public educations institutions and 250 public entities in New Mexico. They manage Request for Proposal (RFP) processes, including solicitation, evaluation, vendor selection, and contract management for their members. "CES ensures quality products and performance plus the added benefit to members of lower prices," says Executive Director, David Chavez. They handle procurement for items such as office supplies and temporary staff all the way through the complexities of heavy equipment and construction, commented Robin Strauser, Deputy Executive Director.

For almost forty years, CES managed a mountain of paperwork. Once a contract is in place with a vendor (known as a procurement partner), member organizations can purchase from that partner through the terms of the agreement. The CES member submits a purchase order (PO) to CES, who then generates a PO to the Procurement Partner. Once the goods or services are provided, the Procurement Partner invoices CES, and CES invoices the member. When the member payment is received, CES pays the Procurement Partner. They manage about 200 procurement packets per week, resulting in more than 60,000 invoices per year. Chavez exclaimed, "It just became unmanageable!"

Approval processes for packets required Member Service Representatives (MSR), Chavez and Strauser to be physically in the office to compile and review the paper files, ensure all the necessary documents were included, and apply approvals. These packets were hand-delivered in manila folders from desk-to-desk, and they occasionally got lost among the piles of paper.

When a request came in for information about or status of a purchase, it took about 20 minutes on average for the MSR to track it down. Often, the search involved 3 or 4 people as they sorted through desks, a 1500 square foot garage filled with 3 years of paper records, and a mountain of file boxes in the office (called "the island") containing the overflow. Lori O'Rourke, Business Services Coordinator, explained that when the document wasn't easily located, "it could literally take hours to find them—especially when it was something urgent!"

Adding to the complexities, CES gets audited annually by the Office of the State Auditor. When the auditor would arrive, they often requested access to about 100 packets, which were piled on the desk and reviewed manually. The entire process took days to complete.

The Solution

The Cooperative began investigating digitization options in an effort to improve efficiencies across the office and they've been thrilled to discover that digitizing their records has enabled not only process automation but remote work as well. They worked with Document Imaging of the Southwest to implement the cloud-based document management service ImageSilo and have setup automatic document processes using the built-in tool PaperVision Enterprise WorkFlow. An integration with Great Plains Dynamics has decreased manual data entry and boosted efficiencies for accounting records as well. "We started this project to try to be more efficient," explained Chavez, "but it quickly became part of our strategic plans."

Recognized Benefits

The process started with an effort to conceptualize how to build a digital version of the procurement packets and then to understand all the steps required for approval and processing, explained IT Director Brad Schroeder. "It was tough to understand how to take paper processes and put them into a digital environment," he said, but acknowledged the help received from DISW and the flexibility of ImageSilo that allowed them to build a digital process that mimicked their familiar, paper-based one. "It's become the heart of our business," he said. CES estimates annual savings of about $111,000 from the implementation.

The digital packets are much easier to compile and approve than their paper predecessors. When a PO is received, it is scanned, which starts an electronic process that collects each piece of documentation to complete the purchase and obtain necessary approvals, streamlining the entire process. "Now I can approve packets while traveling or sitting at home. It's taken a lot of pressure off, because I can process approvals when it's convenient," said Strauser, who also said that remote access allows them to answer questions even if they're away from the office or onsite with members.

> "ImageSilo has changed our whole environment so we don't have the avalanche of paper everywhere anymore. Digitization has improved the accuracy of our financial records and is even helping enable remote work."
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> -Kelly Basham, AP Specialist

"Everyone has secure access to the digital packets," explained O'Rourke. "We don't have to go looking for information anymore, because everything is right at our fingertips." MSRs can answer questions within a couple of minutes, while the member or partner is still on the phone. "We're never caught looking for a file. It's just done." The change has streamlined the annual audit as well, because information is easy to locate. Nothing goes missing.

During the COVID-19 pandemic, New Mexico encouraged citizens to stay-at-home and avoid congregating in offices. The team agreed that there would have been no way for them to continue to conduct business remotely if they had not already digitized records and converted to an automated process. Strauser explained, "Without ImageSilo, there would be no way for us to work at home. Our business continues. We haven't had a slow down because schools, cities and counties still need to procure and pay." And Kelly Basham, AP Specialist, pointed out the critical role CES plays not only in keeping members supplied with critical products, but also in helping money flow into vendor businesses, many of which are local to New Mexico. "We pay $5-8 million per week to vendors, and if those payments stopped, some of them would be forced to lay off staff or close their doors. It feels good to know we're helping not just our own organization, but our customers and vendors to stay in business as well."

About Document Imaging of the Southwest (DISW)

Document Imaging of the Southwest is dedicated to providing clients with a secure document storage system that allows immediate access to documents. Founded in 2003 by Mike and Tsenre Deveraux, the company has built a reputation providing a customized experience for clients with professional and personal attention. They offer state-of-the-art services to convert paper documents to an electronic format which can be accessed on any Windows or Mac computer. To learn more about DISW, visit their website at www.docimagingsw.com/ or call 505.821.0841.