



The Continuing Evolution of LPS Desktop® Invoice Management

Invoice Management, one of the original components of the LPS Desktop® platform, has undergone continuous improvements since its inception. The system's initial concept was to streamline the cumbersome, high-volume billing process lenders and servicers face when engaging a large number of vendors to perform a wide array of services relating to loan management. The process was full of costly pitfalls, ranging from labor-intensive and error-prone manual data entry, to overbilling and failure to comply with investor and servicer requirements.

LPS Desktop Invoice Management developed a solution to address all of these issues, bringing about unprecedented levels of efficiency, improved accuracy, faster reimbursements and improved compliance with related guidelines.

LPS Desktop Invoice Management is a highly configurable, Web-based application that brings vendors and servicers together on a common invoicing platform. The application employs standardized electronic invoices, which can be processed automatically with customer-specific business rules. The system's bi-directional interface with servicing systems brings efficiency and accuracy to the invoicing process.

System-generated invoices are created in two ways. Vendors either enter them individually online via LPS Desktop Invoice Management's Web interface, or they can upload them in a batch to the application. Approvals can be automated when client-defined criteria are met. This eliminates the time-consuming data entry once required to enter disparate invoices into a servicer's accounts payable system. Not only does it improve turnaround times, it dramatically reduces the likelihood of errors normally associated with re-keying data.

The system's client-specific, built-in rules engine enables users to reduce the risk of overbilling. Invoices that don't meet the client-defined criteria for automated approval move into an exception queue for manual intervention. The same rules engine also ensures that invoice amounts and charges follow servicer- and/or investor-supplied guidelines.

Since its inception, LPS Desktop Invoice Management has grown significantly, with more than 54,000 users on the application, including 15,000 servicer and 39,000 vendor personnel. To ensure LPS Desktop Invoice Management's continued success, the team regularly sought feedback from customers to determine what improvements could be made. This led to several new Invoice Management modules: REO Broker, Flip, Claims and Automated Clearing House (ACH).

LPS Desktop Invoice Management REO Broker

REO Broker provides servicers that manage REO broker relationships and activities internally with an all-inclusive system to manage REO invoicing activities from one central location. This module allows REO brokers to submit their invoices and supporting documentation individually or in bulk. Servicers are no longer bogged down by paper invoices or disparate electronic formats. The invoices are standardized, stored electronically and immediately available for review, approval and payment.

LPS Desktop Invoice Management Flip

The Flip module fulfilled a unique need in the asset management niche. Traditionally, asset management companies were required to collect and scan disparate invoices from a multitude of vendors and spend a great deal of time

managing and paying these invoices. Asset management companies would then have to send invoices and supporting documentation to servicers for their review, approval and reimbursement.

The LPS Desktop Invoice Management Flip application automates the entire process. Once the broker submits their invoice and documentation, the information is stored electronically and the asset management company can immediately review, approve and “flip” it to the servicer for payment. Double entry is eliminated and turn-times from invoice submission to reimbursement are dramatically reduced.

LPS Desktop Invoice Management Claims

The Claims module is an automated solution for servicers to process and file claims after an REO property has been successfully disposed. In the current market environment, it’s become increasingly important for servicers to protect their bottom line by obtaining reimbursement for expenses to which they are entitled. However, recouping those expenses can be a challenge with the high volume of REO properties and the multiple vendors engaged to perform services required to dispose of those assets. Until the LPS Desktop team developed the Invoice Management Claims module, servicers faced a time-consuming and tedious reimbursement process.

The LPS Desktop Invoice Management Claims module enables clients and investors to have a centralized location for claims processing, where the module streamlines processes for both parties. Through a direct interface via a Web service call to the investor application, servicers can quickly create a claim using line items from previously billed invoices and create additional line items for services not billed through the LPS Desktop application. Claims can also be created without a corresponding invoice. Images and supporting documentation are attached to each line item or are pulled from an existing invoiced line item. Claims can be submitted electronically, individually or in bulk, to the investor for processing the same day. Investors can automatically approve, adjust or deny claims based on pre-defined approval limits.

LPS Desktop Invoice Management ACH

In addition to developing client-customized workflow capabilities, the LPS Desktop team augmented the Invoice Management solution with an Automated Clearing House (ACH) application to expedite the check payment stage of the invoicing process. This feature interfaces with servicing systems, such as LPS MSP, to provide efficiency gains, enabling servicers to process third-party provider payments electronically and more effectively. When comparing traditional check production to electronic payments, the benefits are clear: reduced costs, enhanced processing efficiency and improved accuracy.

As LPS Desktop Invoice Management continues to evolve, new integrations, functionalities and improvements will remain important priorities for the LPS Desktop Team. By keeping a pulse on the market and constantly looking for ways to meet clients’ needs, LPS Desktop will be able to bring viable solutions to fruition. We will continue to update you regarding these exciting new developments to the LPS Desktop Invoice Management platform as they occur.

To learn more about LPS Desktop Invoice Management, please call 800-991-1274 or email mortgage.marketing@lpsvcs.com.