

Audit of the processing procedure for incoming and outgoing invoices in the  
Federal Administration  
Federal Finance Administration

Key facts

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Federal service providers and service recipients have the option of issuing or receiving invoices in electronic format. Within the scope of Switzerland's eGovernment strategy of the Federal Council, this format is mandatory between administrative units and for contracts worth CHF 5,000 or more<sup>1</sup>. The receipt or dispatch of a physical invoice is still allowed subject to these two conditions.

Each year, the Federal Finance Administration (FFA) centrally manages more than 330,000 invoices for the entire Federal Administration<sup>2</sup> via its service centre. Given the volume of the services supplied to the administrative units by the FFA, the SFAO conducted the audit of the incoming and outgoing invoice processes to verify compliance with the accounting principles and directives of the Confederation. The SFAO also looked at the issue of the efficiency of the existing systems and organisation.

**The organisation and management of invoices are adequate**

The SFAO noted that invoices are processed within 48 hours, validated by the administrative units and mostly paid ahead of the deadlines, in accordance with the Confederation's policy on swift payments to support the economy.

The processing of invoices and the system in place make it possible to ensure compliance with the directives of the Confederation and the principles governing bookkeeping. They also contribute to the internal control system (ICS).

Nonetheless, the SFAO has found a way of avoiding the invoice approval process (workflow) related to the user group. It recommended monitoring this point. Other recommendations concerned primarily supplier data management and the reliability of one third-party service provider.

**An increase in productivity is possible in electronic invoicing**

The FFA's service centre has around 16 FTEs dedicated to invoicing operations. The annual costs paid to external providers for electronic invoicing are approximately CHF 25,000 for the entire Federal Administration. Given the number of invoices dealt with annually by the service centre staff, the negligible processing fees and the aforementioned items, the SFAO believes that the organisation is efficient, effective and economical.

The SFAO believes that an efficiency gain could still be achieved. Efforts have to be made to encourage electronic invoicing for amounts less than CHF 5,000. On the one hand, the cost of processing an invoice does not depend on the amount invoiced, and on the other, the scanning

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<sup>1</sup> This has been mandatory since 1 January 2016, with a transitional phase up to 1 January 2017

<sup>2</sup> Except for the Federal Department of Defence, Civil Protection and Sport (DDPS)



of physical invoices is time consuming. At the end of April 2016, 41% of the invoices received were in electronic format, as opposed to about 14% in 2014.

**Original text in French**