

White Paper

Franchise Accounting Problems & Solutions

Innovative AP solutions that are bringing peace of mind to franchise operators and organizations

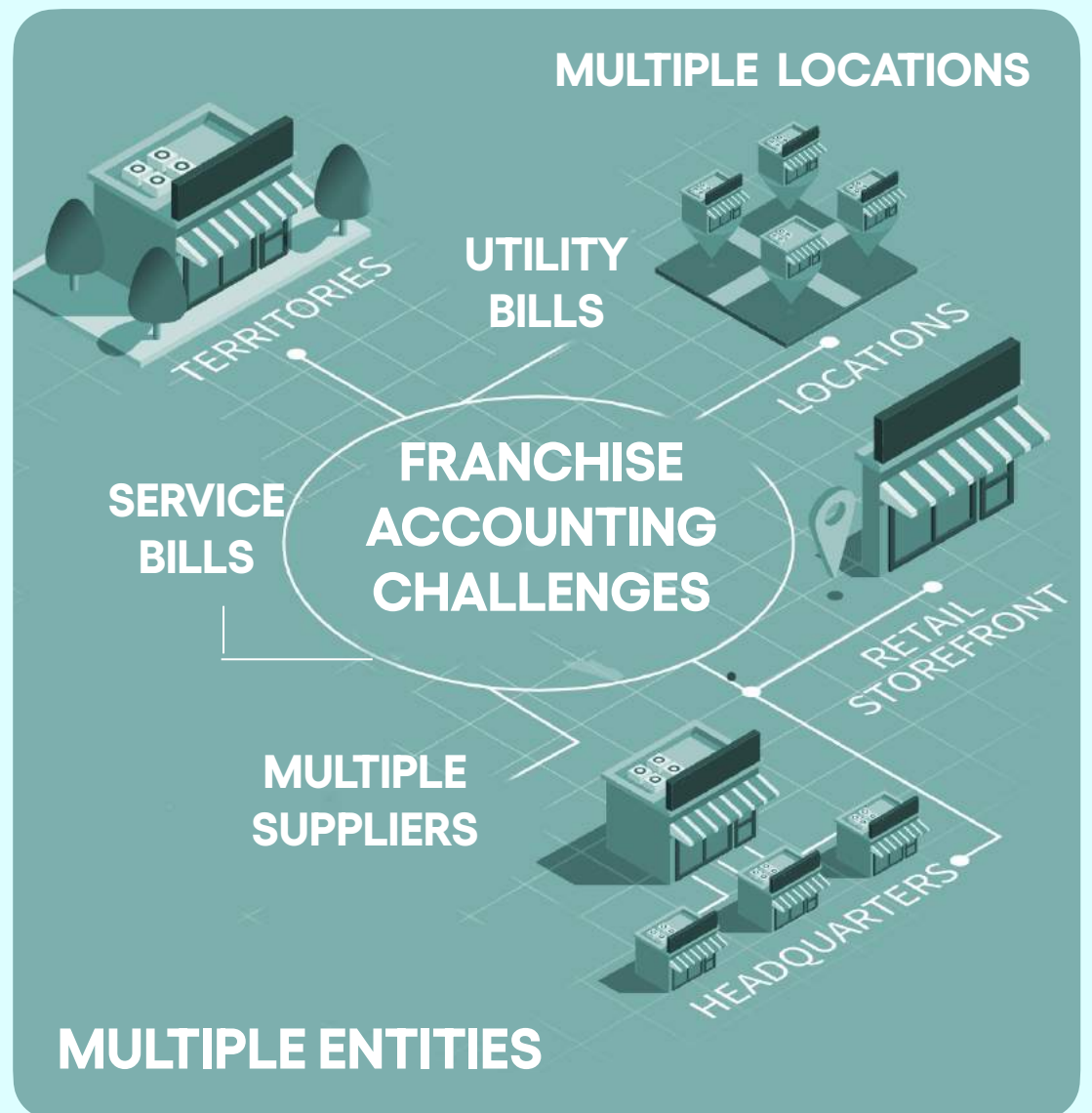


The Franchise Challenge

Many franchise organizations struggle with manual processes that slow down cycle times and create bottlenecks in the accounts payable process.

They have specific needs that may not be common in other organizations, such as numerous locations, utility bills paid at the local level, vendors in different territories, and detailed accounts payable work across multiple entities.

This paper discusses the challenges faced by a large veterinary franchise, a fast food chain, and a solar panel and storage organization with hundreds of locations and various corporate structures.



Veterinary Franchise Group



Fast Food Franchise Operator



Integrated Solar Energy Firm

Veterinary Franchise

The example here is a veterinarian owned and managed network of general practice animal hospitals with a common goal of providing best-in-class care to companion animals in a network of 250+ hospitals.

The organization has over 5,500 team members who run facilities located in 30 states throughout the US.

The company offers wellness exams, senior pet care, vaccinations, oncology, ophthalmology, surgery, nutritional counselling, allergies and dermatology and micro-chipping, enabling pets and pet owners to get hassle-free services at an affordable rate.

The company uses Sage Intacct as their ERP and accounting system.



The Technology Challenge

100% of the 400,000 vendor invoices the franchise organization receives each year are non-PO invoices, and 70% of those invoices are from 15 suppliers.

Since there are no purchase orders to match to, the accounts payable team had to code each of the items on the vendor invoice. This was done by looking up the manufacturer's item number in a manually maintained catalog.

Once the item number was obtained the proper GL coding was applied. Given the volume of invoices the company receives, the entire process was very manual, resource-intensive and time consuming.

Large Invoice Volumes

As well, the company was trying to manage the data entry of over 30,000 supplier invoices a month. A solution was needed that would not only automate this task, but also provide accuracy with a minimum amount of errors and validation.



The Rillion™ Solution

The veterinarian franchise needed a solution to automate the processes mentioned and ensure the chosen platform would integrate seamlessly with Sage Intacct.

Solving the capture issue

Because 70% of the invoices the company receives are from 15 suppliers, the Rillion success team chose to focus on having those suppliers provide invoices in electronic format. Originally the invoice data from these major vendors was uploaded from spreadsheets the vendor would provide. This was a very manual process.

Invoices from the remaining vendors were sent to a data capture program with AI that captured the invoice data but seemed to make more mistakes than necessary.

Electronic invoicing to the rescue

The Rillion team took the invoices from all 15 of the major suppliers and reformatted the data to create an electronic invoice format.

The electronic invoice format allows supplier invoices to enter the Rillion platform with 100% accuracy and without intervention of an OCR software or scanning methodology.

The remaining invoices were redirected to Rillion's capture solution, where 95% accuracy rates are being achieved.

Generating GL Codes

Once the invoice data is captured, Rillion's matching engine automatically matches the vendor's item numbers on the invoice to the manufacturer's item number list. Rillion does the matching for multiple lines on each invoice, with many invoices having hundreds of lines.

Once the invoice item is matched, Rillion automatically generates the GL code.

Exceptions

Once matched, the invoice is pushed to Sage Intacct for recording and payment. If there is an exception, an automated approval workflow routes the invoice to the proper approver to review and reconcile.

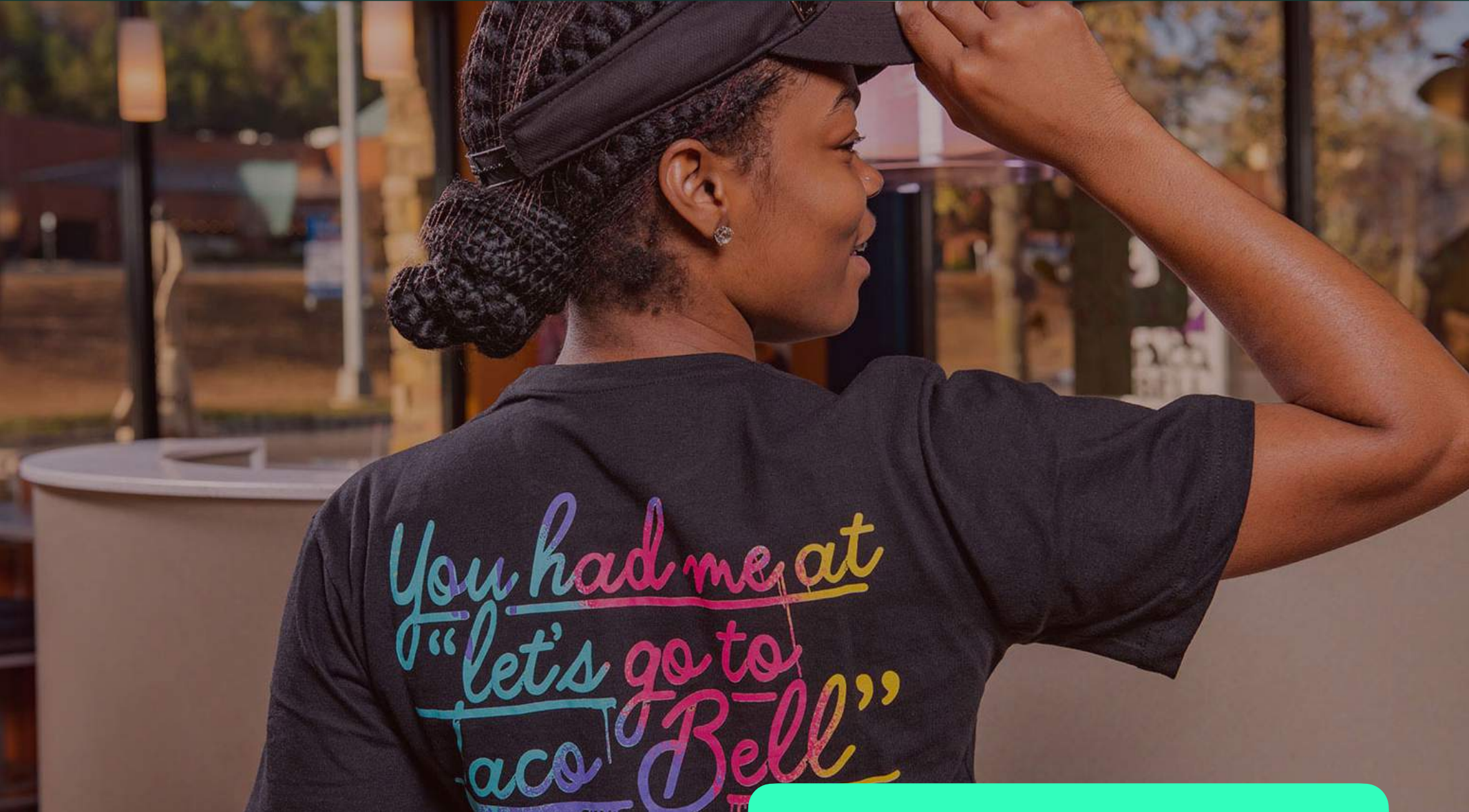
Reduced Workload

Invoice capture is automated with a high level of accuracy and saved cost.

The company's finance team is relieved of the tedium of manually matching item numbers to a list GL account numbers that was manually maintained.

Individual hospitals can run reports to see invoice images and invoice data in Rillion's searchable invoice archive. Both current and paid invoices are made available for audits and investigations.





Fast Food Franchise Operator

The operator has Taco Bell locations that have more than tripled in the past 30+ years, and has grown to over 300 locations throughout the US.

It's a leading franchisee of YUM! Brands and the largest Taco Bell franchise operator in the country. Some of the restaurants combine a Mexican fast food unit with other YUM! concepts, including KFC and Pizza Hut.

The Technology Challenge

The franchise operator needed a solution that integrated with Microsoft Dynamics GP with MEM and could help them manage recurring utility bills for all locations, as well as documents for human resources.

Before implementing the Rillion solution, paper processes for managing recurring utility bills for over 300 locations was time-consuming and fraught with manual error.

Because each franchise location manages their own service contracts with different suppliers depending on the location, being able to manage and match contracts to supplier invoices with automation has made a big impact.

The Rillion Solution

Capturing invoice data

Using an outsourced data capture service, the 60,000 vendor invoices the operator receives are captured and validated with a 98% accuracy rate. The invoices go to a queue, visible in the Rillion dashboard.

Automated approval workflow

An automated approval workflow sends non-PO invoices to project managers to approve via email, rather than having to enter the system. If an invoice goes over the tolerance level, the system automatically sends the approval to the supervisor.

Recurring invoices

With over 300 locations the operator needed to manage utility bills and other recurring charges efficiently. In the past the processing of recurring invoices was done manually. Rillion's contract module keeps track of contract terms and the software matches incoming service invoices to the proper contract amounts.

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With our contracts being matched to vendor invoices for over 300 locations, Palette* has reduced our manual workload and really optimized our AP operations.

Carrie Self

CPA, Tacala

**Palette Software has rebranded to Rillion*

Audit trail

The company was also looking for a solution that could provide an audit trail and reporting for all the operations they manage. Rillion's audit function includes an invoice log that is time stamped and contains all the information necessary to satisfy both external auditors as well as internal investigations.

Searchable archive

Having a searchable invoice archive has been a big time saver. Once an invoice is paid it is transferred from Dynamics GP into the Rillion archive.



Integrated Solar Company

This example is an integrated solar company that develops and owns solar and storage projects. It's the fourth largest utility-scale O&M provider in the US.

It may not be a typical franchise organization per se, but it has the same issues as franchise operators, such as hundreds of locations and multiple entities.

The company creates solar and storage projects, employing deep experience in origination, project development, project financing and M&A as well as EPC contracting and construction management.

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We manage nearly 300 solar sites. Each solar farm is its own company, and each installation has its own tax implications with our investors. We're using Palette* for the audit function, to handle enquiries for all of these accounts.

Gerry Trejo

Cypress Creek

**Palette Software has rebranded to Rillion*

The Technology Challenge

The company has a lot of moving parts, including development, construction, asset management and operating divisions.

Purchase orders needed to be automatically matched to incoming supplier invoices, and invoice data had to be captured. There was a need for approval workflow as well an audit trail for investigations into the multiple entities they manage.



The Rillion Solution

Automated Invoice Capture

With the Rillion solution the data from the company's vendor invoices is captured and validated automatically with a 98% accuracy rate. The invoices go to a queue, visible in the Rillion dashboard.

PO Matching

Rillion's accounts payable automation solution matches vendor invoices to the company's purchase orders. Once matched, the invoice is automatically sent to Sage Intacct for payment. Only PO invoices with a variance are sent out in a pre-defined, digital approval workflow to approvers or supervisors.

Approval Workflow

An automated approval workflow sends non-PO invoices to project managers to approve via email, rather than having to enter the system. If an invoice goes over the tolerance level, the system automatically sends the approval to the supervisor.

Archive and Audit Trail

Most of the 250 solar sites the company manages are their own private entity. The company was looking for a solution that could provide an audit trail and reporting for all the operations they manage.

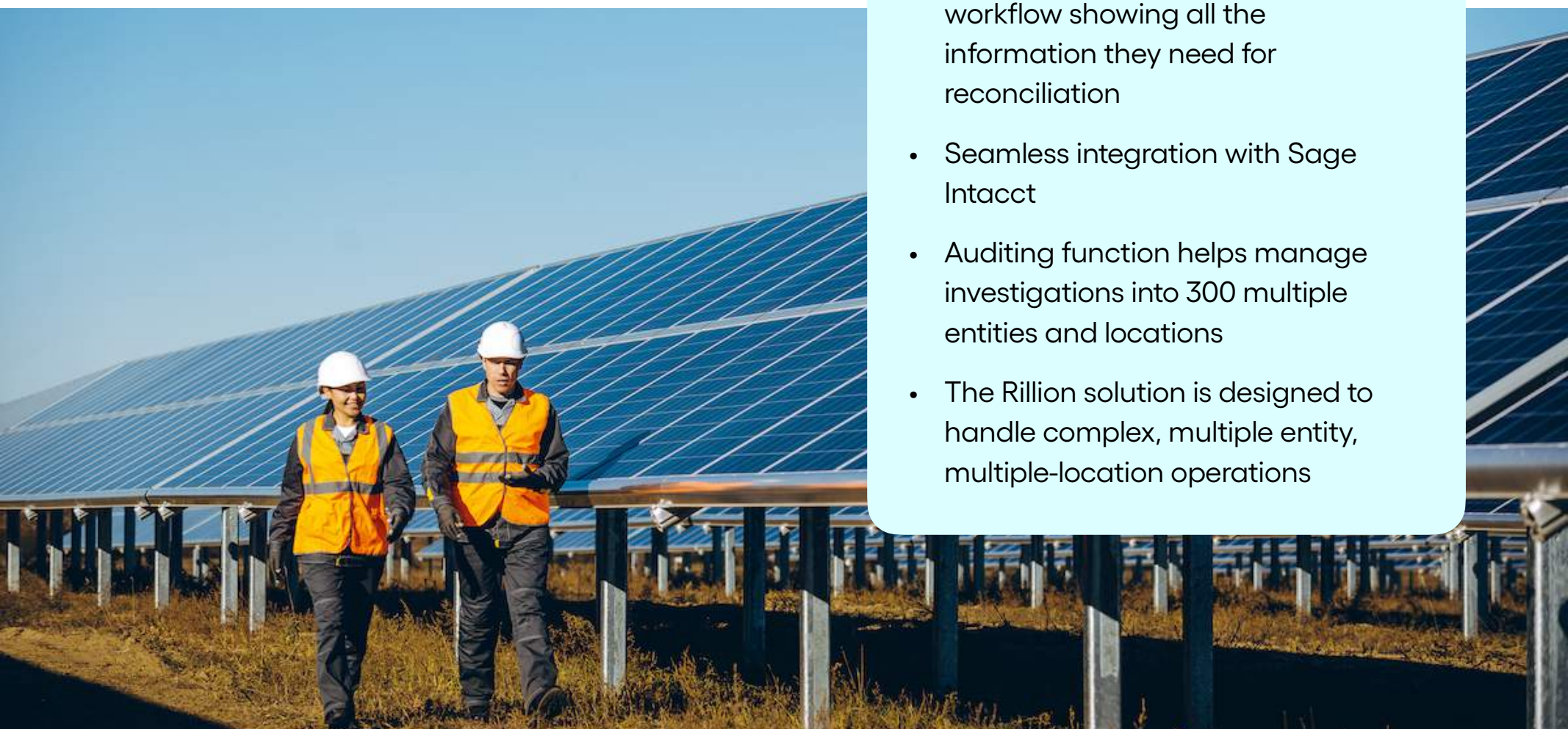
Having a searchable invoice archive has been a big time saver. Once an invoice is paid it is transferred from Sage into the Rillion archive.

Searchable archive

Having a searchable invoice archive has been a big time saver. Once an invoice is paid it is transferred from Sage Intacct into the Rillion archive in the cloud.

Key Outcomes

- Invoice data capture automated
- Purchase orders are matched to vendor invoices by the software
- Approvers receive exceptions in a workflow showing all the information they need for reconciliation
- Seamless integration with Sage Intacct
- Auditing function helps manage investigations into 300 multiple entities and locations
- The Rillion solution is designed to handle complex, multiple entity, multiple-location operations



Integration

The data integration process can often seem overwhelming. Our industry standard Rillion Integration Engine alleviates this burden with powerful integration capabilities built into a straightforward, easy-to-use graphical user interface.

Rillion has over 2,500 installed clients globally, all connected to one or more ERP, purchasing, or accounting system. The Rillion Integration Engine interface offers several options to facilitate communications and data sharing between Rillion and your business system.



[Schedule a Consultation](#)

★★★★★
“Easy to Use.”

96%
User Satisfaction Ratings

Ap Automation with Rillion saves time, lowers costs and improves efficiency for over 3,000 clients worldwide.

To learn more, visit
rillion.com