

CASE STUDY »

Improving Payment Optimization + Future Tax Savings



CHALLENGE

A Fortune 500 client was denied a material multiple points of use (MPU) tax adjustment for purchased software products from one vendor due to a lack of supporting documentation.

- » Large volume of invoices from one vendor that had multiple lines of software products with various license types – some with over 100 lines of products.
- » The auditor performed a partial review of the invoices (due to the volume of data), and along with some web research, concluded who the users were and their locations of use.
- » The result of the audit was a denial of a substantial amount of the adjustments previously taken by the business.
- » The client had a lack of resources and time to counter the audit position.

WE *are* DEEP DIGGERS.

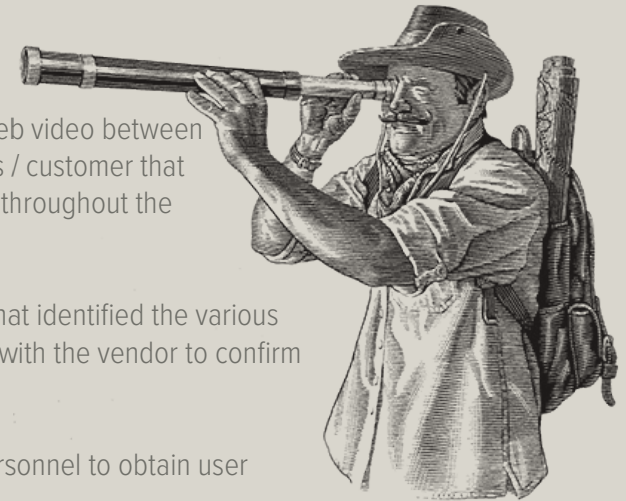
WE *are* SLEEVE ROLLERS.

**WE *are* FINDERS of LOST PROFITS
and OVERPAYMENTS.**

SOLUTION

CPRS used tenacity and creativity to produce a package of support that substantiated a reasonable adjustment.

- » Utilized OCR (character recognition software) to convert the large invoice lines of data to excel, and along with additional invoice data entry, was able to categorize the volume of data by product and license types.
- » Performed web research that located a web video between executives of the vendor and the business / customer that discussed widespread use of the product throughout the business organization.
- » Located a vendor document on the web that identified the various software license types and had meetings with the vendor to confirm our understanding.
- » Had several meetings with business IT personnel to obtain user information on material product types.
- » Filed an appeal of the audit with the appeal division providing a package of support where we were able to substantiate who 70% of the products users were and their location of use.
- » Produced and presented a PowerPoint slide presentation in the appeal hearing, documenting our findings.



WE REVIEWED OVER
1,294 LINES OF DATA
FOR THIS ADJUSTMENT.



REACHING BEYOND *the* LOW-HANGING FRUIT *to* UNCOVER
MEANINGFUL, REPEATABLE *and* SUBSTANTIAL RECOVERIES.

BUSINESS IMPACT

Upon appeal the issue in question was remanded back to audit for further review and possible adjustment.

- » CPRS worked with the audit division and was able to get acceptance for using one MPU methodology for the vendor purchases in question.
- » A material adjustment was obtained - over \$900,000.
- » A single MPU method to use for the vendor purchases going forward was provided for ease of administration.

REFUND INCREASED BY

275%



TENACITY PAYS

GET IN TOUCH!

JEFF HEYEL

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