Case Study

The $67,000 Solution to Finding Labor-Cost Savings

BACKGROUND

As labor costs rise, so can invoicing errors. These costly billing and contracting mistakes can significantly impact an organization's revenue, to the tune of tens of thousands of dollars. This case study reveals how a comprehensive financial audit, better audit experience, and innovative, trademarked technology can create a $67,000 solution to rising contract labor costs. At the end of this project, **CPRS found a staggering 18.5% of APPROVED invoices were incorrect.**

CHALLENGE

An organization in the EPC (Engineering, Procurement and Construction) sector suspected inefficiencies in its invoicing and accounts-payable (AP) processes. The $837B global EPC market is known for its complex contracting and onerous overtime rules, so billing errors are commonplace. This CPRS client faced substantial overtime charges as well.

APPROACH

Conduct Pre-Planning with Client Input
All CPRS Recovery Audits begin with a plan both parties understand and agree upon, establishing communication norms and touch points to consistently deliver upon the governance expected. Because data acquisition is one of the most inefficient parts of a Recovery Audit, existing data extraction routines were replicated for this client, saving considerable time and minimizing impact on client personnel. If those routines are not current and available, CPRS works closely with the client's IT team to establish new routines and codify them for downstream reuse.

CPRS
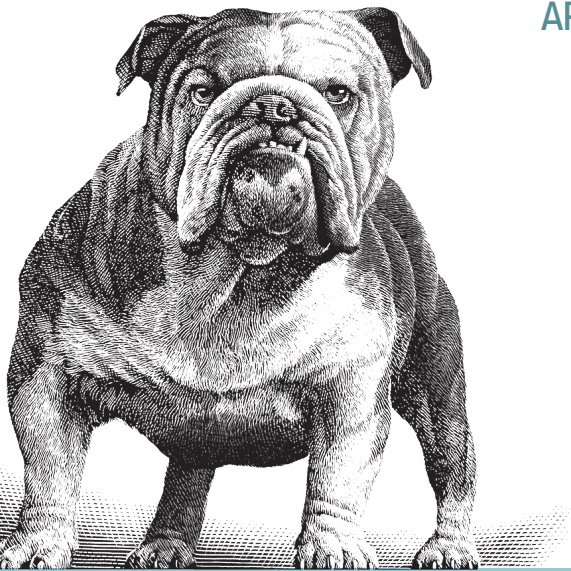
TENACITY PAYS

Our Client Achieved Savings Exceeding
$67,000.

Provide Dashboards and Technology

With respect to auditing tools, two factors come into play – building out the most comprehensive data environment possible and developing advanced auditing tools that build on the insights of the audit team.

For this EPC-sector client, CPRS provided a claims portal, reporting dashboard and audit tools, all operating on a unified private cloud using its proprietary, trademarked suite of web-based software called Pearl™. The client was able to manage and analyze data effectively and securely, leading to tens of thousands saved.

- **CPRS Pearl™:** By leveraging advanced OCR technology, Pearl™ provides real-time insights through a flexible web-based suite of tools secured with multi-factor authentication (MFA) or AuthO.

- **Comprehensive Data Extraction:** Pearl™ transforms invoices into detailed line items for thorough testing, enabling the identification of discrepancies that even the most skilled staff might miss.

- **Expert Analysis:** CPRS's seasoned analysts meticulously review financial records to ensure accuracy and trustworthiness. This process highlights labor-related errors affecting profitability and helps safeguard the organization's financial health.

Tailor Solutions for Profitable Growth

While complex invoicing is not unique to the EPC sector, CPRS tailored its solutions to align with this client's specific needs and goals. The approach included:

- **Customized Action Plans:** Developed tailored strategies to maximize profits and enhance financial processes for efficiency and effectiveness.

- **Collaboration:** Worked closely with the organization's team to identify process inefficiencies and implement improvements.

THE $67,000 SOLUTION

Working with CPRS, this client uncovered significant non-contractual overtime charges totaling $67,382.84, a whopping 18.5% of the invoices submitted and approved. This discovery highlights how CPRS's Comprehensive Invoice Review process, industry-best Audit Team experience, and Pearl™ Software Suite can transform costly contract or temporary labor mistakes into found revenue and reduced labor costs.

EXPLORE FURTHER

To learn how your organization can find labor-cost savings, schedule a consultation to discuss a CPRS Recovery Audit, CPRS Contract Compliance Audit, Reverse Sales & Use Tax Reviews, or our innovative Pre-Pay Review.

CPRS

TENACITY PAYS

To learn more information, contact 866-488-9667 or visit cprs-inc.com.