



Accounts Payable Review

An Opportunity to Improve Cash Flow & Recover Erroneous Payments to Suppliers

EHTC State and Local Tax Services

INCOME & FRANCHISE TAX

- Tax Minimization Studies
- Business Structure Reviews
- Allocation and Apportionment Planning
- Combined, Consolidated, & Unitary Planning
- Nexus Studies
- Amended State Tax Returns from IRS Audits
- Single Business Tax Training

SALES & USE TAX

- Reverse Audits
- Compliance System Review
- Direct Pay & Compliance Agreements
- Exemption Certificate Documentation
- Industrial Processing / Manufacturing Exemption
- Utility Studies
- Nexus Studies
- Sales & Use Tax Training
- Transportation Company
- Procurement Company

PROPERTY (AD VOLOREM) TAX

- Real Property Tax Reviews
- Personal Property Tax Reviews

TAX AUDIT & APPEALS

- Sales & Use Tax Audit Defense & Appeals
- Income & Franchise Tax Audit Defense & Appeals
- Property Tax Audit Defense & Appeals
- State and Local Tax Litigation Support
- Merger & Acquisition Due Diligence Reviews
- Voluntary Disclosure

BUSINESS INCENTIVE SERVICES

- Business Relocation & Expansion Services
- Tax Credits, Exemptions, & Abatements
- Grants, Financing, & Infrastructure Assistance

Solution Overview

The objective of an *accounts payable review* is to assist medium to large size businesses in identifying and recovering excessive and erroneous payments made to suppliers. These payments may include missed vendor discounts, duplicate payments to vendors, unclaimed accounts receivable balances, excessive payments made outside the suppliers' contract terms, and payments made to freight haulers who failed to meet delivery terms.

To initiate the *accounts payable review*, a meeting with the accounts payable manager will be requested to discuss and gain an understanding of the established accounts payable processes and procedures. The accounts payable data tapes will be requested from the client and analyzed using Audit Control Language (ACL) software to evaluate the frequency of vendor payments; a comparison of invoice and payment dates; and to generate a listing of sample payments made to selected vendors.

Once the erroneous and excessive payments are identified, we will prepare correspondence addressed to the suppliers to enable the client to recover their overpayments.

Once the engagement is complete, a report of the findings, which will include recommendations to improve the accounts payable process, will be presented to the client.

Potential Benefit

The *accounts payable review* provides the accounts payable department with the opportunity to recover erroneous payments made to suppliers. This will result in improved cash flow and the reduction of operating expenses for the company. Our review will also identify inefficiencies in the accounts payable process and make recommendations for improvements.

The *estimated recovery rate* for companies who engage EHTC to perform an *accounts payable review* is 0.1% of the client's annual revenues, provided we are allowed to review 3 years of accounts payable data. Recoveries from suppliers may be recognized within 30 days of requesting reimbursement from the supplier.

Estimated Time to Complete a Project

The estimated time to complete an *accounts payable review* engagement will vary depending upon the size of the company, the complexity of the client's computer systems and the accessibility to their data. On average, an *accounts payable review* will take approximately one to two months to complete.