

Bank Reconciliation Case Study



FACT:

Texas Petroleum Distributor utilizes FACTOR's Bank Reconciliation module to "tame" their monthly reconciliation process.

About the Company

Located in Nacogdoches, Texas, Denny Oil Co., Inc. has developed customer-preferred gasoline brands, competitively prices gasoline and diesel, c-store and co-branding concepts for the past 30 years. Quality service has brought Denny Oil Co., Inc. from a small beginning in 1972 to a leader in the gasoline and oil products business today.

Critical Issues

Executives at Denny Oil run a steadfast operation largely in part to their understanding that keeping close tabs on company bank accounts is not an option, but rather a condition of being profitable and efficient. They needed a solution that would help them truly automate their bank reconciliation processes while reducing operating costs.

Solutions

Bank Reconciliation offers peace of mind. When dealing with bank accounts, accuracy is paramount and now businesses can make "stress free" month-end accounting processes a reality and not a dream. *"We have several customers who make direct deposits into our account and also suppliers debiting our accounts who occasionally forget to notify us,"* said Patricia Jones, Controller at Denny Oil. *"With FACTOR's Bank Reconciliation, any inconsistencies in our bank records are brought to our attention immediately."* These automated functions not only improve accuracy, but also save businesses a great amount of time and money by reducing the number of man-hours involved in the process.



Goals:

- » Reduce the time spent reconciling bank statements
- » Increase productivity
- » Improve accuracy of reconciliation process

Results:

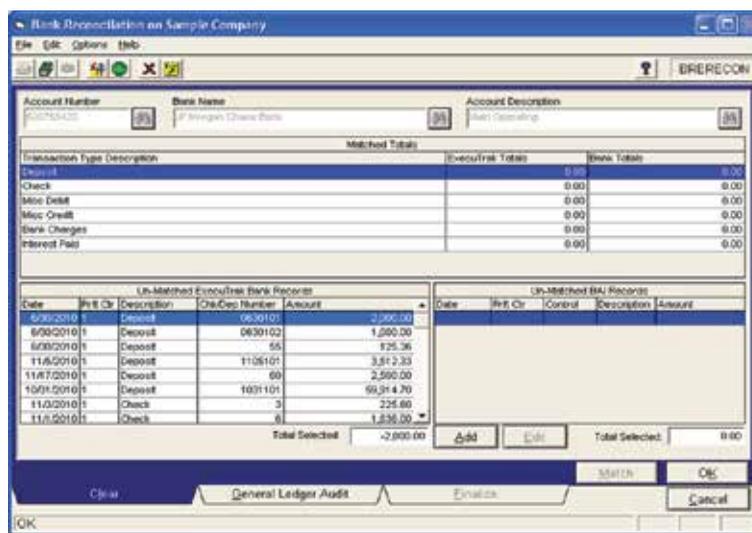
- » Reduced time spent reconciling bank accounts from 3 days to just 15 minutes
- » Eliminated worry of unauthorized activity in accounts
- » Increased confidence in data accuracy

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FACTOR Bank Reconciliation is the fastest and most accurate way to automate routine bank reconciliation processes. Bank Reconciliation manages “by exception” proactively notifying users of inconsistencies between company and bank records. This feature was able to eliminate a major issue plaguing Denny Oil—the reconciliation of EFT credits and debits made automatically to their bank accounts by customers and suppliers. *“We used to have one account we affectionately referred to as ‘The Beast’ because of the time and difficulty involved in reconciling it. Bank Reconciliation has improved efficiency and productivity, and it has successfully tamed ‘The Beast,’”* said Jones.

“Before implementing Bank Reconciliation, the time it took to manually reconcile checks and EFTs presented a great obstacle for us,” said Patricia. *“Invariably, I would overlook a check that needed to be cleared or inadvertently mark one ‘cleared’ that should not have been. Bank Reconciliation completes this task for us automatically, on a daily basis, and completely eliminates the opportunity for human error. This is a life-saver, considering the huge volumes of transactions to be account for each month. The three days we have reclaimed at the beginning of each month by using the module are now devoted to financial statement preparation and analysis, and other management reporting. Bank Reconciliation has helped us reach our goals in areas outside of its functional focus, too.”*



Results

“Once upon a time, we spent a minimum of three days a month reconciling bank accounts for two companies,” said Jones. *“Last month, with Bank Reconciliation, I was able to print a final reconciliation report within 15 minutes of receiving a 50 page outline statement. Bank Reconciliation is not intimidated by length or volume of transactions.”*

“Bank Reconciliation offers multiple levels of security, which means I no longer have to worry about unauthorized activity in our accounts,” said Jones. *“I know Bank Reconciliation will alert me to any unauthorized activity in time for me to take the necessary steps to correct it before it reaches a critical level. Bank Reconciliation has also given me increased confidence about information within our system. I do not hesitate to pull reports and provide information for salesmen, etc. who come to my office with questions because I know our information is up to date and accurate.”* Jones continued, *“This module quickly became one of my favorites. It requires only minutes a day and ranks alongside E-Trak® and BankTrak® in immediate benefits provided and return on investment.”*