

Case Study

MSS Solutions

Privately-held HVAC company automates payments and consolidates card programs to save valuable resources.





CASE STUDY



Industry: Construction

Annual Revenue: \$180M

ERP: Microsoft Dynamics GP

Employees: 650

Client Profile

With eight locations in North and South Carolina, MSS Solutions is a growing HVAC, mechanical construction, sheet metal fabrication, controls automation, and fire and life safety contractor company that has been operating for nearly three decades. This privately-held business relied on their 21-person finance department — including four AP administrators — to handle all of their transaction processing.

With consistent annual growth of 20%, MSS's payment needs grew too. Like many construction companies, they relied solely on paper checks until 2014, when they started making payments through their bank. This helped them make more electronic payments, but the program was becoming more cumbersome to operate. Payments were often delayed, and a brush with payment fraud convinced them that a change was critical.

Challenges

Processing payments through the bank had been a big step forward for MSS. Initial concerns about losing the check float were alleviated once they experienced the freedom of not having to print, stuff, and mail paper checks. They were also pleasantly surprised to see how many of their vendors accepted card payments. They had fuel and T&E card programs through their bank that paid an annual rebate, and it was a revelation to be able to pay vendors that way.

“We chose Corpay because all payments are integrated through a single interface and we don't have the liability of storing vendor payment data.”

Jennifer Tindal
CFO, MSS Solutions

However, as the company grew, managing all the different bank programs became unwieldy. AP had to run separate workflows to create separate, comma-delimited files to send to the bank for each type of payment. A single mistake would bounce a file back.

Check payments issued by the bank were consistently late, taking two weeks instead of the five days that had been promised. Vendors were upset and often called for payment status.

Security and liability were also concerns. AP had to manually enter vendor banking data into the ERP system and make sure it was secure and up to date. MSS quickly realized that they needed to solve the following workflow problems:

- Manual processing of 3,500 – 4,000 invoices a month
- Approximately \$9 million/month in payments with very little return in the form of rebates
- Multiple batch workflows; finding and fixing errors in payment files was frustrating and time-consuming



Card program rebates earn \$30k per month



Sustainable growth without increased AP headcount



Improved vendor relations

- CFO was having to handle escalations from vendors about late payments
- Friday filing “parties” to keep up with all the paper

Solution

MSS had heard about Corpay Payments Automation through the Construction Financial Management Association (CFMA). MSS’ CFM and Controller have been active on the CFMA Board of Directors — each serving as Board President. Following Corpay’s evaluation of MSS’s current workflows, they decided to make the switch. With the ability to make check, ACH, and card payments all from a single dashboard, the workflow is far more streamlined. AP marks the invoices they want to pay and Corpay pulls the file out of the ERP system.

MSS also shifted their fuel and T&E card programs to Corpay and now they receive their consolidated rebate monthly instead of annually. They also benefit from consolidated reporting. MSS emphasized that they were drawn to Corpay due to the following:

- Full integration with Microsoft Dynamics GP
- No need to create payment files to submit to the bank
- Corpay collects all vendor banking data, handles all changes, and securely stores all the data
- Aggregation of credit card programs and data

Results

Thanks to Corpay, MSS’s vendors are happy because they are paid more quickly. If questions come up, Finance has complete visibility into payment data at any time — no need to escalate to the CFO.

Additionally, MSS’s bank account data does not appear on checks and Corpay has taken on securely managing vendor payment data.

Unnecessary tasks like file creation and “filing parties” have been eliminated. The department has been able to develop without adding more headcount, and existing employees can focus their time on more strategic initiatives to support further growth and success. With Corpay Payments Automation, MSS has:

- Improved vendor relations
- Redirected the CFO’s involvement in the payments process and instead submit all information to the controller and AP team
- Kept insurance premiums under control with strong vendor data management
- Maximized value of earned rebates with card programs

About Corpay

As a global leader in business payments, Corpay helps companies of all sizes better track, manage and pay their expenses through a comprehensive and trusted suite of online payment solutions. Corpay is also North America’s largest commercial Mastercard® issuer, handling more than a billion transactions each year. Corpay is part of the FLEETCOR (NYSE: FLT) portfolio of brands. Learn more at www.corpay.com.