



How to Save with Freight Audit and Pay

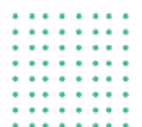


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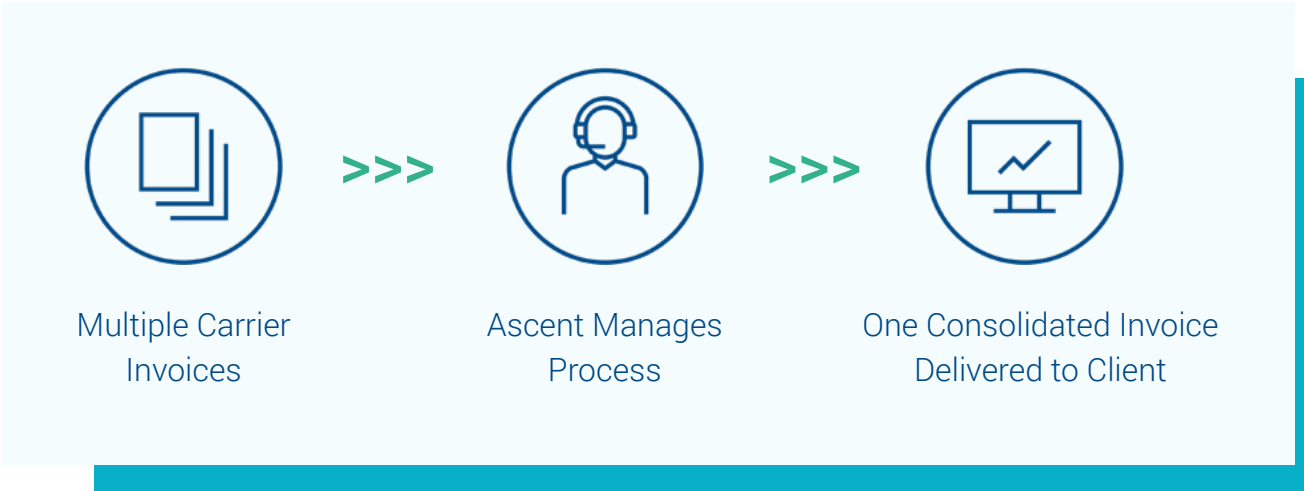
About Freight Audit and Pay



Freight audit and pay solutions provide shippers with a dedicated team to help streamline the auditing and payment of freight invoices from carriers. Freight audit and pay providers help companies by:

- **Reviewing freight invoices**
- **Comparing the billed rate to the quote or contract**
- **Identifying billing errors**
- **Disputing errors directly with the carrier**
- **Paying carrier invoices on behalf of the shipper**

The client then receives a consolidated invoice each week from the freight audit provider. Simply put, freight audit and pay programs help shippers prevent shipment rating errors, duplicate carrier pays and incorrect carrier overcharges.



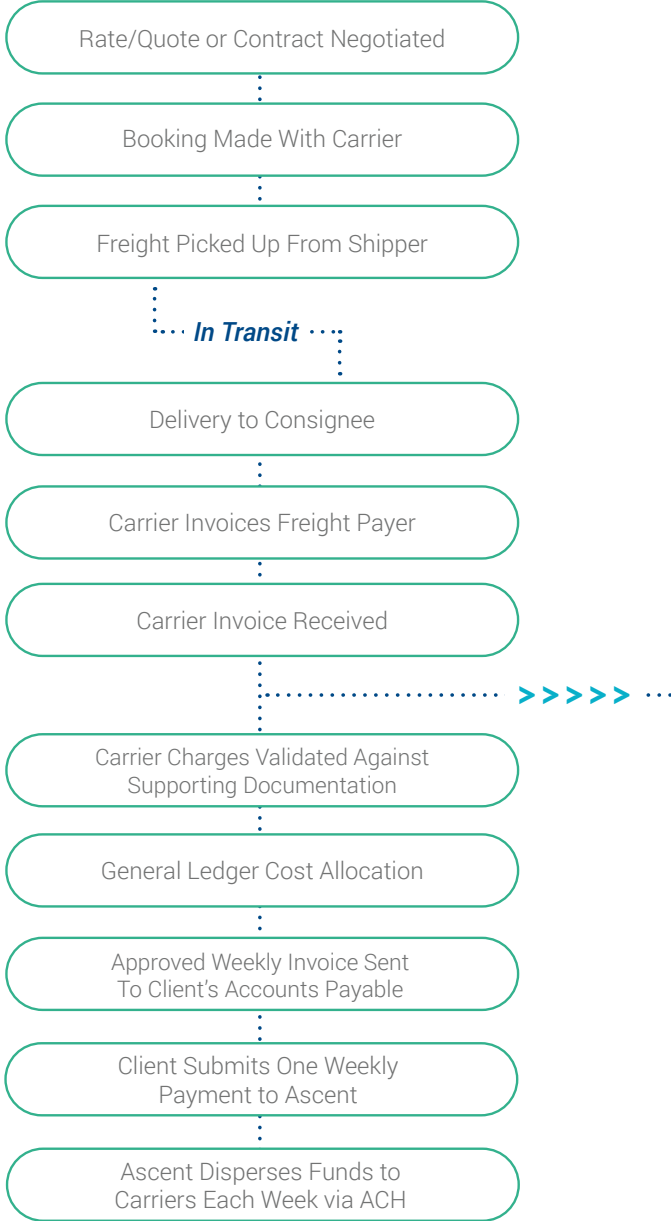
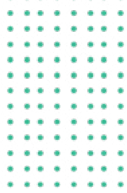
Multiple Carrier Invoices

Ascent Manages Process

One Consolidated Invoice Delivered to Client



The Process



How Ascent Saves You Money

- ▶ Invoice Matched Up With Supporting Documentation (Bill of Lading, Proof of Delivery, Weight and Inspection Certificate, Spot Quote or Contract, etc.)
- ▶ General Ledger Cost Allocation
- ▶ Apply Client Specific SOP Rules on Data Capture
- ▶ 40 Point Audit Performed
 - Invoice Error Uncovered
 - Invoice Placed in Dispute Status
 - Carrier Informed of Billing Error
 - Invoice Dispute Resolved
 - Carrier Verifies Invoice Updated in Their Operating System
 - New Invoice Issued
 - 40 Point Audit Performed Again
- ▶ Verified Accurate Invoice Approved
- ▶ Weekly Consolidated Invoice Sent to Client and Made Available Online

This detailed information is transformed into actionable Management Reporting, made available online.

CLIENT TIME SAVINGS >>> 5 hours per week
260 hours per year

On average, shippers receive **200 carrier bills per week**. With a streamlined process, it takes, on average, **1 minute and 30 seconds** to audit each freight bill.

CLIENT COST SAVINGS >>> \$2,700 per week
\$140,400 per year

On average, between **4-6%** of carrier invoices are incorrect. The average carrier overcharge is **\$270/invoice**.



Common Challenges and Benefits

Common challenges that are resolved by freight audit and pay include:

- Processing a large volume of invoices and paperwork, which compounds exponentially with an increasing volume of shipments
- Confirming every invoice detail, which creates a tedious and time-consuming process
- Locating proper backup documentation to support additional charges
- Finding the appropriate person within a carrier's organization to help with a dispute

Common benefits of freight audit and pay include:

- Streamlined carrier dispute resolution
- Increased internal productivity
- Improved cost visibility
- 99% audit accuracy
- Reduced freight costs
- Proprietary database of transportation activity for real-time management reporting
- Improved carrier dispute resolution
- Real-time access to carrier invoice images





Workforce Management and Controlling Costs

One of the most effective ways to control logistics costs is to stop overpaying carriers by conducting thorough audits of all freight bills. While this may sound simple in concept, auditing freight bills takes a tremendous amount of time for internal transportation and accounting teams.

Why Outsource Audit and Pay

Internal resources are stretched thin and taking on more responsibility than ever. It's become commonplace for companies to allow the auditing of freight bills to fall onto the back burner as other operational tasks take precedence. With limited resources, many supply chain teams are looking at alternatives, including the outsourcing of freight audit.

Having a dedicated team to scrutinize each freight bill can save thousands of dollars each year. Freight audit companies compare every carrier invoice to the negotiated contract, bill of lading, as well as any additional documentation to ensure that the below details, at the very least, are accurate.

Common Incorrect Carrier Charges

- Billing Party
- Discounts
- Accessorial Charges
- Minimum Charges

Evaluating Partners

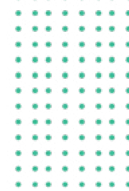
When evaluating freight audit and pay providers, consider partnering with one that also negotiates transportation rates on your behalf. If the company that is auditing and paying the bills is the same party that initially negotiated the freight rate, additional accuracy and reliability can be obtained.

Ideal Candidates

Clients that have multiple locations nationwide, various terms based on the vendor or the customer and ship with more than three LTL carriers typically find the most value in outsourcing their freight audit and pay. If these characteristics are representative of your business, you could be attempting to audit hundreds of invoices per week based on various business rules and contracts.



The Soft Savings of Freight Audit and Pay



Dispute to Resolution

Capturing an invoicing error is just the first step. Disputing and correcting a bill with the carrier is yet another headache. Outsourced freight auditors act as a liaison, working directly with Pricing and Accounts Receivable teams across national and regional carriers to follow through on each incorrect invoice and ensure operating systems have updated information. This process saves the client time, not only in the initial carrier dispute process but also down the road when carriers tend to incorrectly follow up on what they show as an overdue or underpaid invoice.

Streamline Carrier Invoicing

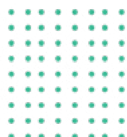
Freight audit companies typically consolidate all audited invoices into one weekly packet, containing the pre-audited invoices as well as a consolidated line-item invoice. This consolidation helps internal teams handle freight payments in one streamlined approach instead of managing each ad-hoc. It also helps internal teams have confidence that the payments being sent to carriers are accurate and validated.

Time and Opportunity Costs

Wouldn't you prefer that your employees spend time building relationships with customers, providing excellent customer experience and focusing on strategic initiatives? Have you ever asked yourself how much time employees spend auditing a freight bill or hassling with a carrier to correct a charge? Will payment delays due to auditing issues deteriorate relationships with your carriers and your credit score?

Regain 50 Hours per Week

As your outsourced solution, we become an extension of your team. On average, we save clients 50 hours per week. Aside from managing all invoicing and general ledger coding, our team handles carrier disputes to complete resolution and provides cost avoidance reporting to help you make better business decisions. In addition to our audit services, we analyze your shipment data to present carrier optimization opportunities, helping uncover additional cost savings opportunities.



Increasing Visibility



Freight audit and pay solutions can also increase visibility for top management teams. Freight audit and pay companies utilize state-of-the-art technology to capture and store shipment and transportation cost details, which can then be reported and analyzed regularly.

Detailed reporting helps supply chain executives understand exactly where transportation dollars are going, allowing them to make informed shipping decisions in real-time as well as during the budget season. Access to historical data enables businesses to track every mode and route combination, thus identifying optimal choices for future shipping.

Refine and Measure Internal Procedures

Additionally, the data provided by robust freight invoice reporting can be passed along to employees to shape internal procedures and best practices. Tighter control on making optimized shipping selections can help companies cut excess transportation spend.

Historical shipment data can also help key decision makers plan for the future as it relates to transportation procurement and annual carrier negotiations. When carrier contracts are up for renewal, companies can compare options and make strategic adjustments to their network of core carriers. Dissecting and analyzing these reports and historical trends can ultimately help companies make more intelligent shipping decisions.

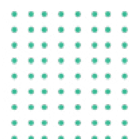
Sample Report

Ascent Client

Total Lost Opportunity: \$17,330

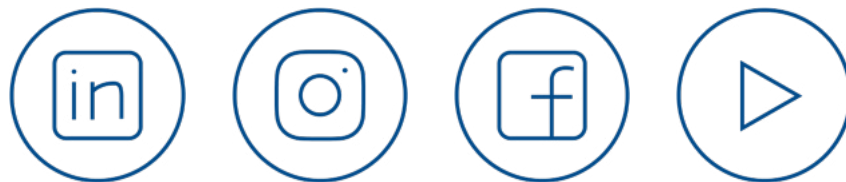
Reporting Period: 6/1/20 - 6/15/10

Pro Date	Pro Number	Vendor/ Customer	Purchase Order	Bill Of Lading	Actual Weight	SCAC	Transit Time	Paid Amount	Preferred Carrier			
									SCAC	Pay Amount	Transit Time	Potential Savings
06/03/20	123456789	Customer A	6678900	99876	6,641	AAAA	2	\$946.62	ABAB	\$696.04	2	\$250.58
06/08/20	112345678	Customer B	4567889	887654	512	BBBB	1	\$192.68	BCBC	\$250.64	1	\$256.04
06/11/20	111234567	Customer C	2344567	665432	328	CCCC	1	\$192.68	CDCD	\$93.64	1	\$99.04
					↓ ↓ ↓ ↓ ↓			↓ ↓ ↓ ↓ ↓		↓ ↓ ↓ ↓ ↓		↓ ↓ ↓ ↓ ↓
Inbound Grand Total:					14,700			\$4,181.72		\$3,175.58		\$1,006.14





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