- WORKFLOW CHECKLIST AND -
- EMAIL TEMPLATE INCLUDED -

Offering accounts payable as a service

A step-by-step guide for accountants and bookkeepers to offer simple AP automation to clients

⚡ relay   **Dext**

Introduction

As an accountant or bookkeeper serving small and medium-sized businesses (SMBs), you are probably aware of the time and trouble it takes to manage accounts payable: the system by which bills for products or services are paid. Keeping business operations on track and managing cash flow depends on this process of invoice review, approval and payment.

It's just got to be done. And it's not easy.

Many small businesses handle accounts payable (AP) on their own. But they tend to rely on clunky, manual methods of invoice receipt, time-consuming internal approvals, and mailed check payments or expensive wire transfers. There is a tremendous opportunity for accounting or bookkeeping practices (like yours!) to assist SMBs with some or all of this AP processing. But it is probably only worth offering this service if the process can be automated.

We are going to address automation in detail throughout this ebook:

- First, we'll walk you through the current AP landscape for small and mid-sized businesses, addressing some common pain points and how they can be alleviated (read: automated).

- We'll also talk about some easy-to-access automation tools, as well as how you can guide your clients to a more optimized AP workflow.

- Finally, we'll offer some marketing ideas, an email template and a checklist you can reference to help bring your new AP services to life for your clients.

With these resources in hand, you will be well-equipped to manage some or all of a client's optimized accounts payable process. In doing so, you can free up valuable time and funds for your clients, while establishing an ongoing revenue stream for your firm.

Let's dive in.

Contents

1 The accounts payable landscape for small businesses

PART ONE

Accounts payable is an essential process often managed by a business's internal back office. Every month, there are always invoices to sort through, vendors to pay, cash flow/budgets to balance and often, plenty of pain points that complicate and slow down efficiency.

Smaller businesses usually manage AP on their own, making payments via their bank. Some do take advantage of enterprise solutions that provide them with more automation — but these platforms and resources are not affordable for many.

Let's review how AP does and doesn't work for the businesses who run this process manually and in-house (usually without the support of an accountant or bookkeeper like you).

First, consider the pain points

For most small businesses, tackling accounts payable on their own is a routine that requires significant time and labor, and also incurs expenses from things like invoice printing, check payments and bank fees. These costs can really add up.

- **Manual invoice processing**

  PAIN POINTS
  → high paper volume that's hard to track
  → manual entry of invoice data with variable formats
  → complicated workflows mean greater potential for error or lost invoices

- **Manual approvals**

  PAIN POINTS
  → approval speed slow as each approver needs to be "tracked down"
  → coordination costs high as humans must manage each step of the process
  → no "digital paper trail" makes it hard to get clarity on the history of the receipt
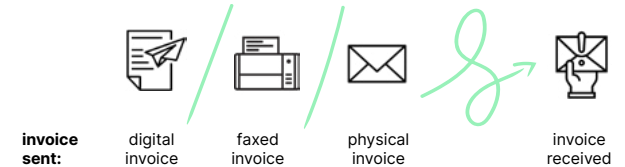
- **Manual payments**

  PAIN POINTS
  → printed checks are time consuming to prepare, get signed, and send to vendors
  → more complex manual processes increase risk of late payment
  → late payments often must be made by (costly) wire transfers

Market analysis by Levvel Research reveals that the average processing cost for a single invoice can be up to $15. And the average processing time, from when the business receives an invoice to payment approval, can be as long as 45 days.

Average process cost per invoice: $15
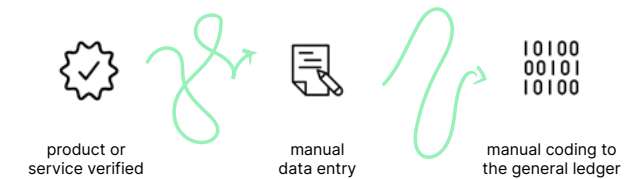
Average invoice processing time: 45 days
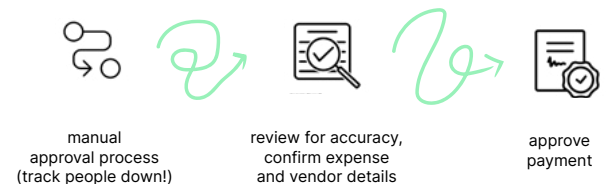
How a traditional ~~MANUAL~~ AP process works

STEP 1: Invoice Receipt

invoice sent: digital invoice / faxed invoice / physical invoice → invoice received

STEP 2: Invoice Processing

product or service verified → manual data entry → manual coding to the general ledger

STEP 3: Invoice Approvals

manual approval process (track people down!) → review for accuracy, confirm expense and vendor details → approve payment

STEP 4: Invoice Payment

prepare check → acquire check signature(s) → mail to vendor → manual reconciliation of balance sheet

80% of small businesses still pay invoices with paper checks

Source: Goldman Sachs

Automated AP processing = opportunity

Small businesses are not doomed to tedious AP processing. They can dramatically reduce both **"average cost per invoice and percentage of discounts uncaptured"** by using more efficient, automated systems.

Less than 10% of small and medium-sized businesses are using advanced, cloud-based solutions for AP. Meanwhile, the cost of automation offered by enterprise platforms is prohibitively expensive for most other SMBs, who are either engaging in:

a. Predominantly manual processes or

b. a mix of digitized and manual approaches/tools.

Which means these businesses are an untapped market with needs to be met! And software companies are catching on: the global AP automation market is projected to expand to $3.1 billion by 2024, up from $1.9 billion in 2019, **according to MarketsandMarkets research**. Market growth is being driven by:

- Demand for faster invoice and payment processing timelines

- Need for improved compliance and reduction of delayed payments

- Desire for more secure credential controls/user accessto minimize fraud

Instead of turning to costly enterprise services, SMBs may be more likely to seek AP automation advice and support from their most trusted financial advisor: their accountant or bookkeeper.

Remember the $15 cost per invoice we mentioned earlier? Adopting digital invoice formats and automation tools **can drop the cost for an individual invoice down to as low as $2.36**, on average.

Source: Levvel

37% of small businesses expect their accountant to assist with AP/AR

Source: On Pay

Enter accountants and bookkeepers

Why don't more accountants and bookkeepers manage accounts payable on behalf of their small business clients, growing their own firms in the process?

Considering the opportunity to provide a much-needed, recurring service and earn more revenue, it may seem surprising that many do not.

But keep in mind, accountants and bookkeepers like you face many of the same AP management challenges as clients:

- The cost of enterprise level automated solutions (that you might want to use on behalf of clients) is too expensive for the client to cover

- The labor of manual AP processing (requiring manual data entry, approvals and check-printing) is too time consuming

- Additionally, there is liability risk due to the necessity of using client bank logins and paying invoices from their bank account

However, if the pain points associated with cost, labor and liability were alleviated, there would be tremendous potential for you to offer accounts payable support as a value-added service, launching a new source of income and expanding your practice.

Sources: *2020 Payables Insight Report* LEVVEL

Mature Accounts Payable for the Small and Mid-Size Enterprise LEVVEL

2019 Small Business Finance and HR Report ONPAY

How To Approve An Invoice For Payment: Practical Tips for Accounts Payable FRESHBOOKS

From Our Briefings Newsletter GOLDMAN SACHS

2 What is accounts payable automation?

PART TWO

We've reviewed the traditional, manual AP process (see the infographic on page 5!), and discussed, broadly, how automation can improve efficiency and cost-savings for small businesses. Now let's explore an overview of AP automation: what it is and how it can provide value for your firm and your clients.

Quick refresher: What is AP?

Accounts payable is management of the **short-term debts** a company or organization owes to vendors. AP can also be responsible for internal payments, such as petty cash or sales tax exemptions, as well as travel expense reimbursements.

Essentially it's **verification, approval, payment and reconciliation of outstanding credits.**

But the potential — and perhaps, even responsibility — of this back-office procedure extends beyond payments management. A **strategic approach to AP** identifies not just opportunities to be more efficient, but the chance to free up working capital. For instance, if a business owner has a better understanding of their available cash flow (thanks to data on when, exactly, bills are due), they can invest funds that would otherwise be earmarked for AP (and sitting unused in their account) back into the business.

An accounts payable process involving automation is often crucial for this kind of optimization.
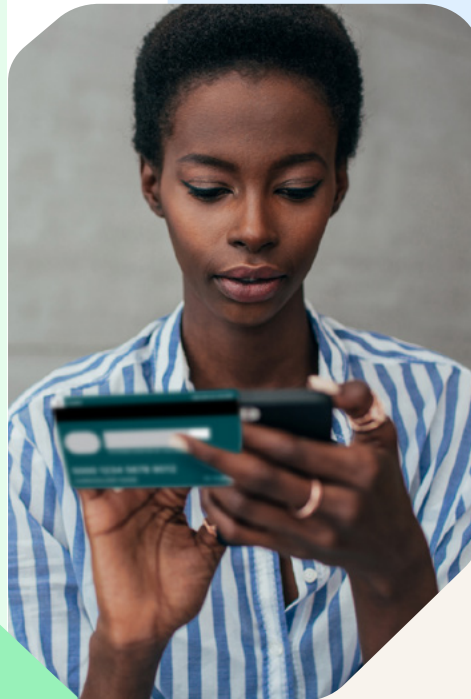
An intro to AP automation (and optimization)

Manually processing vendor bills might seem like an unavoidable task — something that you and your clients just have to do. But in reality, your clients can significantly enhance productivity and achieve "**working capital optimization**" (read: more access to cash) by streamlining their AP process. By reducing admin and creating more predictability around cash flow, AP optimization frees up time and funds — giving business owners a greater capacity to grow their operation.

Advisors can play an important role in helping clients first adopt AP automation.

Automation is a key part of optimization. And a trusted advisor, like an accountant or bookkeeper, can play an important role in helping an SMB first adopt AP automation, then use their upgraded workflow to improve business performance.

A 2020 report by Levvel talked about some of the **biggest trends in AP automation** that smaller businesses might want to take advantage of:

TREND # 1

Digitized receipt of invoices

Most SMBs still receive paper invoices from vendors. But there are many ways they can encourage automation at this stage of the accounts payable cycle.

> Some businesses receive as little as 3% of invoices electronically.
>
> *Source: Levvel Research*

Basic automation might include using a tool to scan paper invoices, which then creates a digital file that can be stored as a PDF. An even more efficient method would encourage vendors to submit digital invoices to begin with (rather than mailing paper bills). There are even apps or tools that can be provided to vendors, where they upload a digital invoice based on a standardized template, ensuring you get all the information you need up front. Digitizing the receipt of invoices provides a seamless process to ensure everything is accounted for and paid on time.

Benefits: → *reduces paper volume*

→ *saves time for staff managing invoice intake limits errors and disputes*

→ *reduces chance of losing invoices and running late on payments*

TREND # 2

Advanced processing and data classification tools

Once an invoice is digitized — or even better, sent electronically to begin with — there are far better methods for processing the invoice than a person manually typing the information into a computer. Data capture tools use technology to scan and "read" an invoice. These tools then classify the information they have extracted, and store that information in a digital file format.

> We'll be covering one data capture tool, **Dext**, in **Part 3** of this guide.

More advanced data capture tools even use artificial intelligence to recognize patterns in invoices, helping to improve the accuracy by which data is extracted and provide cost-saving insights about the AP process over time.

Benefits: → *massive reduction in paper volume and use*

→ *increased efficiency for business owners*

→ *automatic identification of discrepancies*

→ *visibility into hard-to-access data*

TREND # 3

Streamlined bill approvals

Accounts payable workflow automation can also be applied to the invoice approvals process. For instance, by sending an email alert to the people who have to approve the invoice, letting them know they need to review a bill. Follow-up notifications — because reminders are often necessary! — can also be automated. Other options, if your client requires a really robust approval mechanism, match the invoice to its original purchase order (PO) before it is sent on to be approved.

> We'll be covering **Relay**, a banking platform that offers bill approval and payment automation, in **Part 3.**

Benefits: → *shorter approval timelines*

→ *less back-and-forth between staff members*

→ *assurance all approval requirements are met*

→ *reduced payment delays*

TREND # 4

Online payment systems

After an invoice gets approval, 80% of small businesses still print, get signatures for, and mail checks to vendors. This time-consuming process usually also requires staff members to manually update online accounting software, noting that a payment has been made.

There are a variety of online payment tools that can not only support ACH and wire remittance, as well as check payments, but even allow for immediate reconciliation — marking the payment as complete — with software like QuickBooks Online or Xero.

Benefits: → *increased rate of bills paid on time*

→ *reduce speed-to-pay*

→ *cost savings due to reduction in last-minute wires*

→ *one-click reconciliation with accounting software*

In a nutshell: AP automation benefits

Throughout every step of the accounts payable process, if the cost of automation is not too expensive, it can spark a variety of immediate and long-term benefits for a business.

Immediate advantages are straightforward. Cutting down manual processing for business owners (or their advisors), keeping better track of invoice approvals electronically, and enabling cost savings thanks to online payments, will certainly improve efficiency and reduce headaches.

AP automation unlocks significant growth opportunities.

But even more importantly, automation empowers businesses and their advisors to gain a deeper understanding of cash flow, which can unlock significant growth opportunities. (Not to mention an increased sense of confidence and security for business owners.) AP automation, which can lead to cash flow optimization, is a business growth opportunity for both you and your clients.

Sources:

Accounts payable automation market MARKETS & MARKETS

What is accounts payable? FRESHBOOKS

Strategies for optimizing your accounts payable DELOITTE

2020 Payables Insight Report LEVVEL

Mature accounts payable for the small and mid-size enterprise LEVVEL

How does Dext Prepare work? DEXT

How to reconcile accounts payable ACCOUNTING TOOLS

3 The path to automated AP solutions

PART THREE

Now for the fun part: how to implement an achievable path to AP automation. Accountants and bookkeepers can be important guides on this journey.

Traditionally, it's been larger corporations, with their expansive financial resources and large-scale needs, that could afford enterprise-level AP automation tools and systems. Fortunately, there are now alternative, right-sized solutions you can offer SMB clients, providing automation for each step of the AP process: receipt, processing, approvals and payment.

We're going to walk you through a workflow that does just that, with the help of two resources:
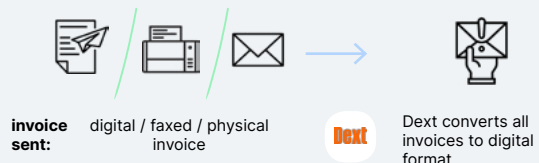
- The first is **Dext**. Dext offers data capture, extraction and export tools that smoothly automate the first two stages of accounts payable: invoice receipt and processing.

- The second resource is **Relay**, a business bank — with no monthly fees or minimum balance requirements — providing secure, automated AP approvals and payment.

Used together, these tools offer your clients an accessible route to AP automation.

Bonus: they both sync with online accounting software like QuickBooks Online (QBO) and Xero.

relay Dext

How an automated AP process works

STEP 1:
Invoice Receipt

invoice sent: — digital / faxed / physical invoice → Dext converts all invoices to digital format

STEP 2:
Invoice Processing

product or service verified → process key invoice information using Dext

STEP 3:
Invoice Approvals

Dext syncs invoices to QBO or Xero; bills are pushed to Relay automatically → automate multi-stage approval processes with Relay

STEP 4:
Invoice Payment

pay directly and securely from Relay by ACH, wire or check → one-click reconciliation with QBO or Xero
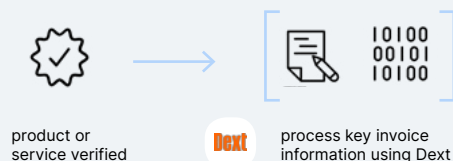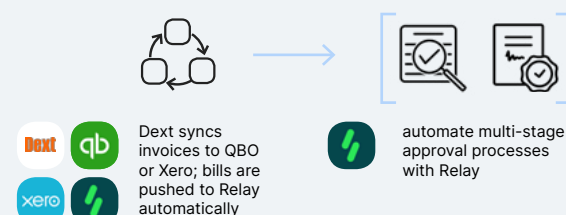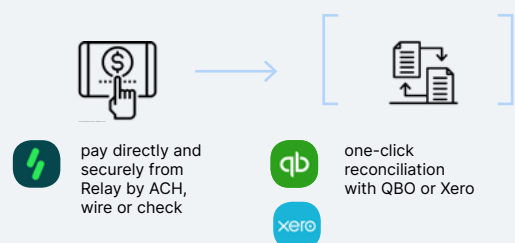
comprehensive permissioning and activity tracking protects the approvals and payment process

---

Automate receipt + processing with Dext

Dext is a multi-product platform for accountants and bookkeepers to help collect, analyze and power their clients with greater insights through analyzing financial information. Some of their products are invaluable to the AP process, helping to modernize and automate both invoice intake and processing. For instance:

- Dext Prepare is a tool that helps capture and upload paper invoices into digital formats, with something as simple as the camera on a mobile phone

- This platform also includes an automated engine to read and extract all the key information in an invoice — the data can then be downloaded as a file or synced with online accounting software like QuickBooks Online or Xero.

Dext refers to this functionality as "document management" — it's the first step to an optimized AP workflow. Document management reduces unexpected headaches later in the AP process and simplifies client communication needs on the front-end. But data capture and extraction is just the beginning. For optimization, you can access tools in Dext that allow for a deeper dive into your client's AP data, providing enhanced insights that drive and direct business growth.

Dext Prepare also allows you to compile and understand common trends for your clients, and provide insights to address common mistakes or issues that can cost businesses unnecessary funds if left unchecked.

Here are some examples of how AP can be improved with Dext's automated data capture and processing options.

Capture & Process Documents

Simplify invoice collection.

Harness the power of data collection tools for both your staff and your clients. Simply add that PDF your clients sent over — or have your clients submit their invoices directly to you — reducing lead time and minimizing the chance of losing an important document. From there, Dext will take all of the information you need from the receipts to send off to your general ledger.
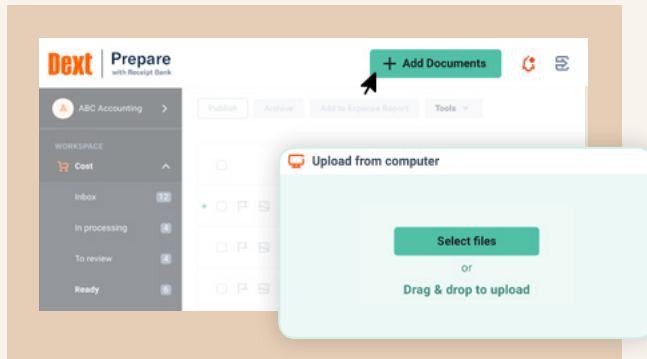
Match and fill-in-the-blanks.

Use a dedicated tool to track vendor invoices and seamlessly integrate them with the accounting software your client uses. This allows you to easily match missing documents with the line items you have in your client's general ledger.
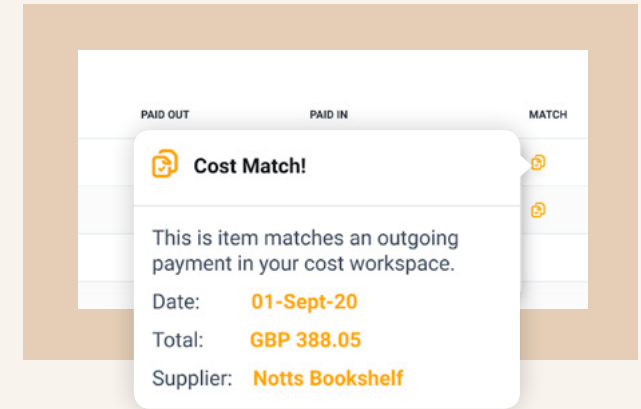
Sort, discover and publish.

Set up supplier rules in the system to simplify your experience later on. With a small up-front time investment, you can minimize work down the road, savings hours per client. Supplier rules allow you to maximize time by minimizing common workflows. Whether it's Amazon, Uber, or Fedex, add in the suppliers you use the most to let the system learn and work for you.
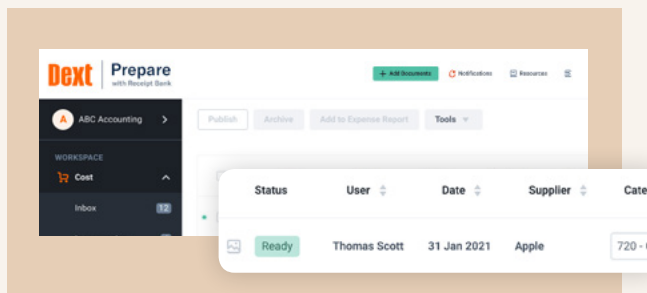
In a nutshell: Dext

- Drive productivity by eliminating manual processes and giving your team back the time it needs to drive more revenue

- Deliver advisory through better data management and access

- Empower your clients by unlocking greater insights into their financial story

Try Dext

STEPS 3 & 4

Automate approvals + payments with Relay

Relay is a business banking platform that offers SMBs and their advisors the ability to centralize and automate invoice approvals and payments, while removing the need for shared logins and passwords.

For example, if your client banks with Relay, you can create your own separate account that is then given permission (by the business) to access and manage their AP process. Once your client's Relay portal is set up to sync with QBO or Xero (importing invoices automatically), you can:

- access outstanding invoices in digital formats and see other important vendor information like: amount due, due date, payee name and contact info

- submit invoices for automated, multi-step approvals directly in the platform

- make payments to vendors seamlessly via ACH, wire or check.

Here are some examples of how AP pain points can be addressed with approval and payment automation

Manage Approvals & Payments

Automate your client's approval process

Keep the AP process on-track and on-time by setting up multi-stage approval rules in your client's Relay account. You can work with your client to determine the rules, which outline who is responsible for invoice approval, then automatically push notifications to approvers in a pre-defined order.
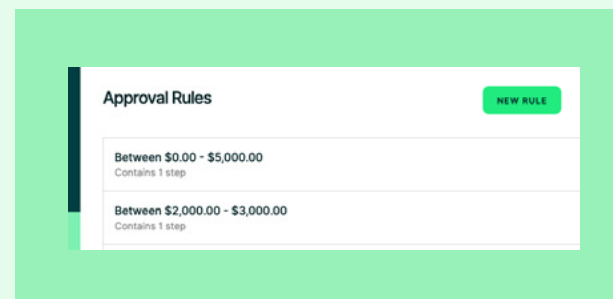

Save time and money with online payments

Pay vendors directly from a Relay checking account by ACH or check (free of charge), or send a domestic or international wire transfer. No more cutting and mailing checks, or waiting for funds in holding accounts.
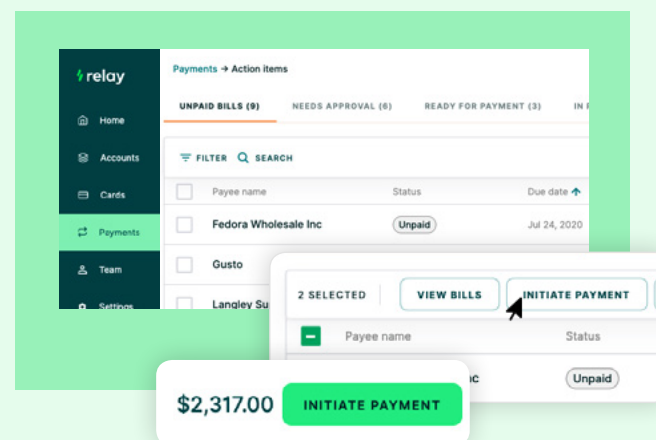
One-click reconciliation into QBO or Xero

Transaction data automatically syncs back to QBO or Xero from Relay, and marks bills paid. That means reconciliation with a single click.
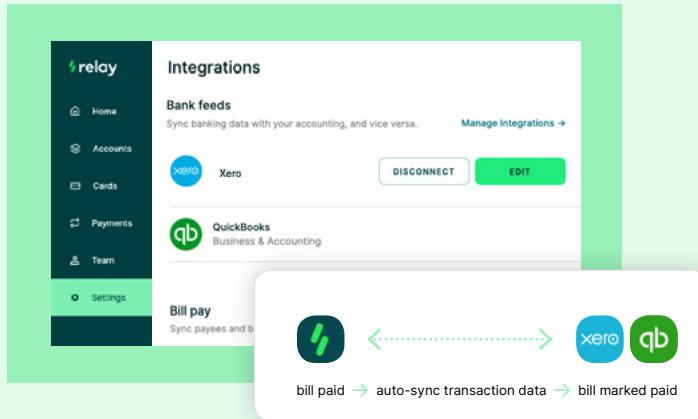
In a nutshell: Relay

About Relay banking

- Allows up to 20 checking accounts
- No account fees, minimum balances or overdraft
- FDIC insured up to $250K
- Fully remote with customer service from anywhere

Key features

- Client portal for accountants and bookkeepers
- Direct bank feeds to QBO and Xero
- Comprehensive transaction data
- Automated AP approvals and bill pay

Try Relay

Creating value for your clients

Unlike many enterprise solutions, the Dext + Relay automation combo is financially attainable for most, if not all, your small and mid-sized business clients. Dext's data capture and extraction tools can be accessed for an inexpensive monthly fee, while Relay's no-fee checking accounts facilitate approvals and payment automation at no cost.

And because bill pay takes place directly within the Relay banking portal, you and your client will have far greater visibility and control of cash flow — whereas other enterprise solutions would be slowed down by their use of clearing accounts during the payment process.

With the use of two simple resources you will be saving your client from:

- Storing and sorting through paper invoices
- Time spent manually entering data to process an invoice
- Chasing after approvals in person, by email or on the phone
- The time and cost of cutting checks and waiting for payment reconciliation

Levvel has found that the "**toughest part of automating AP is the tool evaluation process**." So if you, as a trusted advisor, can save your clients the time and energy required to do market research, you will bring them one step closer to AP automation — and building a more successful, efficient business.

Use AP to grow your advisory business

Previously we established some of the reasons why accountants and bookkeepers avoid assisting with or managing traditional accounts payable on behalf of clients. With Dext and Relay as AP resources, however, those barriers are removed.

- Cost is no longer an issue when it comes to accessing automation support

- And thus the labor of manual AP processing is majorly reduced (if not eliminated)

- Finally, liability risk (due to use of client bank logins/ paying invoices from their bank account) is significantly alleviated thanks to Relay's accountant/bookkeeper portal

With much less to lose, if you manage a client's AP process, you can provide added value — taking on a more expansive, trusted advisor role — that inspires client retention. Last, but certainly not least, there is significant revenue to be earned for your firm from providing AP-related services to your clients.

In a nutshell: Relay's client portal

- Access client banking from a separate accountant/ bookkeeper login
- Switch between clients using a single accountant/ bookkeeper portal
- Manage staff with role-based permissions

In a nutshell: Dext's compliance boost

- Access your AP documents anywhere and everywhere
- Remove the need for physical paper trails
- Data is safely stored on cloud servers for a minimum of 10 years

4

How to pitch AP services to your clients

PART FOUR

Hopefully by now we've established how useful AP automation can be for your clients — and introduced the important part you can play as their advisor, helping to manage optimized accounts payable for them. But how do you start a conversation about offering AP services to your clients?

First, you need to define the specific AP services you would like to provide. Then you must determine how to present those services and charge for them. Here's a general overview of how to organize and pitch automated accounts payable support to clients (both current and prospective), accompanied by some marketing strategies and an email template you can send to your contacts.

Plan your approach, internally

Start by asking yourself: what automated AP services are my firm or practice capable of providing to small or mid-sized businesses? And of those, which services are we actually interested in offering?

As you consider those two questions, here is a list of some of the core AP services you might provide. (At this point, the flow will look familiar!) If your client is using Dext and Relay to automate accounts payable, you could support any or all of the four main AP process steps:

Step 1: Receipt

- Your firm could be responsible for managing the receipt of vendor invoices, including the use of Dext to convert all paper invoices to digital format.

Step 2: Processing

- Your firm could work with your client to verify product or service invoices. Perhaps they might provide you with access to their purchase orders, for example. (Your client can still approve payment later on in the AP process).

- You can manage data extraction from the verified invoice, again using Dext

Step 3: Approvals

- Once the invoice has been synced in your client's Relay account, you can login (via your own separate advisor account — not requiring access to client banking passwords) to either assign approvals or manage them on behalf of the business

Step 4: Payment

- You can trigger payment of approved invoices directly and securely from Relay by ACH, wire or check

- Finally, you can enable a one-click reconciliation sync with QBO or Xero to mark the invoice as paid in the online accounting software

You could choose to pitch either a single AP services package that encompasses some or all of the steps we just discussed. Or you can create a set of package options for clients to choose from. If you choose the latter, you could offer three package types: basic, intermediate and advanced, for example.

In this scenario, a basic package would be the least expensive and offer a less expansive list of services, while the advanced package would offer the most support and earn you the most revenue.

How to price your packages

You may choose to charge clients for AP services the same way you price out your other advisory work. Or you can adopt a different model specifically for your AP packages. Some **common bookkeeper/accountant pricing models** are:

- Fixed price/flat fee, providing clients with budget clarity. This might apply to a simple package that offers clear-cut AP services/tasks.

- A subscription model is similar to fixed price/flat fee, in that clients know what they'll be paying up-front, but may include a commitment to ongoing monthly services etc.

- Hourly billing might be better if your package includes more complex consulting services in addition to straightforward AP tasks (like invoice data extraction or payment processing, for instance).

Launch a (simple) marketing plan

When you've worked out your approach, you'll need to let clients know that accounts payable support is available to them. Preparing and launching a marketing plan doesn't need to be complicated. Here are a few strategies to consider.

Start by highlighting the value of AP services

Any communication about your AP services should use simple language that highlights the benefits for your clients and prospective clients.

When you prepare written materials that explain the AP automation services you are offering, try to share two key messages:

1. Talk about the value of automation for an SMB — the ways it can improve their back-office experience, while saving them time and money. You could also explain the enhanced cash flow visibility that a fully automated AP process can provide.

2. Explain in a clear and concise way how your clients can access AP automation tools, as well as how you will help them use those tools to improve efficiency, save money and free up cash flow (with the services offered in your package).

Leverage communication channels you already use

The simplest approach to marketing your services, is to talk to businesses about AP automation through communication channels you already use to connect with them. This probably includes your website or wherever you list your services publicly, as well as email.

If you have a website, we recommend creating a new page that outlines the package(s) you've developed, and encourages clients (current or prospective) to get in touch with you. This page— and/or PDF fact sheet — should provide all the details you want to share with businesses about accessing automation tools and using your services. You can send people to this page when you talk to them about AP automation in person, on the phone/video chat, or through email.

If you have business social media accounts or use other marketing platforms like Google My Business or Google AdWords, we certainly recommend creating posts or updating your profile to note that you offer AP support services, as well as updating your listings in any online directories.

Target clients and relevant contacts directly

On the following page, we include an email template you can use to introduce clients or contacts to your new AP services.

EMAIL TEMPLATE

New Message

To

Subject   We can help you simplify Accounts Payable

Hello **[INSERT NAME]**,

Our firm has some exciting news to share with you. We know that accounts payable (AP) — the process for approving and paying bills — can be tedious and involve a lot of manual work. But imagine this:

- less paper invoice volume in your office

- no more manual entry of invoice details

- a clear, online approval process (so invoices don't get lost or forgotten)

- secure outsourcing of payment management (no shared bank logins!)

- support to make secure pay bill payments on time and online

Our firm is now offering AP services. We would love to help you free up time and funds for your business by automating and managing your accounts payable workflow. We are now implementing a simple, affordable and secure AP process to help our clients optimize AP within their businesses. Think less paperwork, more time (and funds) for the big picture.

Our full AP services are outlined here **[LINK TO AP INFO ON YOUR WEBSITE]**. We'd love to chat about our new AP services — feel free to respond to this email or give us a call at **[INSERT PHONE NUMBER]**.

Looking forward to chatting soon,

[EMAIL SIGNATURE]

Sources: *What does a bookkeeper do?* QUICKBOOKS

What to look for in small business bookkeeping services QUICKBOOKS

6 ways accountants can be management consultants ACCOUNTINGWEB

Using bookkeeping professional services XERO

Further Reading: *Getting the price you deserve* DEXT

Marketing for accountants: the top 18 strategies FUTURE FIRM

How to package your services and price for value FIRM OF THE FUTURE

5 Your automated AP services checklist

PART FIVE

Ready to launch? Once you've got clients on board (eager to access your new AP services!), refer to this checklist so you don't miss a step in the automation process.

Setup:

Before you begin, be sure to review and understand your client's current AP process so you can help them strategize and outline the steps for their AP transition. You'll also likely need to help or encourage them to set up the AP automation accounts/subscriptions they require.

→ You can get **them started with Dext here**

→ And they can **create a Relay business bank account here**

STEP 1:

Upgrade Invoice Receipt

RECOMMENDED TOOL

☐ Enact an updated intake process for all vendor and internal invoices

   ☐ Have clients scan and upload physical invoices using a data capture tool

   ☐ Have clients scan and upload faxed invoices using a data capture tool

   ☐ Have clients forward digital invoices by email

Dext

☐ Create a (digital) central intake hub where all invoice documents are stored, once digitized

Dext

STEP 2:

Upgrade Invoice Processing

RECOMMENDED TOOL

☐ Verify each received invoice (likely by comparing it to its related purchase order)

Dext

☐ Employ an automation tool that will identify and extract key data (such as invoice number, due date, supplier name, amount owing etc.)

Dext

☐ Employ an automation tool that will code the extracted data and display it in an easily-managed format for download

Dext

☐ Sync and share the coded data (source invoice attached as well) with integrated accounting software like QBO or Xero

Dext

   ☐ In QBO or Xero, if the invoice is from a new vendor remember to update the supplier details to include all contact information: company name, contact name, email and phone number. Have clients scan and upload faxed invoices using a data capture tool

qb

xero

STEP 3:

Upgrade Invoice Approvals

RECOMMENDED TOOL

☐ Sync QBO or Xero with an approvals/payments platform that will automatically import all outstanding invoices

qb **xero**

☐ Set up your client's approval rules, outlining who is responsible for invoice approvals at different spend levels

☐ When a new invoice is imported, review the unpaid bill in your payments platform then submit for approval(s)

   ☐ Automate follow-up reminders to go out if an approver doesn't review on time

STEP 4:

Payment & Reconciliation

RECOMMENDED TOOL

☐ In your payment platform, initiate payment of outstanding bills that have been approved

   ☐ Send e-payments (ACH or domestic/international wire transfer) to vendors directly from one of the client's linked bank accounts

   ☐ Have a check sent (digitally) from the payment platform to the vendor — no printing or signature required

☐ Once the transaction is complete, invoices are automatically marked as paid in QBO or Xero, allowing for one-click reconciliation

qb **xero**

Conclusion: Get started now

You're ready.

You now have a solid understanding of how accounts payable automation (and optimization) works, as well as the platforms that can help make that automation a reality for clients. You've got a plan for how to pitch your services to small and medium-sized businesses, and even a step-by-step checklist to refer to once you start doing the work.

With your new AP services, you can expand the role you fulfill for clients as their most trusted advisor. Assisting them with accounts payable is not simply taking a set of back-office tasks off their plate — it's offering them the opportunity to genuinely improve the way they run their business, their relationships with vendors, and the working capital they can access to expand and grow.

Meanwhile, by providing this service, you can bolster your own business, developing a new area of expertise and a new source of revenue while enhancing the value you provide to both current and prospective clients.

In partnership with

Dext

relay

Dext makes accountants, bookkeepers, and the businesses you advise more productive, profitable, and powerful through better data and insight. As your practice grows, workflows become more complex. Client expectations increase, and timelines get squeezed.

Relay is business banking that makes bookkeeping easy, designed to help your clients run their business and save you time. Relay automates AP, simplifies expense management, and auto-syncs enriched data directly to QuickBooks Online and Xero.

Empower your team with insights into your clients' finances and workflow.

See how you can take the pain out of client banking and level-up your firm.

Learn More

Learn More