

Payables and receivables efficiency examples:

Payables efficiencies:

- Hard dollar benefits (annual)
 - AP card revenue share - \$135,000
 - DPO extension (1 day cash release; 4% investment rate) - \$196,000
 - Check cost reduction - \$125,000
- Soft dollar benefits (annual)
 - FTE savings/reallocation (1/2 FTE; \$60k salary + benefits) - \$30,000
- **TOTAL - \$486,000**

Receivables efficiencies:

- Hard dollar benefits (annual)
 - DSO improvement (1.5 day check float reduction; 4% investment rate) - \$312,000
- Soft dollar benefits (annual)
 - FTE savings/reallocation (1/2 FTE; \$60k salary + benefits) - \$30,000
- **TOTAL - \$342,000**