



Payment Processing Company Automates Reporting by Deploying Sage Intacct

Customer Profile

iStream Financial Services is a rapidly growing payment solutions provider that now processes approximately \$3 billion per month in transactions. Yet the company was relying on accounting software that lacked automated reporting, making it difficult to access customer data. To alleviate this, iStream decided to implement a full-fledged ERP and quickly settled on Sage Intacct's cloud-based financial management solution and Armanino as its implementation partner.

Benefits

- Configured and implemented the ERP system in five months' time to meet original go-live deadline
- Cut closing time by more than 50%
- Transformed the residuals calculation process from hours to instantaneous
- Streamlined commissions calculations
- Reduced accruals time on books
- Increased staff productivity

Services



Sage Intacct



Implementation services

Challenge

Founded in 2004, Brookfield, Wisconsin-based iStream Financial Services helped pioneer the remote deposit capture (RDC) market by offering one of the first check-imaging solutions. Since then, iStream has expanded its platform to cover all aspects of payment processing – including RDC, automated clearing house, credit card processing, sub-accounting capabilities, lockbox and remittance processing, and commercial bill pay. Through it all, the company's mission has remained constant: to provide a bank-agnostic solution that can reduce the costs and complexity of payments.

Today, iStream employs more than 50 people and processes approximately \$3 billion per month in transactions. But while iStream was growing its business by leaps and bounds, the company's accounting function was bogged down by manual reporting processes and limited access to customer data.

iStream previously used Sage 50 accounting software, which was simple and user-friendly, but designed for smaller businesses. As iStream began to grow, controller Michelle Bondar became frustrated by the lack of automation. What the company needed now was a full-featured enterprise resource planning (ERP) platform that could scale with the business.

When Bondar set out to quantify the benefits of such a system, one of the first things she did was conduct a study to determine how much it was costing iStream to produce its reports manually. Bondar explains, "When we went through the list of all the reports we were doing manually – not just those produced by me and by our financial analyst, but also the reports from other departments that would flow into financials – we realized we were spending close to \$200,000 a year in employee time on manual tasks. And that wasn't even taking into consideration one-off reports or special requests."

The tipping point came when iStream was working with a couple of consultants to help determine the best ways to grow the business and keep pace with the competition.

"In working with those consultants, and even with our financial auditors, we realized that whenever we went to pull data for our largest customers – if we wanted it on an annual basis – we'd have to go through 12 different spreadsheets, sum that up and then go back year over year.

WHAT THEY'RE SAYING

“Our goal in moving to Sage Intacct was to automate as many processes as possible. We’ve already achieved that in spades. By last count, we’d automated 79 reports. ... Now, we build our report once and then just rerun it every month. Prior to implementing Sage Intacct, we had to start from scratch every single time.

Michelle Bondar,
controller at iStream

It was just a nightmare, especially when you consider we have revenue coming in from seven different sources,” says Bondar. Clearly, this was not a tenable situation. With executive buy-in, Bondar began looking for an ERP solution.

Solution

With report automation a top priority, it didn’t take Bondar long to settle on Sage Intacct, a cloud-based financial management solution that offered the user-friendly report writing capabilities iStream required. From there, it was a straight line to choosing Armanino, one of the top 20 largest independent accounting and consulting firms in the United States, for help with the implementation.

“When I went to the Sage Intacct conference in Las Vegas during my evaluation process, I asked one of the company’s account executives to recommend an implementation partner,” says Bondar. “He immediately said, ‘I think Armanino is your best bet.’ And he was right: I couldn’t have asked for better consultants for this process.”

After settling on a five-month deadline for the go-live date for Sage Intacct, Bondar began working with the Armanino team to build out the solution with the functionality iStream required. While Bondar and the company’s financial analyst were the only iStream employees to participate live in the training sessions with Armanino, they recorded every session so that the rest of the staff could attend on their own.

This turned out to be an excellent decision, according to Bondar. “In the early stages of the Sage Intacct implementation, we encountered a lot of resistance from internal staff, who were fearful of change and the unknown,” she says. “But recording the financial report-writing sessions with Armanino was one of the smartest things we did. While it’s easy to get overwhelmed when you begin writing reports, being able to go back to the recordings to refresh our memories has gone a long way in reducing the learning curve for everyone. Today, even the employees most resistant to the initial deployment are at ease working with the system.”

Armanino remained supportive during the deployment when four months in, Bondar discovered a snag with the data imports. “It was an easy rebuild for our Armanino consultant,” says Bondar.

“While there’s no question that we’ve freed up an enormous amount of employee time by using Sage Intacct, I tend to want to use that time to go right back into the solution to build new reports.

Michelle Bondar,
controller at iStream

“He just wiped out our sandbox, re-imported, and we were able to get what we needed much more easily. The Armanino team was wonderful.”

Results

Five months after going live with Sage Intacct, Bondar continues to see more opportunities for report automation, and she couldn’t be more pleased with what iStream has achieved already with Armanino’s help.

“Our goal in moving to Sage Intacct was to automate as many processes as possible,” says Bondar. “We’ve already achieved that in spades. By last count, we’d automated 79 reports. And because we’ve incorporated stats, I can easily see our cost per item across our total revenue stream, and I can view by product type. Now, we build our report once and then just rerun it every month. Prior to implementing Sage Intacct, we had to start from scratch every single time.”

Not surprisingly, the efficiencies and time savings gained from this type of automation have been tremendous. Thanks to the deployment of Sage Intacct, iStream has:

Cut closing time by more than 50% – iStream’s soft close by the tenth of the month has turned into a hard close on the fourth business day of the month using Sage Intacct.

Transformed the residuals calculation process from hours to instantaneous – With more than 70% of such calculations now automated through custom reports, Bondar and the team simply log into Sage Intacct and change the date to get the report they need.

Streamlined commissions calculations – Because commission plans for iStream’s internal sales team can be complicated, the payout calculation for at least one of them used to take as much as 20 hours. Today, that same calculation takes just three hours because all the data resides in Sage Intacct.

Reduced accruals time on books – In the pre-Sage Intacct days, residuals crossed calendar months because of the way they were calculated. Now, revenues and residuals can be posted in the same month, which means that accruals remain on the books for just one month.

WHAT THEY'RE SAYING

“The partnership with Armanino has been great. The Armanino team always responded to my questions within a day, and I learned so much from them — not just about Sage Intacct but also about Excel. Our consultant called himself ‘the solution maker,’ and he was brilliant.

Michelle Bondar,
controller at iStream

Next Steps

“While there’s no question that we’ve freed up an enormous amount of employee time by using Sage Intacct, I tend to want to use that time to go right back into the solution to build new reports,” says Bondar. And indeed, the more the iStream team uses Sage Intacct, the more uses they see for it. Bondar is looking forward to adding more modules (including Prepays, Allocations and Inventory) as company and client needs evolve. And she’s eager for the day when iStream’s developers have time to create an API integration between iStream’s back-office system and Sage Intacct so that spreadsheets can become a thing of the past.

For now, Bondar is grateful for all the support Armanino has provided and is looking forward to continuing to work with the Armanino team in the future.

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