



Energy Case Study: Oryx Midstream Services



Location: Midland, Texas

Industry: Energy

Challenges:

- With a 300-mile pipeline project, Oryx Midstream Services (Oryx) required a requisition, contract and PO solution to manage millions in spending.
- Oryx had many contractors for construction sites, and it was difficult to track total costs as well as the accuracy of hourly and daily rates.
- Without immediate visibility to accruals and invoices, it was challenging and time-consuming to complete monthly financial statements, run an audit and forecast cash requirements.
- Employees in the field and managers found it difficult to submit purchasing requests or approve invoices because they needed access to a desktop.

Results:

- Ariett's complete Purchase to Payment platform offered an easy approval workflow with increased collaboration of employees, managers, accounting and vendors to better manage spending.
- Using Ariett Contract Tracking, Oryx routes contracts for approval and tracks all services as well as rates.
- Ariett's accrual reporting and electronic invoice storage provide accounting with the information they need. They can even view invoices from within the Intacct Accounting Solution.
- With a versatile solution for any phone or tablet, employees and managers in the field can quickly submit/approve requisitions and invoices.

“Ariett is versatile. The mobility is a big advantage because people can utilize the system when they're not in the office and our accounts payable flow isn't slowed down.”

~ Karen Russell, VP of Finance and CAO

Situation:

Based in Midland, Texas, [Oryx Midstream Services](#) (Oryx) provides midstream solutions for producing and transporting gas and oil in the Permian Basin region (West Texas and Southeast New Mexico).

We recently sat down with Karen Russell, the VP of Finance and CAO, to discuss how Oryx transitioned from a manual purchase order and invoice system to Ariett. With Ariett, Oryx gained an easy, mobile requisition solution that employees in the field are thrilled to use and managers use to better track all contract spending.

Sharing their reasons for implementing Ariett, Russell said, “Our primary goal was to have an [automated purchase order system](#) because it was getting out of control - we’re talking about millions and millions of dollars that we’re spending on construction for a 300-mile pipeline. Before Ariett, purchase orders were all manually calculated and tracked in Excel spreadsheets, but revisions were not always tracked and transmitted to accounting. Obviously, automation was the goal and we also wanted the solution to [integrate with our Intacct GL system](#).”

Solution:

Employees, Accounting and Vendors Now on the Same PO Page:

Oryx saw immediate results from using Ariett’s requisition to PO management: with visibility to the same requisition/PO, employees, managers, accounting and vendors can collaborate more and remove any wrinkles in the purchasing process. “Now, our construction groups go through Ariett to modify a requisition and put it through an approval process and then to our vendors [as a PO],” Russell explained their process improvements. “It keeps all departments accountable and on the current version of the PO. We can make sure that our vendors have the latest version of the PO, so that it can be matched against the invoice when it comes in. It gives our CFO and CEO a lot of comfort knowing that we are tracking POs on a regular basis.”

Keeping Contractors Accountable with Ariett Contract Tracking:

Oryx uses [Ariett Contract Tracking](#) to manage the dollars associated with a contract. Ariett tracks requisition/PO releases against the contract as well as invoices as they are received. This allows Ariett to provide robust reporting and online visibility to the dollars committed or remaining on a contract. Elaborating on Oryx's use of Contract, Russell said, "We put the description on a contract and track the details along with the hourly, daily or site-specific rates with contractors." Ariett also helps Oryx identify any discrepancies between invoices and negotiated terms: "In a couple of instances, Ariett helped us catch that the contractor wasn't charging the correct rates, which was effective. In the future, we have additional construction plans, so I think this Contract feature will help us to select contractors."

Easier Cash Forecasting and Budget Planning:

In addition to using Ariett to track contracts, managers use Ariett to track any other [indirect expenses against their budget](#). As Russell explained, "Our managers have benefited from Ariett because it offers them a clear vision of how their budget funds are being spent." From an accounting perspective, the increased visibility combined with Ariett's automation has produced "a more evident trail of coding - the account code, department and project. Ariett has also helped us [accounting] with our cash forecasting because we know the total number of payables outstanding, even if they are not approved yet. We can look at the total monthly spend vs. what has been approved to understand the overall recorded liability and better understand our cash needs."

A Versatile, Mobile Solution Means There's No Slowing Down:

Highlighting [Ariett's touch interface for any phone, tablet or laptop device](#) as a core benefit, Russell said, "Ariett is versatile. The mobility is a big advantage because people can utilize the system when they're not in the office and our accounts payable flow isn't slowed down. More than half of our employees are primarily in the field and managers want to make sure that the field guys have signed off on the service before they approve it. This can be hard to do when you have several locations, so Ariett's mobility makes this much easier. A few of our managers approve everything out of the office. When they approve, they can look at the invoice in its entirety; it's much easier to scroll through a 20-page invoice [on a phone/tablet] than to go through every page [manually]."

Efficient, Paperless Invoice Capture and Approval:

When Oryx receives invoices from vendors, they use [Ariett's Document Capture Service](#), which helps them to have a quick, transparent invoice approval process. Vendors email invoices to the Service; whereupon, Ariett creates an AP transaction or matches the invoice to a pending AP transaction and PO receipt. Russell said, "Before Ariett's invoice tracking, we never put invoices into our system until they were approved, and we didn't know how many invoices we had waiting approval. It was just very inefficient. We are very excited that you can now go into the Ariett system to see where the invoice is and whose approval workflow it's in."

Reporting and Electronic Invoice Storage Make Audits a Breeze:

Ariett has also [simplified the audit process](#) for Oryx by providing them with reporting capabilities and electronic document storage. "With a manual process, auditing could take forever, but now we can just run a report to see what we have outstanding on purchase orders for our auditors," said Russell. "We also have the online storage of invoices in Ariett, so we can just pull them out very quickly for our PBC list. Before, at the end of the year, we had to scan thousands and thousands of invoices for our audit, so Ariett has made our audit process much easier. We give auditors access to Ariett to go in and look around; auditors like this because Ariett gives them full visibility to our approval process. Also, for our monthly financial statements, we can search for unrecorded liabilities in Ariett and accrue the liability in our Intacct system, which has been hugely helpful."

About Ariett:

Ariett is a leading provider of Cloud Purchase to Pay software that generates savings on every contract, requisition, invoice, expense report and payment with a modern, unified procurement platform. Mid-market and mid-enterprise companies use Ariett's web application to manage indirect spending securely through any mobile device. Designed to work the way you work, Ariett's easy-to-use web application delights employees by running on any mobile device or desktop. Accounting teams everywhere benefit from upfront purchasing control, global visibility to spending and audit trails, which drive cost savings across the enterprise. For more information, please visit www.ariett.com, call 781-826-1120 or connect with Ariett on [LinkedIn](#) and [Twitter](#).