

RESTAURANTS REDUCE COSTS AND INCREASE EFFICIENCY WITH COMPEAT PAYROLL

When restaurant operators think about reducing costs and improving control, payroll is an area that is all too often overlooked. Most restaurant operators outsource their payroll processing without recognizing the efficiency they are sacrificing or higher costs they are incurring. Surprisingly, doing payroll in-house is far easier than most operators realize and an in-house payroll approach reduces costs and significantly increases efficiency.

What many restaurant operators don't realize is that by the time they have collected, prepared and reviewed information for a payroll service provider, they have essentially completed all the tasks required to process payroll in-house, aside from printing checks. Although in-house payroll does add tax filing and year-end reporting requirements, these processes have become quite easy due to the advent of payroll software partners who specialize in e-filing solutions.



Compeat Restaurant Management Systems is one of the few providers of a restaurant specific payroll system with restaurant features such as tip reporting, rate-to-minimum wage calculation, and employee receivables. To validate lower costs and improved efficiency with in-house payroll, Compeat interviewed their payroll software customers. While some Compeat customers did report an increase in their payroll administration hours, all reported a lower net cost when compared to an outside payroll service. In addition to cost savings, customers reported better payroll history visibility, increased control, and improved timeliness.

STORM RESTAURANTS

Storm Enterprises owns two restaurants in Breckenridge, Colorado, and decided to add Compeat Payroll to their Compeat Advantage software in 2005. Storm saw immediate benefits from the seamless integration of back office, accounting, and payroll. Time and attendance information from their Point-of-Sale system flowed directly into Compeat Payroll, and payroll related costs automatically updated their General Ledger. Storm went from working with several systems to utilizing one system and eliminated numerous redundant data entries. All information now resides in one common database and is always in balance.

"Compeat Payroll automatically polls hours directly from our POS system. With our previous outsourced third party payroll provider, I would have to go through and find out where the short falls came from and then manually make the updates. Now, with Compeat Payroll,

it is all right there and very clear in our GL," states Cheryl Mattos, Bookkeeper for Storm. "Filing taxes is also easy since the forms are already created and ready to submit. With Greenshades, Compeat's e-filing partner, I get my W2's done in one-tenth the time!"

Wedge Corporation operates seven **Rock Wood Fired Pizza** Restaurants and their corporate office with Compeat Advantage



and Payroll. Wedge has seen an improvement in efficiency from being able to track, audit, and process payroll all within one system. Wedge's payroll costs are now lower from the savings created by processing payroll in-house versus utilizing a payroll service.

"We really enjoy the integration and the real time reports that Compeat Payroll provides.

**"WITH COMPEAT PAYROLL,
WE ARE SAVING
SIGNIFICANT DOLLARS
BY AVOIDING THE COST
OF A PAYROLL
SERVICE PROVIDER"**

Now, if there are any errors in a paycheck we can immediately take care of it with our employees," states Karen Turner, Accounting and Payroll Manager for Wedge.

Copeland's, who utilizes Compeat Payroll in twenty-six locations has



reported **77% cost savings** since switching to Compeat Payroll! They also reported a labor savings due to the Direct Deposit feature

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which allows them to avoid printing checks (or only print check stubs in the restaurant when needed). This saves them time and money versus printing and mailing each check. Copeland's also benefits from the ease of processing new hires. New employee information is entered at the restaurant and maintained at their corporate office – all with only one entry made in one system.

Southernmost Restaurant Group owns five signature restaurants in the Key West Area. In 2008, Southernmost decided to stop outsourcing and brought their payroll in-house with Compeat Payroll. Southernmost directly lowered operation costs and found value in having full control of their payroll, especially during times of need.




"Before we transitioned to Compeat Payroll, our employees would often have a delay in getting paid during hurricanes because our third party payroll service would physically drive our checks down from Miami. Now if we know a big hurricane is coming we have the control to partially pay our employees through that day and take care of the rest after the storm passes," says Theresa Rothaus, Director of Operations for Southernmost. "We also like that if an employee is leaving the company, we are able to immediately print their last check."



Purple Café and Wine Bar began searching for an HR focused payroll system back in 2008 and found Compeat Payroll to be the perfect solution. Purple Café benefits from the comprehensive reporting and high-level of employee detail available in Compeat Payroll. By bringing their payroll in-house they have also reduced their costs by eliminating outsourcing fees.

"Compeat provides enhancements and upgrades all the time that include valuable human resource and payroll reports," claims Rachele Rue, Accounting Manager for Purple Café. "One report we find very beneficial is the Tickler Report. This report shows us when an employee received their last raise and when they're up for their review. It is nice to be able to get this overview on a regular basis," states Rue.

Compeat Payroll enables restaurant operators to confidently handle the unique aspects of restaurant payroll such as tip reporting and I-9 compliance. Compeat Payroll also creates and tracks employee receivables (when net pay does not cover non-tax deductions), which is common in restaurants. When the inclusion of declared tips is not enough, determining the rate needed to reach minimum wage can be a significant challenge for restaurants that outsource their payroll. Compeat Payroll's automatic rate-to-minimum calculation completely eliminates this challenge.

Although it is often overlooked, bringing payroll in-house will benefit many restaurant operators. In-house payroll is easier than most realize and eliminating multiple systems and redundant data entry will increase insight and control. Perhaps most importantly, bringing payroll in-house is usually less expensive than outsourcing. With the advent of electronic tax filing and year-end reporting partners like Greenshades, in-house payroll has never been easier, faster, or more reliable. 



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Restaurant Management Systems

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