CHROMERIVER
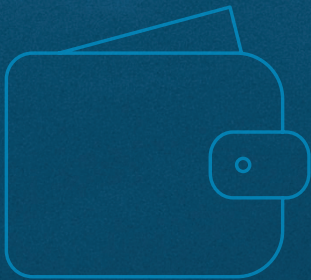
Vornado Realty Trust

The Challenge

As one of the largest owners and managers of commercial real estate in the US with a variety of proprietary internal accounting systems and specific rules for different divisions, Vornado needed an expense management system that could scale to its very complex entity system. For nearly a decade, Vornado's accounting processes had been paperless across the board—except for expenses. The manual expense process was cumbersome and time-consuming. Employees had to log into the company intranet, download the expense form and fill in each line item, which the document would then tally. Then, the employee had to print the expense form, attach receipts and manually give them to the approver or multiple approvers. Once the expense report was approved, AP would come in as the "cleanup crew"—validating that every receipt was accounted for by matching them to line items, and then entering the data into the system. Once in the system, the expense form was processed, a check was cut five days later, the auditor approved it, and the check was sent.

> *Chrome River was able to automate the entire process start to finish, even allowing an export into Vornado's proprietary accounting system. The system reduced data processing and scanning by 75%.*

Vornado Realty Trust

INDUSTRY:

Commercial Real Estate

EMPLOYEES:

4,300+

PRODUCTS:

EXPENSE

The Chrome River Solution

Through its flexible Business Rules Engine, Chrome River offered a platform that allowed for a complex rules configuration. At first glance, Vornado's team thought the transition would be straightforward, believing it would simply mean taking the current manual processes and moving them onto the Chrome River platform. But adding some complexity to the transition was the fact that each division had its own rules and circumstances. In Washington, D.C., for instance, the accounting system didn't support Automated Clearing House (ACH) payments. Chrome River was able to build the Business Rule Engine so that D.C.- based employees could not select ACH direct deposit as a reimbursement option. And, for each division, Chrome River built the Business Rules Engine specifically for that division's rules.

As Vornado continued to learn the capabilities and flexibility of Chrome River, it began to ask more of the platform. According to Vornado, Chrome River "flipped the system on its side" at least three times to come up with unique configurations to support the company's business goals. Vornado was assigned a very competent Chrome River project manager who was able to weed through its hierarchy issues and help the organization make many complex routing changes and rules.

> *Thanks to Chrome River, employees were surprised to learn that expenses they had been attributing back to Vornado could instead be assigned to the tenant.*

The Results

With Chrome River, management has more visibility into employee spend. Vornado is also able to catch multiple expense report submissions, for example, if an employee submits an expense, doesn't get paid immediately and submits it again. At the same time, the system is allowing greater spend visibility as Vornado does budget forecasting for the next fiscal year. By implementing Chrome River, Vornado met its goal of implementing an automated workflow process that has built-in rules to ensure compliance, spend visibility through reporting and cost reduction through operational efficiencies. Chrome River was able to automate the entire workflow process start to finish, even allowing all expense report information to be exported out of Chrome River EXPENSE and into Vornado's proprietary accounting system. Chrome River EXPENSE reduced data entry and scanning by 75%.

Overview

Vornado Realty Trust (NYSE: VNO) is a fully integrated real estate investment trust (REIT), with an enterprise value of $34.8 billion (asset value) and a market capitalization of $19.7 billion (equity). The company has divisions in New York, New Jersey and Washington D.C., as well as a mix of millions of square feet of commercial and retail properties.

Why Chrome River

- Replaced its manual expense reporting workflow process with an automated workflow process that has built-in rules.

- Ensured compliance by division and spend visibility across the organization.

- Reduced costs by reducing data entry and scanning by 75%.

CHROMERIVER
LET BUSINESS FLOW