

Multiple-Restaurant Delivery Software

POWER FLASH

October 2009

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Over the past several months, I have come across several situations where employees have been caught stealing from the company. What is especially troubling, in each of these cases, the thief turned out to be one of the oldest and most trusted employees of the company. I will detail three ways employees were able to steal from the RDS and ways to prevent this from happening to you.

In the first case, the employee used the system to issue Gift Certificates, and used the option "This gift certificate was given away for free" as the payment. Then, the employee (who was checking out the drivers) would change the payment on cash orders from cash to gift certificate, and then pocket the cash. This went unnoticed for many months, enabling the employee to steal thousands of dollars. This could be prevented by simply reviewing the Gift Certificate reports on a regular basis. Make sure that you have a procedure when creating gift certificates. If the gift certificate is sold, Power Flash will keep track of the money. If the gift certificate is given away, Power Flash will list those as well.

The Power Flash system accurately tracks all cash taken into the business, and records the cash balance in each cash drawer. You can always look at the balance in the cash drawer to see how much cash you should have on hand. If it does not balance, then you have a problem. In Power Flash, you manually record cash added to the drawer, and you manually record bank deposits when you take cash out of the drawer.

In our second case, the RDS paid each driver in cash at the end of the shift. Because the majority of the orders were paid via credit card or corporate charge, it was necessary for the RDS to replenish the cash drawer on a regular basis. The dispatcher would go to the owner and show that the cash drawer has a low balance and needed a check for "x" amount to bring it up to where it was needed. The owner would cash a check, and give the cash to the dispatcher. The dispatcher would then log the cash into Power Flash. However, every other day or so, the dispatcher would NOT log the cash into Power Flash, and simply pocket the cash. The next day, the cash drawer would be lower still, and more money would be needed. This theft could have been prevented if the owner had personally logged the cash into the cash drawer, or checked the Cash Drawer Report to make sure all the cash added was properly reported.

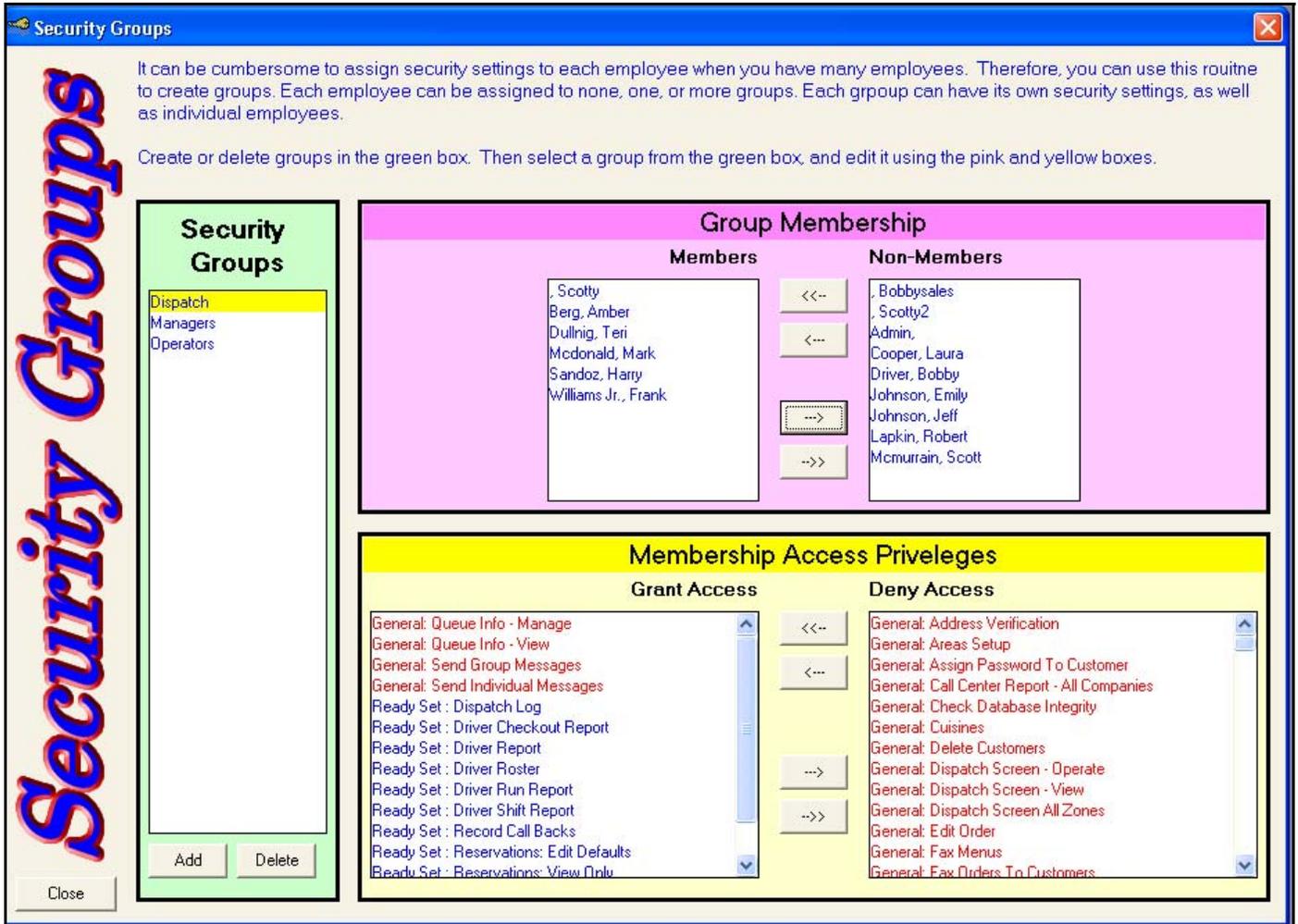
In our last case, the RDS had a small excess of cash every day. The dispatcher would log the deposits into Power Flash, but NOT make the actual bank deposits. Had the RDS owner simply checked the bank statements against the Power Flash Cash Deposit Report, this theft could have easily been discovered. (OK, I will admit it — this one happened to me. The total of the cash deposits after paying the drivers for August for that city were only about \$1,000 and I didn't bother to check that the deposits were being made.)

All of these thefts could have been prevented if we all follow some simple business rules:

- (1) Make sure you track your cash all the way to the bank. Power Flash can do most of the work for you, but that last step must be manually verified.
- (2) Make sure the person checking the deposits is not the same person who makes the deposits.
- (3) It works both ways — when you take cash out of the bank, make sure it is tracked by someone other than the person taking the money out.
- (4) Make every person who handles your money take a vacation every year. Ongoing embezzlement schemes require daily attention to keep up, and can be exposed when someone else has to do their job a period of time,

(Continued on page 3)

SECURITY GROUPS



- (5) Always check your own mail. Do not delegate this task. Most ongoing embezzlement schemes will leave some trail somewhere, and many times those trails will come from outside your company.
- (6) Personally check your bank statements each month. Better yet: monitor your bank account on-line on a daily or weekly basis.
- (7) Control access so that each employee only has access to the parts of Power Flash that they need to have access to.

Power Flash has an extensive security system built in. The easiest way to implement this system is to utilize Security Groups.

You can create as many different security groups as you need. Each security group can control access to every routine in the system. For each security group, you can decide which employees belong and which do not. An employee may be a member of more than one group. If the employee of is a member of multiple groups, and any one of those groups allows access to a routine, then that employee will have access to that routine.

I would recommend setting up three groups: CSR's, Managers, and Dispatchers. Grant to the CSR group access to all functions needed to take orders. Make everybody a member of this group. Grant to the Dispatch Group only those functions directly related to dispatching and checking out drivers. Grant access to that group only to the dispatchers. Finally, to the Manager group, grant access only to those functions that only managers need access.

If you have any concerns about how to use Power Flash to its fullest extent to protect your finances and trade secrets, please give us a call. We will be glad to go over any aspect of your operation with you, and help you ensure that you are taking the right steps and properly interpreting all of the reports.

Most thefts take place when the thief spots a weakness in your methods and procedures, and most thefts can be prevented with proper diligence. Just the appearance of running a tight ship will cause most potential thieves to think twice. Remember — most thefts occur spontaneously when the opportunity presents itself.

HELPFUL HINTS

DEFAULT OPTION CHOICES

If you define an option with a minimum of one choice and a maximum of one choice, and then only define one choice, then that choice will be automatically selected for the customer every time, and the option will not even be presented to the customer.

For example, suppose you have a Mexican Restaurant that gives Chips and Salsa with every order, but they sometimes forget. You could create an option called "Include Chips and Salsa". Make the minimum number of choices 1 and the maximum number of choices 1. Then create only one choice called "Include Chips and Salsa".

Now, whenever a customer places an order (either in Power Flash or on the Web), that choice is automatically selected without the customer ever having been asked the question.

RESTAURANT AVAILABILITY REPORT

This report will allow you to see, at a glance, what zip codes are available for each restaurant, or what restaurants are available in each zip code. You also have the option of breaking down the restaurant lists by delivery fees as well.

This report is handy for making sure you have properly setup each of your zones and restaurants.

SENDING ORDERS TO RESTAURANTS

Power Flash now allows you to send your orders to restaurants via fax, email, or both. You can specify the method for each restaurant under Restaurant Setup. Simply check the proper boxes for each restaurant.

EMAILING TO MULTIPLE ADDRESSES

You can send emails to multiple recipients whenever you use Power Flash for emailing. Simply enter each email address separated by a semi-colon. (Ex. scott@rdscontrol.com; support@rdscontrol.com) The email will be sent to both email addresses.

VOIDED ORDER LOG

You should check your voided order log every day. Not only will you be able to identify operational problems, you can use this log to help prevent theft. A dishonest employee could void an order, and then pocket the cash. This report will show these voided orders and allow you to catch the thief.

QUICK BUSINESS ENTRY

If you have drivers or salespeople collecting business cards, you can use the "Quick Business Entry" routine to quickly add these business and contacts to your system. Quick Business Entry is located under the Business Menu.

ALTERNATE PHONE NUMBER

Power Flash can now store an alternate phone number for each customer. Just go to the customer screen, and enter the second phone number in the new "Alternate Phone Number" field. Customer records can be searched by this alternate phone number.

FINDING A CUSTOMER

When searching for a customer, you can enter the customer's last name, main phone number or alternate phone number, business name, email address, or even their street name!

SECRET MESSAGE FOR BUSINESSES

In addition to storing a secret message for each customer, a secret message can be stored for each business as well. Business secret messages will be displayed to the CSR whenever any customer from that business orders. Like customer secret messages, these messages are not displayed on the Internet nor are they printed anywhere.

SPECIAL DELIVERY FEE FOR A BUSINESS

You can assign a specific delivery fee to be used for any business whenever any order is placed for delivery to that business. Simply create a delivery fee under Restaurants: Delivery Fees, and then click on the Business Toolbar Button. Select the business you want to assign that delivery fee to, and then use the dropdown box on the business screen to assign that delivery fee to the business. From that point on, whenever any customer from that business places a delivery order, the assigned delivery fee will be used, regardless of where the customer is located.

MERGING BUSINESSES

Sometimes a business can accidentally have two different records in Power Flash if the name is slightly misspelled. You can merge the two business together by clicking on the Business Toolbar button, selecting the business, and then clicking on the "Merge Business" link.

SALES TAX ISSUES

Legal Corner

By Scott McMurrain

Sales tax is a fact of life in all but a few states. Unfortunately, the laws concerning sales tax vary widely from state to state. Adding to the confusion is the fact that an RDS does not fit into the typical business model anticipated by state legislatures, so ensuring you are properly following the law can be daunting at best.

Do I have to collect Sales Tax?

Generally, an RDS is a retailer just like Wal-Mart or Sears. The RDS purchases the meals at a wholesale price from the restaurant, and then sells those meals to consumers. (Some RDS's take the position that they are only an agent for the restaurant, but that is a topic for another day).

As the retailer, the RDS is responsible for collecting and paying the sales tax to the State. Many RDS's choose to simply pay the sales tax to the restaurant to avoid having to account to the state. So long as proper sales tax is collected from the customer and the same amount is paid to the restaurant, there shouldn't be a problem. If you are in a jurisdiction where the sales tax rate is uniform throughout, and you are not required to collect sales tax on the delivery fee or tip, paying the taxes to the restaurant is rather straightforward. Even so, as a retailer, you may still be required to register with the state and account for all of the taxes collected and then paid to the restaurants, showing you owe nothing to the state.

What Rate Do I Charge?

In many places throughout the country, the sales tax rate can vary from county to county, and even from city to city. When this is the case, what rate do you charge your customer? There are several possibilities: (1) You charge the rate in effect at your own office, (2) you charge the rate in effect at the restaurant's location, or (3) you charge the rate at the customer's delivery address. The proper rate to charge varies from state to state.

For example, in Massachusetts, restaurant delivery services are required to register separately for each city that they deliver food to, and collect sales tax based on the location of the actual delivery. (Massachusetts is one of the few states that actually addresses restaurant delivery services directly.) In Texas, on the other hand, an RDS must charge the higher of either the tax rate of the Texas sales office of the RDS or the tax rate in effect at the customer's location.

Do I Charge Sales Tax on the Delivery Fee?

This varies from state to state. It is vitally important that your attorney properly researches this issue for you, as the taxes on the delivery fees can be significant. If you fail to collect them,

and are later audited, you can wind up owing thousands of dollars in back taxes to the state. Most State laws on collecting sales tax on delivery fee look at whether the delivery is a part of the sale, or an add-on service. Some states also look to whether you (the retailer) are doing the delivery or a third party is doing the delivery.

In California, for example, the delivery fee would not be taxable only if it is listed separately on the order and is performed by an independent contractor not using your vehicle. If the amount of the delivery fee charged exceeds the amount paid to the contractor, then the difference is subject to sales tax. (Since the entire independent contractor issue is another huge topic, I would recommend charging sales tax on delivery fees in California.) In Texas, on the other hand, delivery fees are taxable if the item being delivered is taxable.

Do I charge Sales Tax on Tips?

This is a topic that most RDS's are completely unaware of. And, of course, this also varies from state to state. The key to whether or not you have to charge sales tax on tips hinges on whether the tip is voluntary or mandatory. Voluntary tips are seldom, if ever, subject to sales tax. Mandatory tips, however, are much more likely to be taxed. The general issue is whether or not a tip is considered mandatory.

In California, the tip is mandatory if it's automatically added to the order. Unless the customer has the option to write in the tip on the order receipt, it is considered a mandatory tip. Also in California, tips are still considered mandatory even if you add a statement to the order stating that the tip is voluntary and you give the customer the option to remove the tip. But in Virginia, tips are only taxable if they are mandatory and over 20%.

Do I have to list the Sales Tax on the order?

Yes. In virtually every jurisdiction, the sales tax must be stated as a separate line item on the order. It cannot be combined with any other charges. Some services have attempted to disguise their convenience fee by adding it to the sales tax line, and calling it something like "Taxes and Fees". In most cases, this is illegal.

As you can see, there are a myriad of issues to consider when collecting sales taxes from your customers. It is highly recommend that you consult an attorney or tax professional for competent advice to ensure you are following the law properly in your state. Failure to do so could end up costing you thousands of dollar if you are later audited by the state. That can and has happened to RDS's in the past.

Scott McMurrain is licensed to practice law in the State of Texas. This article is not intended as legal advice, and is only offered to alert you to issues that you should discuss with your own attorney.

ORDER TEMPLATES

Power Flash stores a tremendous amount of data for each order in the system. When printing, emailing, or faxing orders, exactly what data is transmitted can depend on the recipient.

For example, the restaurant needs to know exactly how and when to prepare the order. But they do not need the customer information. Indeed, most services do not want the restaurant to have any access to the customer information.

The driver, on the other hand, needs to know where and when to deliver the order. He may need to know what items are included on the order, but does not necessarily need to have the details of each item.

Power Flash allows you to create Order Templates. Each template specifies how an order will be presented. Each template can have up to three sections: a restaurant section, a driver section, and a customer section. A template does not have to use all three sections; it can use only one or two of the sections if you want. There is no limit to the number of templates you can create in the system. Most services generally use two or three templates. **Note: The driver copy is never used on Takeout Orders.**

To add, view, or edit templates, go to Setup: Company Setup, and click "Order Templates". You will then see the Yellow Window pictured below.

Order Templates [Close]

Choose the templates to be used for printing, faxing, and emailing orders.

If a template is selected for a specific restaurant, it will be used when faxing orders to that restaurant, and when automatically printing orders.

Restaurant Fax Order
Delivery Orders Sent to Restaurants

Restaurant Fax Order
Take Out Orders Sent to Restaurants

For manually printed orders, orders faxed to customers, and orders sent via email, the template specified below will be used, regardless of the template selected for any specific restaurant.

Customer Final Template
Orders Printed Automatically

Customer Template
Orders Printed Manually

Scott
Orders Sent to Customers

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Orders viewed on screen

Template Design

Customer Email & Fax Template
Customer Final Template
Customer Template
Restaurant Fax Order
Restaurant Limit User Info
Scott

Add Template
Delete Template

Customer Template
Template Name
Use Local Time
Time Zone to Use

Template Labels

Restaurant Total	Restaurant Total
House Total	House Total
Delivery Fee	Delivery Fee
Discounts	Discounts
Coupons	Coupons
Convenience Fee	
Sales Tax	Sales Tax
Order Total	Order Total
Driver Tip	Driver Gratuity
Grand Total	Grand Total
The Word "Order"	
Fuel Surcharge	
Packing Fee	

[Restaurant Section details](#)
[Driver Section details](#)
[Customer Section Details](#)

Each template can have up to three sections: A restaurant section, driver section, and customer section. Each section is set up the same way.

The left side of the Yellow window allows you to specify which templates are under different circumstances.

The top two boxes (in red) determine which templates are used when sending orders to restaurants from the dispatch screen, whether by fax or email. You can also specify templates on a restaurant-by-restaurant basis from the restaurant setup screen. Whenever the dispatcher sends an order to the restaurant, or the system automatically sends an order to the restaurant, this template will be used. You can specify different templates for takeout and delivery orders.

If you have your system to print all orders automatically, the first blue box determines which template is used for that purpose. This is useful if you want a one-page copy of every order for archiving purposes. The second box allows you to choose the template to be used when you manually print an order. This can be a different template from the one you print automatically. For example, when manually printing a template, you may want more information or maybe a different format so that you can mail a copy to the customer.

The third box determines which template is used by Power Flash when sending orders to customers, whether by email or fax.

The last box determines which template is used when you view the order on the screen. Note that you can view and order on the screen and then print that order exactly as it appears on the screen if you want. This, in effect, gives you a third option for printing orders.

Order Template Details: Customer Template (Restaurant Section)

General Information

- Print This Section
- Print Section on separate page
- Print "End of Order" at end of this section

Order Date / Time Information

- Print Delivery Date
- Print Start Time
- Print Target Pickup Time
- Print Target Delivery Time
- Print Driver Name
- Print Operator Information

Order Payment Information

- Print Payment Information
- Print Driver Collect Amount
- Print Consumer Totals
- Hide Pricing & Payment Information on Gift Orders.
- Print Credit Card Information

Order Item Details

- Print Order Line Items
- Sort items by Consumer
- Sort items by Item Number
- Sort Items by order entered
- Print Restaurant Name
 - Print Restaurant Phone Number
 - Print Restaurant Total

- Print Order Items
 - Include Item Numbers
 - Include Restaurant Items
 - Include House Items
 - Print Retail Price
 - Print Wholesale Price
 - Print Comment
 - Print Consumer Name
 - Print Option Choices
 - Print individual choice prices
 - Print Option Titles

Order Pricing Totals

- Print Order Totals
- Print Complete Price Breakdown
- Print Grand Total Only
- Print Food / Tax / Total Only
- Print Driver Tip Information
- Print Detailed Driver Tip Information
- Do NOT print corporate account name

Customer Information

- Print Customer Information
- Print Customer Name
- Print Business Name
- Print Customer Address
- Print Customer Phone Number
- Print Map Reference for Customer's Address
- Print Customer's Reward Balance
- Do NOT Print "New Customer" on new customer orders
- Print number of times customer has ordered.
 - Print order count in a coded format
- Print Purchase Order Information

Done

Messages to be printed

- Print Driver Instructions
- Print Restaurant Instructions
- Print Order Message
- Print Signature line for credit card payment. (If credit card is used)
- Print Signature line for House Charge. (If house charge was used.)
- Print Signature line for Driver.
- Print Driving Directions from Restaurant to Destination if using Microsoft Map Point
- Print Payment instructions on house account orders
- Print 'House Account Invoice' for section title

Some delivery services span several time zones. Each template allows you to specify what times will be displayed. You may choose a specific time zone, local time, or system time. Local time will use the customer's local times on the printout. System time will use the Call Center's time for all times on the printout.

If you want, you can change the terminology used for each template. For example, some services wish the delivery fee to be called a "Service Fee". Click on the blue link to edit each section of the template.

EDITING TEMPLATE SECTIONS

You can determine what information is included on each section by checking or un-checking the boxes on the screen shown above.

The first checkbox allows you to specify whether or not this section is even displayed at all. Note: The Driver section is never displayed for Takeout Orders.

Most checkboxes are self-explanatory, but a few need some clarification to fully explain their functions.

- **Print Credit Card information.** Checking this box will cause the system to print the card type, last four digits of the card number, and the approval code. The cardholder name will only be printed if you have also checked the

box allowing the customer name to be printed. (Upper right corner). The system will never print the entire credit card number nor will it ever print the expiration date. Credit Card regulation and certain state laws prohibit the printing of this information on order receipts.

- **Print Option Titles.** Option Titles are the questions asked for each option, such as "How do you want your steak?". If this box is checked, then the question will be printed next to each choice. This is only necessary if your choices are not self explanatory. For example, if the question is "Do you want a salad", and your choices are "Yes" or "No", then you will need to print the option title so that the restaurant knows what you are talking about with the "Yes" or "No" answer. However, if your choices are "Include Salad" or "No Salad", then you don't need to print the option titles.
- **Print Paymt Information on House Account Orders.** If all or part of the order is charged to a House Account, checking this box will cause the payment information entered under Company Setup to be included on the order.
- **Print House Account Invoice for section title.** If all of part of the order is charged to a House Account, then instead of "Restaurant Copy", "Driver Copy" or "Customer Copy", the words "Account Invoice" will be printed instead.

TIME SLOTS

Time Slot Quotas

Ready Set Food | South Metro | Region

Master Set Times
 All Regions
 All Days
 Set all to 999

Day	Early Morning	Daytime	Evening
STANDARD QUOTAS			
Mondays	Midnite: 0, :15: 0, :30: 0, :45: 0	8:00: 99, :15: 99, :30: 99, :45: 99	4:00: 99, :15: 99, :30: 99, :45: 99
Tuesdays	1:00: 0, :15: 0, :30: 0, :45: 0	Noon: 99, 9:00: 99, :15: 99, :30: 99, :45: 99	8:00: 99, :15: 99, :30: 99, :45: 99
Wednesdays	2:00: 0, :15: 0, :30: 0, :45: 0	1:00: 99, :15: 99, :30: 99, :45: 99	9:00: 99, :15: 99, :30: 99, :45: 99
Thursdays	3:00: 0, :15: 0, :30: 0, :45: 0	2:00: 99, :15: 99, :30: 99, :45: 99	10:00: 99, :15: 99, :30: 99, :45: 99
Fridays	4:00: 0, :15: 0, :30: 99, :45: 99	3:00: 99, :15: 99, :30: 99, :45: 99	11:00: 0, :15: 0, :30: 0, :45: 0
Saturdays			
Sundays			
SPECIAL DAYS			
Add Day Remove Day	Set all to 999	Set all to 999	Set all to 999

Many services experience peak delivery periods during each day, especially during lunch. With a limited amount of drivers, it becomes necessary to regulate how many orders can be delivered during these peak periods.

For example, if you generally deliver 45 orders during lunch, 15 drivers can easily do these deliveries if they were spread out from 11 to 12:30. (That is one delivery every half-hour for each driver.) But if all the customers want their lunch at 12:00 on the dot, you would need 45 drivers to deliver those 45 orders. Not only would it be extremely cost in-effective to hire that many drivers for only 1 order at lunch, it would be difficult to find drivers who would work a shift with only one order.

Fortunately, Power Flash has a built-in system to allow you to regulate how many orders can be delivered during every 15-minute period throughout the day.

You can specify different values for every region in your system, and you can specify different values for each day of the week. This gives you great flexibility when setting up your system. You can even create values for special days such as holidays or major event days. **It is important to enter a value for every 15-minute slot that you wish to allow deliveries. If you have a value of zero for that slot, no deliveries will be allowed.** If you don't want to regulate your deliveries, simply enter 999 for each time slot. Fortunately, Power Flash makes it easy to rapidly fill all the time slots with 999. Just click the button "Set all to 999".