

WHITEPAPER

# Integrating FAP and TMS

The hidden engine behind smarter  
transportation spend

**infios**

# Contents

## 01

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The hidden cost of manual freight auditing	03
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## 02

---

Why TMS audit capabilities fall short	04
---------------------------------------	----

## 03

---

Modern FAP is the missing link	04
Why does FAP auditing matter?	04

## 04

---

The power of integration: combining FAP and TMS	05
---	----

## 05

---

Smarter transportation spend management starts here	05
Why choose Infios	05
Ready to move beyond manual freight audit	05

As supply chains become more complex, controlling transportation costs has become a top priority and ongoing challenge for logistics and finance leaders. Manual freight audit processes, delayed payments, skewed financial reporting and disconnected systems have driven up transportation costs and made it difficult for even the most advanced shippers to identify and act on savings opportunities.

The core issue isn't just higher rates or complex supply chain networks, it's the lack of integrated execution and financial visibility. This problem is compounded when organizations treat Freight Audit and Payment (FAP) and Transportation Management Systems (TMS) as separate solutions or siloed functions within finance and operations.

By integrating FAP and TMS, companies can achieve significantly better results: reduced total transportation spend, improved visibility, more accurate reporting and faster, more informed decision-making across the supply chain.

## The hidden cost of manual freight auditing

Many companies still rely on internal teams or basic TMS tools to manage freight audit processes. This often includes spreadsheets, static rate tables or limited matching logic embedded within their Transportation Management System (TMS). These methods are difficult to scale, prone to errors and lack the visibility needed to reliably detect overspending and assess carrier performance.

The impact is measurable:

- Companies using **manual audit processes face 3x higher operational costs**<sup>1</sup>
- **60% of shippers** say cost management is their top pain point<sup>2</sup>
- Invoice disputes can **delay payments by up to 60 days**<sup>3</sup>
- **30% of payments** processed via legacy systems are late, damaging carrier relationships<sup>4</sup>

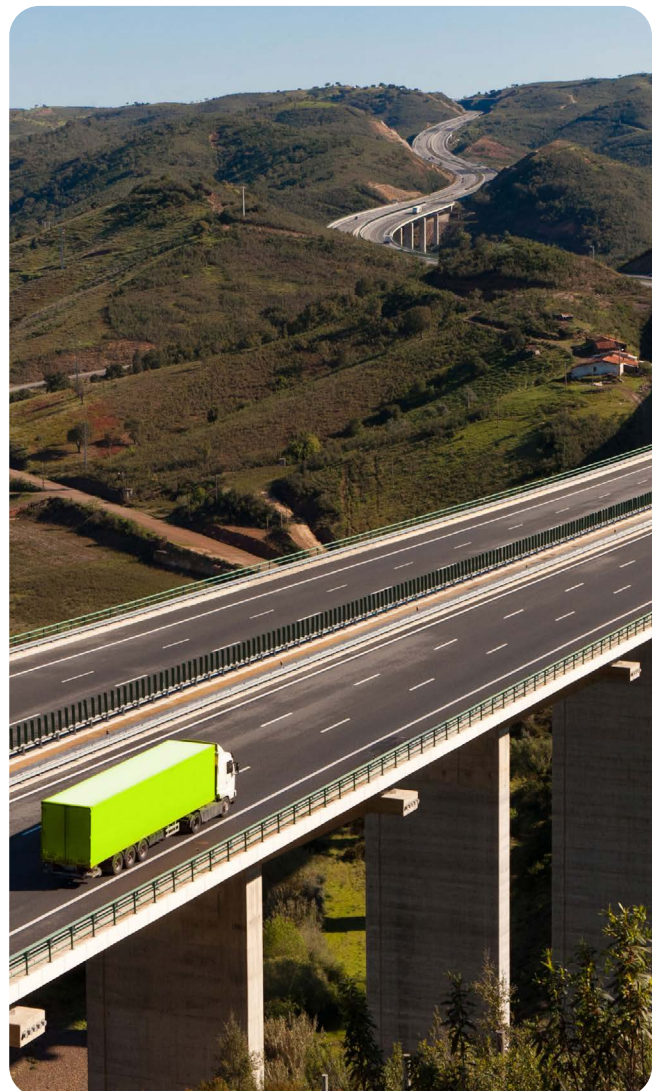
These issues go beyond inefficiency. They affect financial performance, service levels and scalability, directly impacting business growth.

<sup>1</sup> Gartner, 2022

<sup>2</sup> Digital Logistics Report 2023, McKinsey

<sup>3</sup> Global FAP Market 2024, Astute Analytica

<sup>4</sup> JP Morgan Payments Research, 2024





## Why TMS audit capabilities fall short

Modern Transportation Management Systems are essential for planning, routing, carrier execution and visibility. Many TMS platforms also offer basic audit tools. But these tools are typically built for static validations and basic exception handling, and do not support enterprise-level financial workflows.

A TMS may validate rates or flag mismatches, but it cannot:

- Handle detailed cost allocation across multiple GL codes
- Manage parcel credit recovery or freight claims
- Handle invoice and audit exceptions
- Ensure frequent accruals of unbilled shipment
- Support detailed financial audit compliance

For large, multimodal shippers, these limitations result in overpayments, delayed reporting and underutilized transportation data. That's where dedicated Freight Audit and Payment (FAP) solutions come in.

## Modern FAP is the missing link

Modern FAP solutions are purpose-built to manage complex freight auditing, ensure accurate cost allocation and streamline transportation spend

management. They automate manual processes and enhance internal team bandwidth and expertise.

Key capabilities include:

- **Accurate invoice auditing** across all modes, geographies, and carriers
- **Core FAP services** such as detailed financial allocation, exception management, freight claim recovery, and accruals
- **Payment automation** including funding requests and GL (General Ledger) entries to accelerate financial workflows
- **Analytics services** to monitor spending levels, identify anomalies and uncover cost-saving opportunities
- **Transportation spend consulting** including carrier sourcing and rate benchmarking, to optimize long-term network performance

With Infios, FAP becomes a strategic lever to control cost and optimize operations. Our customers recover millions in parcel and freight credits and have reduced transportation spend by 7–10% annually through network improvements alone.

### Why does FAP auditing matter?

Unlike TMS tools that validate invoices against static quotes or rates, FAP solutions compare invoices against actual shipment execution and contract terms. They ensure shippers pay only what they owe, and the FAP provider handles disputes and overcharges on their behalf.



With parcel shipments, FAP platforms offer overcharge detection and credit recovery, while TMS platforms are limited to flagging rate discrepancies. They also provide a range of dynamic dashboards and deeper analytics insights for informed decision-making, helping businesses optimize cost control and cash flow.

## The power of integration: combining FAP and TMS

While TMS and FAP solutions are valuable on their own, integrating the two multiplies ROI and enhances end-to-end supply chain execution. Integration happens in three stages:

### Level 1: Standalone FAP

Replaces manual auditing with automated processes and value-added services. Audits invoices, applies GL codes, processes payments and improves visibility. Reduces errors and improves financial health.

### Level 2: Integrated FAP and TMS

Connects shipment and order data from the TMS to the FAP platform. Detailed financial allocation enables granular reporting by product, region or customer and supports automated accruals for faster financial close.

### Level 3: Unified solution from one vendor

Enables real-time collaboration between finance and operations teams at the vendor and shipper. Audit data can inform routing decisions, carrier selection and strategy. This feedback loop continuously improves transport execution and spend control.

With this unified model, shippers gain data-driven cost control and real-time insights that power smarter decisions and improve margins long-term.

## Smarter transportation spend management starts here

Transportation spend doesn't need to be a black box. With a modern FAP solution, shippers can unlock strategic advantages in cost control, financial visibility and performance improvement. These benefits multiply when FAP is integrated with your transportation management system.

### Why choose Infios

Infios delivers this integration, either alongside a third-party TMS or natively integrated with the Infios TMS. Our Freight Audit and payment solution provides the control, efficiency and intelligence that modern supply chains demand.

Transportation is no longer just a back-office cost center. It's a competitive differentiator and managing it well requires modern tools.

With Infios Freight Audit and Payment:

- Gain visibility into every dollar spent
- Reduce errors and overpayments
- Strengthen vendor relationships
- Empower your finance and logistics teams with real-time insight
- Drive smarter decisions across the supply chain

### Ready to move beyond manual freight audit?

If your company is managing more than \$20M in freight spend, shipping across multiple modes or geographies, or struggling with cost allocation and visibility, it's time to move beyond basic freight auditing.

Contact Infios to explore how integrated FAP and TMS can help you save, scale and grow.

[CONTACT US](#)

## About Infios

Infios delivers end-to-end supply chain execution technology, from transportation and order management to warehousing and robotics. Our modular, cloud-native platform enables smarter, scalable operations at any stage of growth.

