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The 2026 CFO Guide to Finding Recoverable Cash in Existing Business Expenses

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Uncover hidden overpayments, optimize recurring expenses, and improve EBITDA with proven operational cost reduction strategies.

Start Your Cost Recovery Review

How can CFOs identify and recover overpayments from operational expenses they are already paying for?

CFOs can recover hidden cash by reviewing recurring operational expenses, identifying overpayments, benchmarking vendor pricing, and optimizing contracts across categories like taxes, freight, facilities, and merchant services.

What if one of your biggest opportunities to improve EBITDA isn't increasing revenue or cutting budgets, but identifying where your business is already paying more than it should?

Finance teams know what they spend. What they may not know is whether those costs still reflect current market conditions, contract terms, business needs, and applicable tax rules. Without the time, category-specific expertise, or market benchmarks to evaluate complex expenses, overcharges, outdated pricing, unnecessary fees, and tax errors can go unnoticed.

That gap matters as companies continue to prioritize cost reduction. PwC's May 2025 Pulse Survey found that 53% of companies had moved beyond the planning phase on actions such as cost reduction, budget adjustments, and supplier diversification, while 62% had taken at least initial steps to reduce costs, excluding layoffs.

But cutting budgets isn't the only path to savings. Reviewing existing operating expenses can uncover historical overpayments and ongoing costs that no longer reflect current market conditions or business needs.

The SALT Group applies this approach across areas such as Sales & Use Tax, freight and parcel, waste, facilities, uniforms, and merchant services, using category expertise and benchmarking to identify recovery and savings opportunities through a performance-based model.

Why Recoverable Cash Matters for CFOs

Today's CFOs are expected to improve profitability while supporting growth. But the challenge isn't always finding new ways to cut spending. It can be determining whether the business is already paying more than it should.



According to Deloitte's 2025 MarginPLUS study, 69% selected targeted actions in a few divisions, business units, functions, or geographies as their No. 1 approach to pursuing margin improvement through cost reduction. For CFOs, that makes identifying specific areas of unnecessary spend more valuable than broad-based cuts.

The opportunity often lies in categories with complex pricing, changing regulations, and limited market visibility.

Where Recoverable Cash Is Most Commonly Hidden

Recoverable cash can exist across operating expenses that appear routine but contain complex pricing, changing fees, evolving regulations, or services that no longer match current needs.

Spend category	Why overpayments happen
Sales & Use Tax	Review tax applications, exemptions, credits, and historical payments for potential overpayments.
Freight & Parcel	Examine rates, fuel surcharges, accessorial fees, and pricing against current shipping requirements.
Waste Management	Evaluate pickup frequency, container sizes, fees, and service levels against actual waste volumes.
Facilities & Uniforms	Review pricing, service scopes, contract terms, and recurring increases against current operational needs.
Merchant Services	Analyze processing structures, interchange-related fees, markups, and other transaction costs.



Why Increasing Revenue Isn't the Only Way to Improve Margins?

Revenue growth can require additional investment before returns are realized. Reviewing existing operating expenses creates another path to margin improvement: identify historical overpayments and ongoing costs that exceed current market conditions or actual business needs.

Why Small Overpayments Become Large Financial Losses

Hidden cash rarely disappears through a single large billing error. More often, it is lost through recurring overpayments that continue month after month without being challenged.

A seemingly insignificant overcharge, such as a service fee, fuel surcharge, tax misclassification, or pricing escalation, can become a meaningful financial loss when repeated across thousands of invoices, vendors, and locations.



Why Operational Expenses Often Escape Review

Finance teams can see what was invoiced, what was paid, and what the contract says. What they may not know is whether those costs remain competitive.

That's where SALT's category expertise and market perspective can reveal opportunities routine expense reviews may miss.

> **Finance teams don't necessarily have a visibility problem. They may have a benchmarking problem.**



The Financial Impact of Expense Optimization

Effective operational cost reduction strategies can create two types of value:



Historical recovery
Identify past overpayments, billing errors, incorrect fees, and other recoverable costs.



Ongoing savings
Correct pricing, service levels, contract terms, and recurring charges to reduce future spend.

The result can be improved cash flow, stronger margins, and greater control over ongoing operating expenses.

The SALT Recovery Method™: A 4-Step Process to Find Recoverable Cash

Recovering cash from existing business expenses requires more than reviewing invoices or cutting budgets. The SALT Recovery Method™ provides a four-step approach for identifying hidden spend, assessing costs against market conditions, validating recovery opportunities, and taking action.

The framework helps CFOs move from identifying unusual expenses to determining whether those expenses represent genuine recovery or savings opportunities:



Scan

Identify high-impact expense categories where overpayments, outdated pricing, unnecessary services, or complex billing may be creating leakage.



Assess

Benchmark pricing, contracts, fees, and service levels against current market conditions rather than relying only on historical costs.



Locate

Validate specific tax, pricing, billing, and contract opportunities and quantify their potential value.



Take Back

Recover eligible historical overpayments, correct ongoing costs, and address the conditions that could cause unnecessary spend to continue.

THE COST RECOVERY FRAMEWORK™

A 4-Step Process to Find Hidden Savings
in Existing Business Expenses

DISCOVER

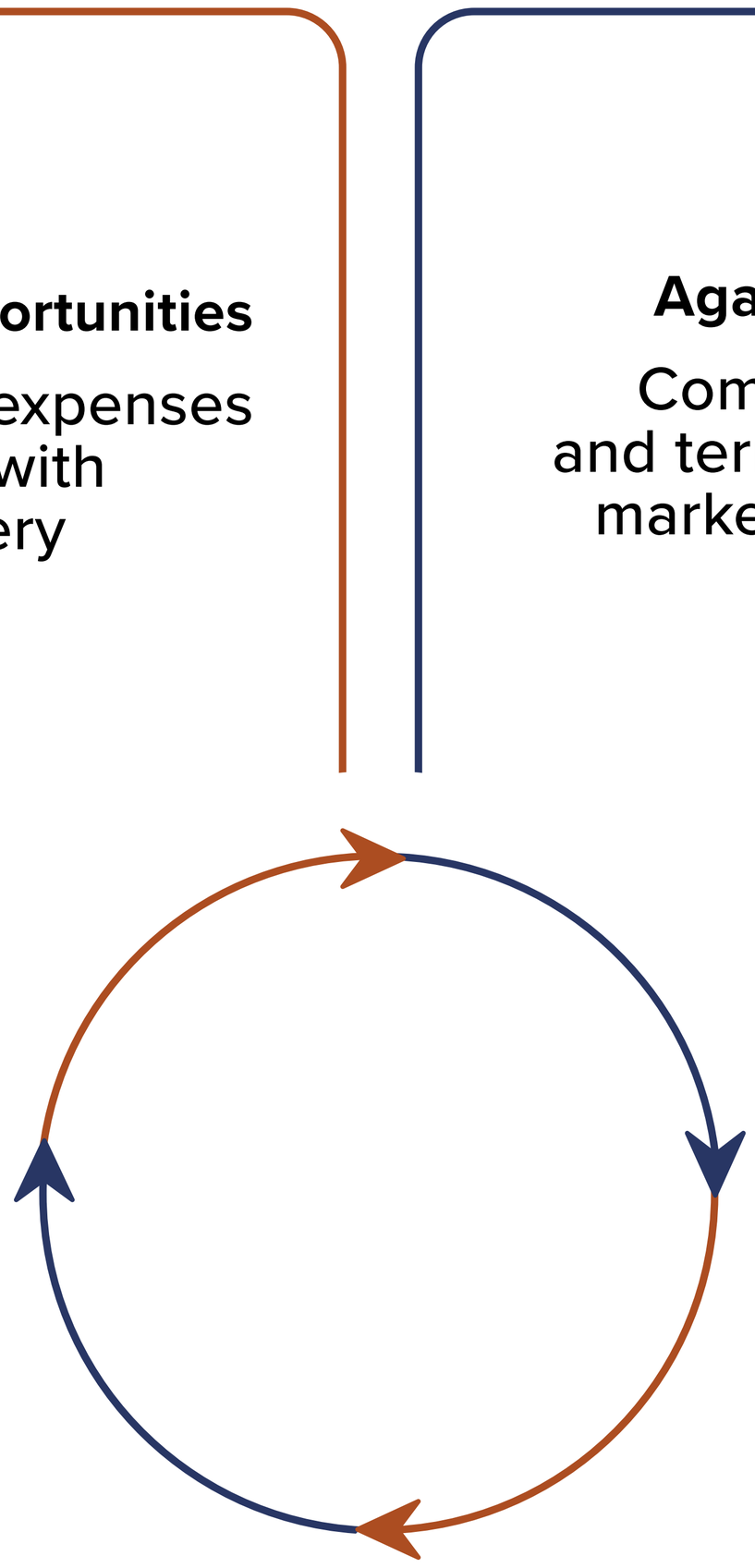
Hidden Spend Opportunities

Identify recurring expenses and vendor costs with the highest recovery potential.

BENCHMARK

Against Market Reality

Compare pricing, fees, and terms against current market benchmarks and standards.



VALIDATE

Recovery Opportunities

Validate overpayments, uncover refunds and credits, and quantify measurable savings.

RECOVER

Cash and Protect Savings

Recover cash, optimize costs, and implement controls to prevent future overpayments.

Step 1: Scan for Hidden Spend Opportunities

The Scan stage of The SALT Recovery Method™ identifies expense categories where overpayments, outdated pricing, unnecessary services, or complex billing may be creating recoverable cash.

How to Implement

Identify Complex Spend Categories

Review Sales & Use Tax, freight, parcel shipping, waste management, facilities, merchant services, and other recurring expenses.

Analyze Recurring Expenses

Look for billing errors, outdated agreements, unnecessary services, and gradual price increases.

Review Vendor-Managed Costs

Flag pricing escalators, automatic renewals, and complex fee structures.

Prioritize Recovery Potential

Focus on categories with high spend, volume, complexity, and recovery potential

Looking Beyond Obvious Errors

1

Typical approach:

A finance team may review invoices for obvious billing errors and confirm that charges match the vendor agreement, then consider the expense review complete.

2

SALT approach:

The SALT Group looks beyond invoice accuracy to identify broader recovery opportunities within existing expenses, including pricing discrepancies, tax issues, and recurring charges that may not be obvious from the invoice alone. Agrium US, Inc. reported that SALT's expertise produced a favorable tax recovery that exceeded the company's expectations.

3

Takeaway:

An accurate invoice does not necessarily mean the business is paying the right amount.

Pro Tip:

Start with high-spend categories where pricing changes frequently. Small recurring discrepancies can become significant recovery opportunities when multiplied across invoices, locations, and vendors.

Step 2: Assess Against Market Reality

The Assess stage of The SALT Recovery Method™ determines whether current pricing, fees, contracts, and service levels remain competitive and appropriate based on current market conditions.

How to Implement

Compare Vendor Pricing

Benchmark rates, fees, and contract terms against current market conditions.

Analyze Invoice-Level Charges

Review surcharges, administrative fees, fuel costs, and processing charges.

Evaluate Service Alignment

Confirm services still match current business requirements.

Apply Category Expertise

Use specialized market knowledge to identify pricing opportunities internal reviews may miss.

Example: Benchmarking Beyond Historical Pricing

1

Typical approach:

A finance team may compare current vendor rates with previous invoices or historical contract pricing to determine whether costs have increased.

2

SALT approach:

Rather than relying solely on historical rates, SALT compares pricing, fees, contract terms, and service levels against current market conditions to determine whether the business is still receiving competitive terms. Allegheny Wood Products, Inc. reported that SALT secured refunds and reduced rates going forward.

3

Takeaway:

Historical pricing shows what a business has paid, not necessarily what it should be paying today.

Pro Tip:

Don't benchmark only the total invoice. Compare rates, fees, contract terms, and service levels separately.

Step 3: Locate Recovery Opportunities

The Locate stage of The SALT Recovery Method™ validates potential savings and identifies specific tax, pricing, billing, and contract opportunities that can produce measurable recoveries.

How to Implement

Review Tax Opportunities

Examine taxes, exemptions, credits, and historical payments.

Audit Transportation Costs

Review freight, parcel pricing, fuel surcharges, and accessorial fees.

Evaluate Operational Services

Identify unnecessary capacity, outdated service levels, and unfavorable terms.

Analyze Merchant Processing Costs

Examine interchange fees, markups, and processing structures.

Quantify the Opportunity

Determine potential historical recovery and ongoing savings.

Example: Finding Savings Across Multiple Expense Areas

1

Typical approach:

A finance review may identify an individual savings opportunity and address it within the existing expense category.

2

SALT approach:

SALT evaluates multiple potential recovery opportunities across taxes, operating costs, and supplier agreements, then quantifies both historical recoveries and ongoing savings. Bootz Manufacturing Co. reported that SALT identified cost savings opportunities and tax credits and helped negotiate supplier agreements.

3

Takeaway:

Looking across multiple expense areas can reveal a larger financial opportunity than addressing isolated billing issues.

Pro Tip:

Separate one-time recoveries from recurring savings. Understanding both values helps CFOs prioritize opportunities based on immediate cash impact and longer-term expense reduction.

Step 4: Take Back Cash and Protect Savings

The Take Back stage turns identified opportunities into financial results. This may involve recovering historical overpayments, correcting ongoing pricing, renegotiating terms, or addressing recurring charges that continue to drive unnecessary spend.

How to Implement

Recover Historical Overpayments

Pursue eligible refunds, credits, tax recoveries, and other amounts owed.

Correct Ongoing Costs

Address pricing discrepancies, unnecessary charges, and unfavorable contract terms.

Negotiate Where Appropriate

Use validated findings to support vendor discussions and rate adjustments.

Prevent Future Leakage

Establish ongoing reviews and controls to reduce the likelihood of recurring overpayments.

Track Financial Impact

Separate recovered cash from projected future savings to measure the full value of the engagement.

Pro Tip: Treat recovery as an ongoing process, not a one-time audit. Schedule periodic reviews of high-impact categories to catch new pricing changes before they become embedded costs.

Illustrative Client Examples:

The Difference a Benchmark-Driven Review Can Make

1 Finding $752K in Savings Across Existing Expenses

Microflex, a manufacturing company with 90 employees and $27M in annual sales, engaged SALT to review waste, uniforms/facility, merchant card, parcel, and freight expenses.

What we found:

- We found opportunities across waste, uniforms/facility, merchant card, parcel, and freight expenses.
- $752,346.60 in identified savings, including recurring annual savings.
- Multiple opportunities that extended beyond any single vendor or expense category.

The takeaway:

Reviewing multiple operating expense categories can uncover opportunities that remain hidden when each vendor or expense is evaluated in isolation.

2 Recovering $254K From Long-Standing Expense Issues

Midland Farms, a dairy company with $20M in annual revenue and 89 employees, had SALT review telecom, parcel, uniforms, freight, waste, merchant services, sales/use tax, and utilities.

What we found:

- $254,592.12 in identified savings and recoveries.
- Waste savings through fewer hauls with more tons per haul.
- A new fixed-rate utility agreement generating $5,000 in monthly savings.
- $276,000 in Sales & Use Tax paid in error on electricity that was recovered.
- Long-standing opportunities that had existed for more than two years, with only a few hours of client involvement.

The takeaway:

A cross-category review can uncover both historical recoveries and ongoing savings within expenses that have been treated as routine for years.

Best Practices for CFOs Looking to Reduce Operating Expenses

Recovering unnecessary operating spend is only the first step. The most effective operational cost reduction strategies help CFOs prevent recurring overpayments and sustain long-term profitability.

Use these practices to keep savings opportunities from becoming recurring costs:



Review Vendor Agreements Before Renewal: Evaluate contracts at least 90 days before renewal to identify automatic price escalators, outdated service levels, and restrictive terms before negotiating leverage is lost.



Monitor Invoice-Level Pricing Changes: Watch for gradual increases in fuel surcharges, environmental fees, processing charges, and other recurring costs that can quietly accumulate over time.



Benchmark Costs Against Market Rates: Use independent pricing benchmarks to determine whether vendor rates remain competitive.



Prioritize Complex Spend Categories: Focus reviews on Sales & Use Tax, freight, parcel shipping, waste management, facilities, and merchant services, where pricing structures and regulations change frequently.



Focus Reviews Where They'll Have the Greatest Impact: Prioritize expense categories that combine high annual spend, high invoice volume, pricing complexity, frequent rate changes, multi-location or multi-state exposure, or significant contract risk.



Partner With Performance-Based Specialists: Engage cost reduction specialists when internal teams lack the time, benchmarking data, or category expertise needed to uncover and recover hidden savings.

The next section explores the common mistakes that prevent businesses from identifying and recovering these savings.

Common Mistakes That Prevent Businesses From Recovering Hidden Savings

Many businesses miss savings because recurring operating expenses are treated as routine costs instead of potential recovery opportunities.

Common Mistake	Better Approach
Assuming internal invoice reviews are enough	Supplement internal reviews with independent benchmarks and category expertise.
Focusing only on major expense categories	Include recurring operational spend such as Sales & Use Tax, freight, waste management, facilities, and merchant services in every review.
Accepting vendor pricing at face value	Benchmark rates and service levels against current market conditions before renewing contracts.
Relying solely on internal resources	Supplement internal expertise with specialized benchmarking and category-specific cost reduction consulting.
Choosing consultants who bill by the hour	Partner with performance-based consultants whose success is tied to measurable savings.

Avoiding these mistakes helps finance teams move from reactive expense management to a proactive, repeatable process for recovering historical overpayments and reducing unnecessary operating costs going forward.

Operational Cost Reduction Checklist for CFOs

Recovering hidden cash starts with asking the right questions across every major operational expense. Use the SALT Recovery Method™ to Scan, Assess, Locate, and Take Back savings while building ongoing expense reviews into your process.

Category	CFO Check
Prioritize	Identify high-spend categories with complex pricing, frequent rate changes, or significant surcharges.
Review Contracts	Check for automatic increases, renewal clauses, and outdated service terms.
Audit Invoices	Look for recurring fees, surcharges, billing errors, and unexplained charges.
Benchmark Costs	Compare vendor pricing and fees against current market conditions, not just historical rates.
Review Taxes	Verify Sales & Use Tax applications, exemptions, credits, and historical payments.
Review Services	Evaluate freight, parcel, waste, facilities, uniforms, and merchant services for pricing or service gaps.
Check Service Fit	Confirm current service levels, quantities, and contracts still match business needs.
Separate Savings	Distinguish historical recovery opportunities from ongoing savings opportunities.
Quantify Impact	Prioritize opportunities based on potential financial impact and recurring savings potential.
Prevent Leakage	Schedule recurring reviews of high-impact categories to catch future cost increases.

Use the SALT Recovery Method™ to guide the review: Scan for hidden spend, Assess costs against market conditions, Locate specific recovery opportunities, and Take Back historical and ongoing savings.

The goal is simple: identify where money is being lost, determine what should be recovered or corrected, and build reviews into the ongoing expense management process.

Recover More Cash From the Expenses You're Already Paying

Many businesses have strong financial controls, accurate invoice processing, and disciplined budgets, yet unnecessary operating costs can still persist. The issue is often not how expenses are managed, but whether pricing, contracts, fees, taxes, and service levels are being evaluated against current market conditions.

The SALT Recovery Method™ provides a structured way to address those gaps. By Scanning for hidden spend, Assessing costs against market reality, Locating specific recovery opportunities, and Taking Back historical and ongoing savings, CFOs can turn overlooked operating expenses into measurable financial opportunities.

The method is supported by The SALT Group, which brings 38+ years of expertise, 25K+ companies served, and $1B+ recovered for clients. Its independent benchmarking, category-specific expertise, and performance-based model help businesses uncover opportunities that routine internal reviews may not reveal.

A cost recovery assessment can help identify where those opportunities may exist within your current operating spend.

Request a Free Cost Reduction Assessment



Frequently Asked Questions

01 Does cost recovery require changing vendors?

Not necessarily. A cost recovery review can identify pricing discrepancies, billing errors, unnecessary fees, and unfavorable terms within existing vendor relationships. In many cases, savings can be achieved by correcting pricing or contract terms rather than replacing the vendor.

02 How much internal time does a cost recovery review require?

The amount of internal involvement depends on the size of the business and the expense categories being reviewed. A specialized cost reduction partner can handle much of the analysis, allowing finance teams to provide the necessary data and context without taking on a significant ongoing workload.

03 Can historical overpayments be recovered?

Yes. Depending on the expense category, businesses may be able to recover eligible past overpayments, tax errors, billing discrepancies, incorrect fees, and other recoverable costs. A review can also identify the underlying issue so unnecessary spending does not continue.

04 What information is needed to get started?

A review typically begins with financial and operational data related to the expense categories being evaluated. Depending on the scope, this may include invoices, vendor contracts, tax records, pricing agreements, and other relevant expense information.

05 Which expense categories should we review first?

Start with categories that combine high annual spend, transaction volume, pricing complexity, or frequent rate changes. Common opportunities include Sales & Use Tax, freight, parcel shipping, waste management, facilities, and merchant services.

Our Success Is Measured by Your Savings

The SALT Group's performance-based model ties our compensation to measurable savings and recoveries, aligning our success with the financial results we deliver for your business.

Related Guides

1. https://thesaltgroup.com/complete-guide-operating-expenses-recovery/
2. https://thesaltgroup.com/complete-guide-to-supplier-spend-analysis/
3. https://thesaltgroup.com/business-spend-control-complete-guide/
4. https://thesaltgroup.com/manufacturing-cost-reduction-complete-guide/
5. https://thesaltgroup.com/complete-guide-cost-reduction-strategies/
6. https://thesaltgroup.com/how-cost-reduction-consulting-finds-hidden-overpayments/

Research & References

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- U.S. Small Business Administration (SBA)
- Deloitte 2025 MarginPLUS Study: Resilience and Innovation
- Deloitte Insights: Cost Optimization Strategies
- Gartner: Cost Optimization That Funds the Future
- Ardent Partners AP Automation & Payments Research

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