

Outsourced Accounting Case Study



Tax

Business Advisory

Outsourced Accounting

Accounting and Auditing

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**HANTZMON
WIEBEL** LLP
CPA and Advisory Services

Overview

A local nonprofit now saves more than \$50,000 a year and operates with more efficient and accurate accounting systems by outsourcing its accounting to Hantzmon Wiebel.

Background

The nonprofit, which has over 50 employees and a budget of over \$5,000,000, faced many accounting related issues prior to utilizing Hantzmon Wiebel's outsourced accounting services.

In particular, the organization operated with minimal accounting staff and struggled to find and retain qualified individuals to fill the CFO role. The nonprofit spent around \$150,000 plus benefits on the CFO salary, yet continued to experience high turnover in the position.

The lack of consistent leadership in the accounting department caused and/or amplified the many inefficiencies and inaccuracies within the organization's accounting processes.



Outsourced accounting provides consistency for your organization. Hantzmon Wiebel has been serving clients since 1928. You can trust us to provide reliable, expert services without interruption.

The Issues

Default on Debt and Loss of Fundraising Status

Because the accounting software was not updated on a regular basis, accurate reports could not be generated without manually manipulating them after an export.

Duplication of work led to inaccurate record keeping. For example, payroll data was manually entered into a spreadsheet and then again manually entered into the accounting software. Paper invoices were circulated around the organization and stored in file cabinets, and vendor invoices lacked approval documentation. Additionally, the staff manually keyed invoices, bill payments, and deposits into the accounting software.

Due to inefficiencies in the accounting systems and inaccurate record keeping, the organization could not complete their audit on time nor file a tax return timely.

The late financial reporting caused them to default on their debt, and the late filing of the Form 990 resulted in a loss of their fundraising status.

Along with the default and the loss of fundraising status, the lack of transparency in financial reporting put the organization at greater risk of fraudulent activity going undetected.



The Solutions

Installation of Appropriate Software Programs

Hantzmon Wiebel implemented a new accounting system and other finance platforms to allow automation of accounting data. Additionally, we administered an accounts payable management system. The secure, cloud-based programs provide the organization access to timely and accurate information

Invoices paid through the bill pay system

- Eliminated the need to maintain paper invoices
- Eliminated the need to print and sign checks
- Allowed for better cash management because payments can be scheduled to arrive at the vendor's due date
- Created transparency in who is approving invoices and approving payments

Accounts payable management system

- Eliminated the need for manual entry of invoices
- Allowed for electronic invoice storage
- Created digital invoice approval and payment approval workflow

General Accounting Completed on a Monthly Basis

Our team now handles adjusting store inventory, fixed asset tracking, recording pledges receivable, booking investment activity, and reconciling prepaids and deferred revenue.

Our team equips you with technology that streamlines bookkeeping operations, and a team member dedicated to your personal support ensures your accounting processes occur with ease and accuracy.



Results

Pay Less

The organization saves more than \$50,000 annually by replacing the costs to employ an internal CFO with services from Hantzmon Wiebel.

Get More

Due to the changes implemented by Hantzmon Wiebel the organization's systems run smoothly and their records are accurate and up to date.

With Hantzmon Wiebel's help, the external audit was completed earlier than it had been in many years and the 990 was also completed earlier than ever.

The organization has benefited greatly by outsourcing their accounting to Hantzmon Wiebel:

- Fundraising licenses reinstated
- Reporting to lender caught up
- Transparency in finances improved
- Budget to actual reporting implemented
- Cash flow projections implemented
- Reporting with outside stakeholders caught up
- Manual data entry mostly eliminated



Our years of experience, specialized training, and proactive approach help our clients to remain in compliance, prevent potential problems, and create financial strategies that promote growth.