Could Outsourced Accounting Services Benefit Your Organization?

By David J. Gunter, Partner

Has your church or nonprofit considered outsourced accounting services? Outsourcing can help your organization manage the rapid pace of change and flexibility required to achieve operational health and grow in today's environment.

Here are four insights about outsourced accounting services to consider and four questions to ask as you assess the potential benefits for your organization.

Four Key Insights About Outsourced Accounting Services

1. Outsourcing providers keep a steady inflow of accounting talent.

Accounting talent is hard to find, as you may be aware. Data from the U.S. Bureau of Labor Statistics' *Occupational Outlook Handbook* shows that the U.S. market needs an annual average of 134,600 accountants to fill its current needs. However, only 65,000 accounting students currently graduate and enter the workforce in an average year, according to the AICPA.

This gap will lead to significant accounting position vacancies across industries, but outsourcing providers will likely remain adequately staffed due to their singular focus. If your church or nonprofit is struggling to find qualified accounting talent, you could benefit from using an outsourcing provider.

Outsourcing can help your organization manage the rapid pace of change and flexibility required to achieve operational health and grow in today's environment.

2. Outsourcing your accounting functions can give you access to a service team with deep and varied experience.

Due to their concentration of accounting talent, outsourcing providers can be great sources of specialized information.

Accounting professionals at outsourcing providers typically have previous work experience across industries, software platforms, and levels of complexity. This means that if the professional assigned to your organization or the representative you speak with comes across a question or situation they're unsure about, they have an entire team in their corner to provide the best answer.

Outsourcing providers can leverage best practices to solve problems and provide advice that a one-person accounting team in your back office may not be able to access.

3. Software platforms for financial statement generation and general ledger management have become better and faster — and they are continually improving.

Generally, enterprise resource planning (ERP) software should be replaced or upgraded every five to 10 years, but many organizations continue using software well beyond this timeframe because they think upgrading or replacing it will be costly.

Outsourcing providers can help your organization select and implement upgraded or new software that can save you time and money over the long term. Current software platforms provide a wide range of functions and benefits, including:

- Data entry – invoice processing and coding
- Information processing – real-time bank feeds and payment gateways
- Vendor and proposal evaluation

- Automation of procurement workflows and approvals
- Assistance with complex transactions through data analytics
- Fast reconciliations
- Analysis of large sets of data to find trends and relationships
- Future cash requirement predictions
- Review of accounting entries and reports

4. Major accounting software platforms have an ecosystem that is constantly expanding.

Outsourcing providers can also help you determine which software would be the best fit for your organization by evaluating which secondary software platforms can be integrated. Major ERP software platforms have application programming interfaces (APIs) that allow the platform to easily connect with a wide variety of supporting software. This can automate many processes normally handled by accounting professionals and free them up to perform more specialized functions.

An outsourcing provider can help your organization assess your options and evaluate the growing and rapidly improving software solutions now available.

Four Key Questions to Ask

Consider these questions as you assess your organization's accounting needs:

1. Would the increased efficiency make a software platform upgrade financially viable for us?
2. Are we taking steps to recruit and retain a qualified and capable accounting team?
3. Do we get the timely information we need to support decision making?
4. Are we well-informed of the organization's cash status and forecast?

Outsourced accounting services can help in these areas. CapinCrouse offers a wide range of consulting outsourced services for churches and other nonprofit organizations, and we can help you analyze your needs and assess potential solutions. Please contact us with questions or to learn more.

Additional Resources:

6 Common Accounting Tech Stack Questions
Outsourcing Resources

About the Author

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Dave has 41 years of consulting and advisory experience and provides a range of services, including business strategy, forecasting, revenue and donor analysis, and cost structure management and operational efficiency. He has held chief financial officer, chief accounting officer, and treasury officer positions at publicly traded companies, and worked with numerous churches as a consultant and advisor.

About CapinCrouse

As a national full-service CPA and consulting firm devoted to serving nonprofit organizations, CapinCrouse provides professional solutions to organizations whose outcomes are measured in lives changed. For over 50 years, the firm has served domestic and international outreach organizations, universities and seminaries, foundations, media ministries, rescue missions, relief and development organizations, churches and denominations, and many others by providing support in the key areas of financial integrity and security. With a network of offices across the nation, CapinCrouse has the resources of a large firm and the personal touch of a local firm. Learn more at capincrouse.com.

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