



OUTSOURCED FINANCE & ACCOUNTING

PROVIDING FINANCE FUNCTIONS
SCALED FOR GROWTH

If you and your staff are struggling to keep your books balanced, decipher new tax rules, or easily get the financial insight to drive operations, we can help free you up from those burdens.

Whether your organization is in startup mode or is well-established, outsourced finance and accounting is a cost-effective way to transfer these duties, streamline your financial functions and reduce your operational risks.

Outsourcing brings you financial expertise without the expense or human resources risk of hiring full-time staff. You'll also reap the benefits of the latest financial management software, including easy to use real-time dashboards of your financial data, without having to invest in new technology. Our specialists can step in right away, at whatever level of service you need, freeing you and your team to focus on what you do best.

OUTSOURCED FINANCE & ACCOUNTING KEEPS THE FOCUS ON YOUR GOALS



Get the Services You Need

A startup with limited funding and no accounting or IT infrastructure has very different outsourcing needs than an established business with an internal finance team. Likewise, nonprofits and for-profit businesses have some significant differences when it comes to financial functions. We've worked with hundreds of organizations, of all types, and we have the expertise to tailor an approach that fits your size and your industry.

As your organization grows and evolves, our flexible services also scale with you. If you've reached the point where an in-house finance staff makes sense, for example, we can seamlessly transfer day-to-day responsibilities to your team and provide consulting expertise for specialized issues like global tax compliance.

Outsourcing Services

We offer three different service models: **FULL** outsourcing for everything from taxes to accounts payable to board-ready reporting; **LIMITED** outsourcing for financial statements, bank reconciliations and journal entries; and outsourcing of highly **SPECIALIZED** functions, such as a virtual controller, CFO services or stock option administration.



	SERVICES PROVIDED	OUTSOURCING TYPE		
		SPECIALIZED	LIMITED	FULL
FOR-PROFIT & NONPROFIT	Subledgers (Payroll, Accounts Receivable, Accounts Payable)	○	○	✓
	Journal Entries	○	✓	✓
	General Ledger Processing	○	○	✓
	Bank Reconciliations	○	✓	✓
	Tax Reporting (Property, Sales, Payroll Tax)	○	✓	✓
	Virtual Controller / CFO	✓	○	✓
	Temporary Staffing	○	○	✓
	Cloud-Based Technology	○	✓	✓
	Special Projects	✓	○	○
	Corporate Income Tax Reporting	○	○	✓
FOR-PROFIT	Stock Option Administration	✓	○	○
	Reporting to Shareholders, Creditors and Investors	○	✓	✓
NONPROFIT	Organizational Informational Tax Reporting	✓	✓	✓
	Reporting to Board, Donors, Parents	✓	✓	✓



Reduce Your Risks

If you're tired of missed deadlines and monthly mad scrambles to pull together data, our Outsourced Finance & Accounting team can help. You'll know the work is being done correctly and in a timely manner. More important, your data will be ready whenever you need it—to drive operational decisions, satisfy your bank covenants or complete due diligence activities for a merger or acquisition.

Our experts know the risks associated with complex financial functions and can help you head off operational issues such as incomplete views of goods or services or risk of fraud. For example, we can evaluate and redesign your business process to make sure there is sufficient financial oversight, and that one person doesn't have the ability to "cook the books."

1970	1971	1972	1973	1974
25.9100	-0.3110	16.4295	-0.3109	
7.4521	-0.0002	4.7253	-0.0341	
258.200	+1.2914	163.719	-0.3594	
3.9683	+0.0197	2.5163	-0.0055	
49.7511	+0.3933	31.5471	+0.0242	
36743.80	+182.500	23299.20	-51.1400	
8.1498	+0.1136	5.1678	+0.0354	
12.8633	+0.0639	8.1566	-0.0179	
655.957	-	415.941	-2.9938	
22.0470	+2.6842	13.9795	+1.6132	
15.6465	-	9.9214	-0.0714	
13.6130	+0.0880	8.6320	-0.0059	

Separation of Duties Essential to Financial Controls

The basic guideline in "fraud proofing" your organization is to make sure that individuals with record keeping responsibilities don't also have custody of assets such as cash and inventory. For example, you do not want the person who receives the mail and handles cash and checks to also be the person who maintains the accounts receivable records. In this scenario, it would be easy for that one person to deposit the checks in an account they control and then cover up the theft by manipulating the accounts receivable records so that everything looks fine.

The graphic on the next page illustrates how you can effectively separate the custody of the checks from the record keeping. If Person A fraudulently converts the check for personal use, for example, the customer who sent in the check will wonder why the account does not reflect the payment, and Person B can identify the need for an investigation.

Maintaining proper separation of duties for key business areas will improve the internal control environment in your business. Many of these types of controls can be easily implemented. Others may take more analysis to develop an efficient solution.

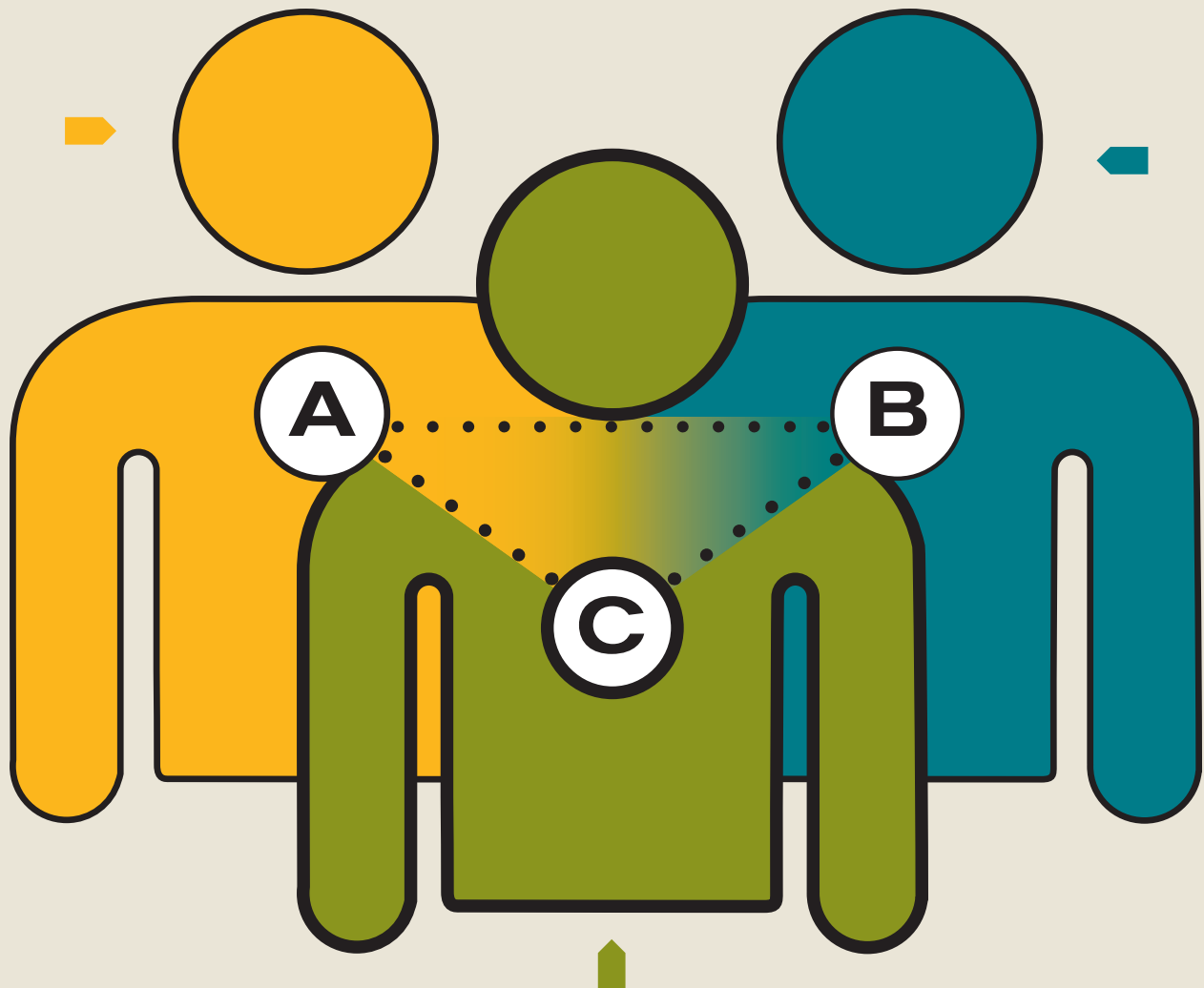
Best Practice for Handling Assets

PERSON A

Opens mail and removes checks
Restrictively endorses checks
Makes a log of the checks received and forwards checks to accounts receivable

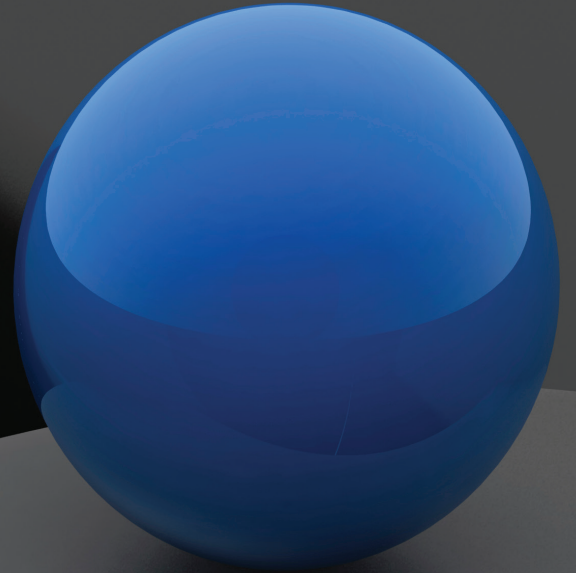
PERSON B (accounts receivable)

Prepares deposit and sends to Person C for review and deposit in bank
Applies check payments to outstanding accounts
Compares total payments recorded to copy of bank deposit



PERSON C

Reviews deposit and deposits checks at bank



You get the benefits of secure new technology and the support of our experts, without having to make a big IT investment or add or supervise staff.

Close Your Technology Gap

All too often, nonprofits and smaller businesses are held back by obsolete or insufficient IT infrastructure that can be costly to replace. If a system upgrade is either not in your budget or you have shifting needs, outsourcing is a cost-effective way to close your technology gap. Our Outsourced Finance & Accounting team uses the latest cloud-based software, which we can integrate with your existing platform to quickly bring your data collection and reporting efficiency up to speed. You get the benefits of secure new technology and the support of our experts, without having to make a big IT investment or add or supervise staff.

Nonprofits Have Some Unique Needs

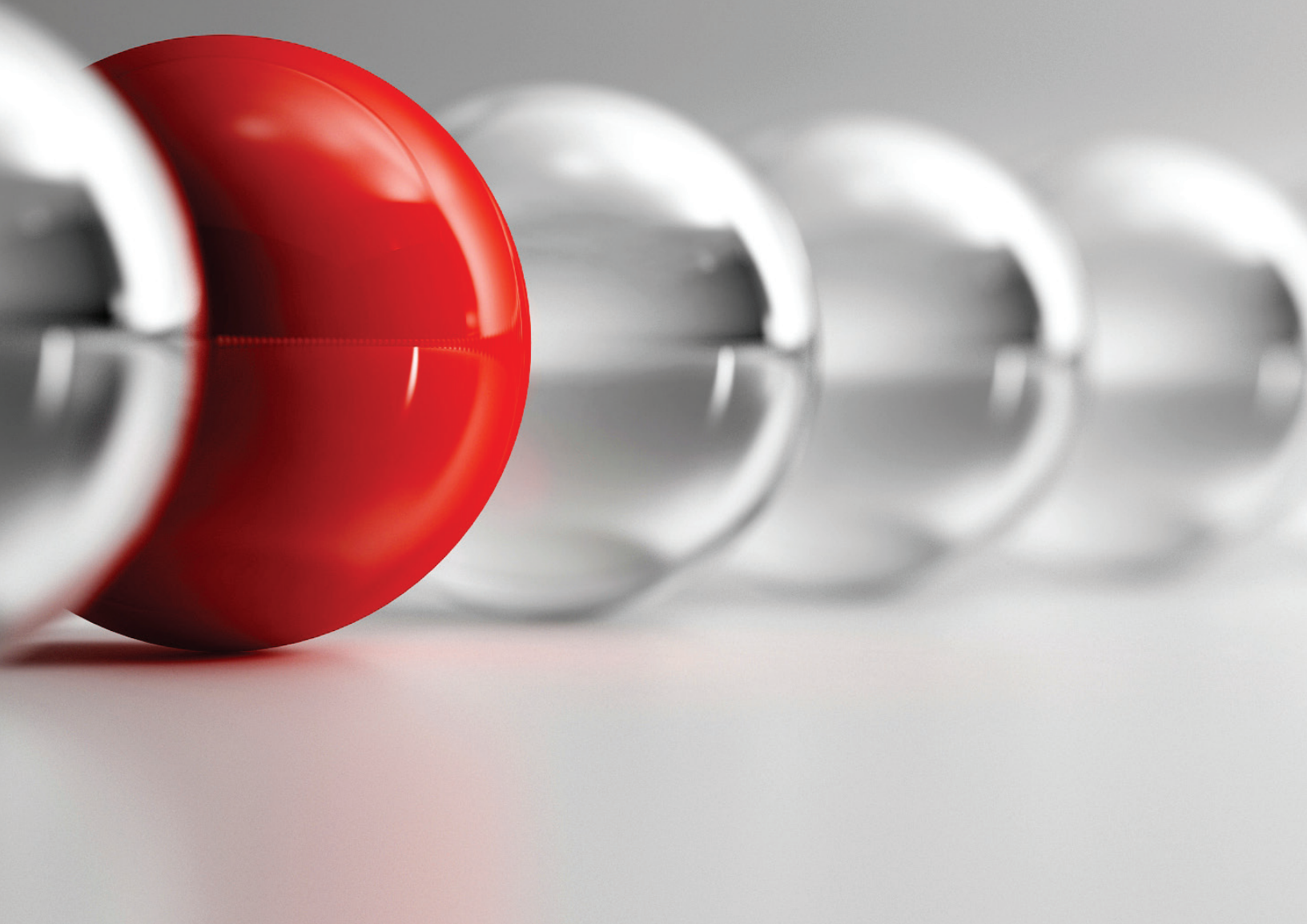
Armanino has worked closely with private schools and other nonprofits for more than 20 years, helping them streamline their finances without adding staff or costly infrastructure, so they can focus on their core missions.

Nonprofits have many similarities to for-profit small businesses—both have to file property, payroll and sales tax returns and follow state business laws—but they also have unique needs. The two follow different sets of generally accepted accounting principles (GAAP), and there are big differences in how they report and present information to their various constituencies.

A for-profit typically reports out to shareholders, creditors and potential investors, who are focused on the bottom line. Private schools and other nonprofits report out to their circle of parents, donors, boards and foundations, who all want to know the impact their money is having. Many nonprofits are heavily scrutinized by various watchdog groups, as well.

In a sense, nonprofit finance is more about stewardship than commerce, especially when restricted funds are involved. The reporting must be totally transparent and much easier to examine and understand than that of a for-profit business. Accountability is paramount, and stakeholders want to know how financial decisions affect the organization's work.

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Why Choose Armanino?

Our Outsourced Finance & Accounting specialists have worked with hundreds of private businesses and nonprofits over the past two decades. They understand the mindset and needs of a smaller entrepreneur versus a fast growth company and can help either equally well. With a strong mix of expertise across all financial functions—management, reporting, accounting and tax—as well as technology expertise, we can hit the ground running to meet your specific needs.

