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FINANCE DEPARTMENT ASSESSMENT AND PROCESS IMPROVEMENT

WHAT IS AN ACCOUNTING/ FINANCE DEPARTMENT ASSESSMENT?

An Accounting/Finance Department assessment helps an organization determine if it is operating efficiently and effectively and provides recommendations for improvement.



WHAT DOES AN OCS ASSESSMENT INCLUDE?

OCS compares assigned tasks and responsibilities to industry standards for each Accounting/Finance process, including; Cash Disbursements and Accounts Payable, Corporate Card and Personal Expense Reimbursement, Invoicing and Collections, General Ledger Processing, Payroll, Bank Reconciliation, Investments, Fixed Assets, Expense Allocations, Financial Reporting, and Federal/Private Grant Compliance. OCS tailors its review to the type of organization as well as its individual requirements and demands.

An OCS comprehensive review focuses on client data and key documents that provide an understanding of the organization's accounting and finance needs, including recent audited statements, general ledger details, and existing policies and procedures.

OCS seeks input from all members of the Accounting/Finance team, senior management, including Board members as necessary, as well as key stakeholders in other departments. Interviews are held individually or in groups and can utilize questionnaires. The primary interview goals are:

- ▶ Identifying roles, responsibilities and tasks, as well as timeliness, effectiveness and efficiency
- ▶ Determining areas of concern
- ▶ Assessing if manual processing is being used when technological advancements may be more efficient

IS AN ACCOUNTING/FINANCE ASSESSMENT NEEDED?

An Accounting/Finance Department Assessment may be beneficial if:

- ▶ Tasks are rushed and deadlines are frequently missed.
- ▶ It is difficult to get answers to simple questions.
- ▶ The team struggles to implement new accounting standards.
- ▶ Processes seem redundant or overly manual, making it difficult to meet deadlines.
- ▶ An organization is changing or upgrading its Staff members are overqualified or underqualified; some frequently work overtime while others do not have enough to do.
- ▶ An organization is changing or upgrading its accounting system or CRM.
- ▶ The department has had significant staff turnover.
- ▶ Workplace challenges, such as the COVID-19 pandemic, have created a need to review and regroup.

OCS ASSESSMENT WORK PRODUCTS

An OCS assessment includes the following:

- ▶ A detailed review of observations made during the assessment, including internal control risks, opportunities for efficiency and recommendations to address any concerns.
- ▶ A proposed organization chart for restructuring the Accounting/Finance Department.
- ▶ Titles and brief job descriptions for each position included on the proposed organization chart.
- ▶ A detailed task listing for each process is created denoting who currently performs the work and our recommendation for realignment or addition of tasks to the appropriate position level.
- ▶ A customized “best practices” tool kit to improve processes where deficiencies exist, including, for example, sample close calendars, reconciliation logs, and/or reconciliations. All recommendations are identified with their level of criticality and level of effort needed to implement the proposed solution.
- ▶ If requested, full job descriptions and industry salary ranges for positions included on the proposed organization chart.

OCS has more than 20 years of experience in nonprofit financial consulting services. In addition to accounting/finance assessments, we provide other business advisory services. Please visit www.oconnorcs.com for additional information.

O'Connor Consulting Services, LLC

A trusted business advisor to the nonprofit community since 1999.

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