

# Effective and Efficient Closing Process

A New Perspective on Data Management



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# Stakeholder Expectations Then....



Most importantly, make  
sure they balance!

# Stakeholder Expectations Now!



# Objectives

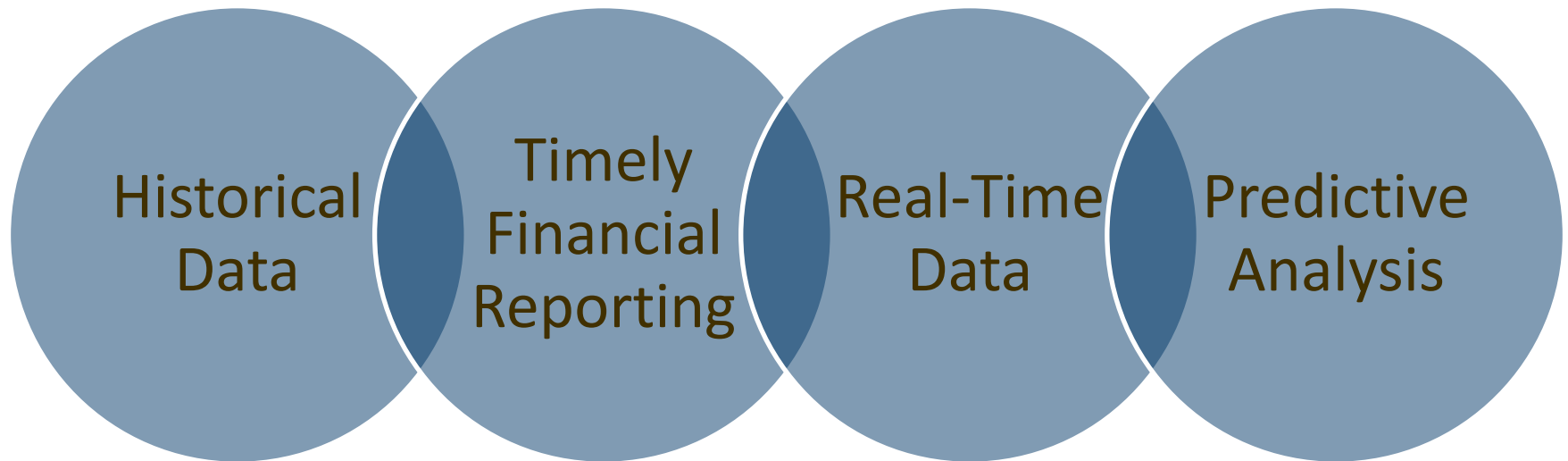
Input

Reporting

Analysis

Moving from Manual Processes to Automation

# Where is your organization?



# Requirements for Change

- Willingness to explore alternatives and change
- Honesty among team members and about the department's current state
- Vision
- Communication
- Accountability
- Commitment to the process and journey
- Be willing to challenge the “status quo”

# Input

- Start thinking of yourself as a data manager
- Have the end goal in mind
  - What data do I need for \_\_\_\_\_?
- Eliminate redundant repositories for data
  - e.g. Excel schedules or Access databases that could be maintained in your accounting system
- Eliminate manual adjustments – utilize the “automated” portions of your system
- Introduce accountability to the input process
- Consider all stakeholders (internal and external)

# Input – Talking Points for Your Team

- What can we do better if we captured the data?
- Where in the process should data be captured?
  - Map out how data is entering the accounting system and determine what additional data can be captured.
- What data is being compiled manually that could be in the accounting system?
- Review all manual journal entries and adjustments.
  - Are we utilizing all of our systems features?
  - Why is a journal entry necessary?
  - When manual adjustments are necessary, do we have standard templates and reconciliations?



# Input – Talking Points for Your Team

- In regards to accountability, have we considered the following:
  - Due dates for reconciliations
  - Timeliness of reconciliations (yearly reconciliations are typically not efficient)
  - Is everyone committed to timely, relevant and accurate reporting?
  - Does every account have a designated person for reconciliation and review?
- Do we have an organized paperless system for storing reconciliations, journal entries, etc.?

# The “Paperless” Plug

Organizations spend on average in labor costs:

- \$20 to file a document
- \$120 to find a misfiled document
- \$220 to reproduce a lost document

Of all documents...

- 7.5% get lost
- 3% of the remainder get misfiled

Professionals spend 5-15% of their time reading information, but up to 50% looking for it.

# Reporting

- If you now have the data, it's now time to automate
- Have the end goal in mind
  - What reports do I need for \_\_\_\_\_?
- Eliminate manual manipulation of data outside of the accounting system
  - e.g. Excel or Access
  - While we may love PIVOT tables, it is still a Band-Aid
- Validate reports for a period of time before relying on them
- Consider report design – less is not more!

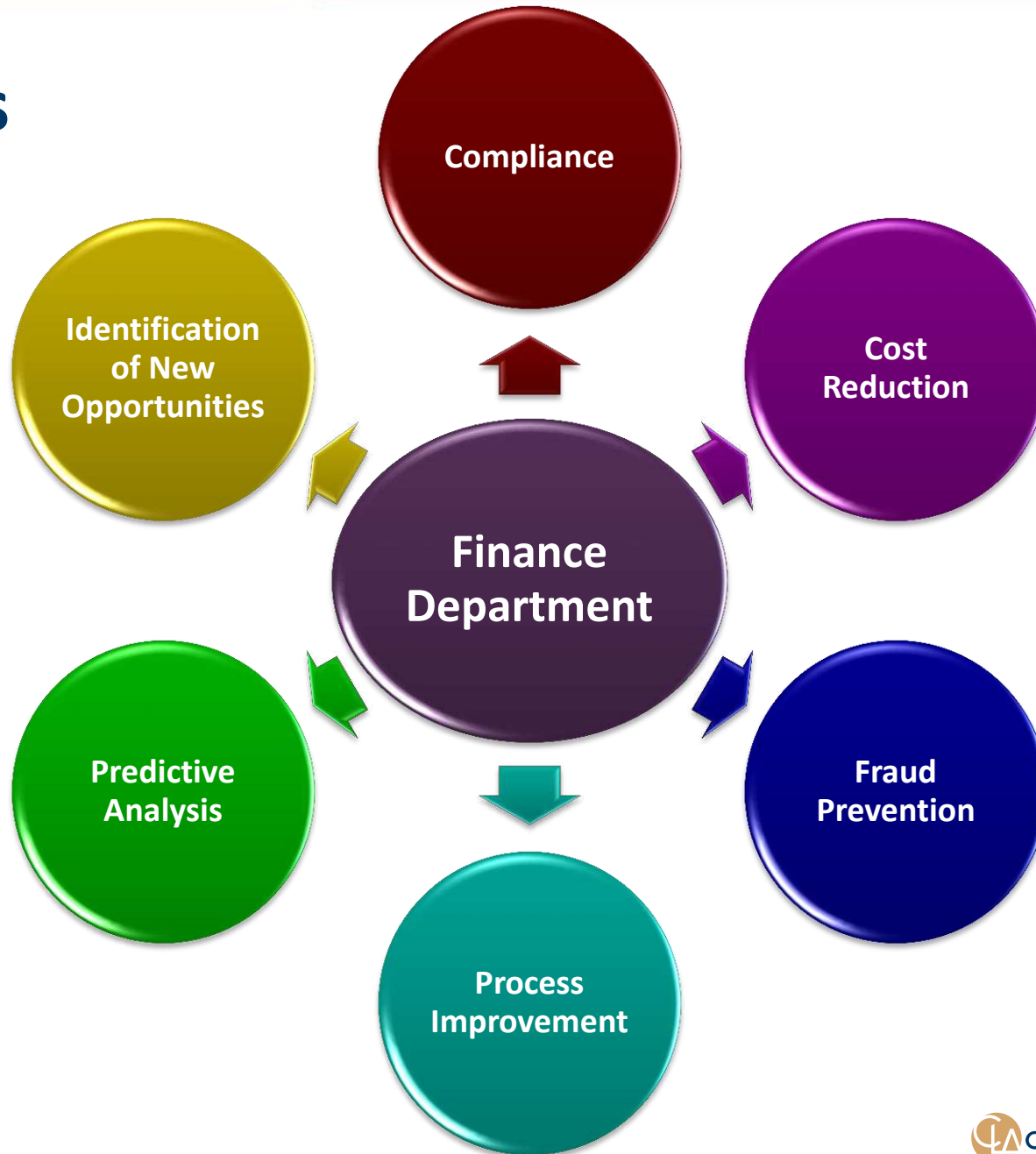
# Reporting – Talking Points for Your Team

- Start by creating a list of the following that your team uses for each reporting close:
  - Reconciliation reports
  - Internal reports
  - External reports
- Which of the above reports are being run from our accounting system?
- Which can be run from the accounting system?
- Do we need to revisit “input” to better automate?

# Reporting – Talking Points for Your Team

- Making a list of time sensitive reports?
  - Ensure these are run timely (utilize recurring appointments in Outlook)
- Perform cost benefit of analysis and consult with our vendor or IT department
- If manual reports must be utilized, are these stored in a central location and backed up?
- Validate all new reports for a series of time (3 months of detail review, 3 more months of spot checking)

# Analysis



# Analysis

- To provide impact, we need to understand our data
- Automate analysis through pre-determined review thresholds and edit reports
- Create a culture of analysis – everyone in your department is processing data

# Analysis – Talking Points for Your Team

- What key areas should we be analyzing on a real-time, daily, monthly, quarterly basis? For example:
  - Are vendors exceeding procurement thresholds (real-time)?
  - Does pooled cash balance (daily)?
  - Account balance fluctuations (monthly)
  - Utilization of available grant proceeds (quarterly)
- Can we create edit reports to alert us of issues on a real-time basis?
- Have we considered our stakeholders and their needs?
- Have we communicated our strengths and weaknesses?





## Questions?

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Let us know how we can help!



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