HOW IT WORKS

How an Accounting Department Is Built, and Where We Fit

The accounting function records, closes and reports on what happened and keeps the company compliant. The finance function uses that information to plan, fund and decide. Every growing company needs both. Large companies staff each function; CFO Advantage Group runs the whole department for you as an outsourced accounting department with Chief Financial Officer (CFO) advisory leadership.

THE DIFFERENCE

An Outsourced Accounting Department Is Not a Bookkeeping Firm or a CPA Firm

A bookkeeper records what happened. A Certified Public Accountant (CPA) firm audits, reviews or reports on it after the fact. An accounting department makes sure the numbers are right, on time, reviewed and ready to support decisions. We provide the accounting department.

	Outsourced Accounting Department	Bookkeeping Firm	CPA Firm
Scope	Accounts payable, accounts receivable, payroll, month-end close, reporting, tax coordination and finance leadership delivered as one team.	Records transactions and reconciles accounts.	Audit, review, tax preparation and advisory engagements, performed periodically rather than as day-to-day accounting.
Accountability	A close calendar, defined internal controls and a review before financial statements are released.	Accuracy of the entries provided.	Professional and independence standards over the report or return issued, not the daily books.
Leadership	Fractional or interim Controller and Chief Financial Officer (CFO) as the company requires.	Usually none; the owner interprets the numbers.	Partner-level advice by engagement; independence rules limit managing the books of a client the firm audits.
Deliverables	Reviewed financial statements, board and lender reporting, and audit-ready files.	Records and basic reports.	Audit, review or compilation reports and signed tax returns.
Planning	Budgets, forecasts and advisory sessions on pricing, funding and growth.	Outside the engagement.	Annual tax planning and advisory; limited year-round forecasting.

Where We Fit. Our clients rely on their CPA firm for audits, reviews and signed returns. CFO Advantage Group Inc. partners with CPA firms by delivering reviewed, audit-ready records. We combine departmental oversight at the Controller level with strategic guidance at the Chief Financial Officer (CFO) advisory level, so a growing business has the accounting, controls, reporting and forecasting resources it needs in one team.

DEPARTMENT STRUCTURE

The Anatomy of an Accounting Department

A typical department reports to the CFO. A company with revenue under a few million dollars rarely hires every one of these roles, but the work still has to be done, so we take it on as one team.

Role	What it covers
Chief Financial Officer (CFO)	Funding, pricing and planning. Fractional CFO leadership.
Controller	Accuracy and the monthly close. Outsourced Accounting.
Accounts Payable	Vendor bills and payments. Outsourced Accounting.
Accounts Receivable	Invoicing and collections. Outsourced Accounting.
Payroll	Pay, payroll taxes and reimbursements. Outsourced Accounting.
Tax and Compliance	Returns and sales tax. Tax Accounting.
Financial Planning and Analysis (FP&A)	Budgets and forecasts. CFO Advisory.
Treasury and Cash	Banking and credit. Advised by the Fractional CFO.
Systems and Controls	Audit readiness and records. ERP Implementation.

Solid boxes are delivered by CFO Advantage Group. The dashed box, Treasury, is advised by the Fractional CFO.

FUNCTIONS

What Each Function Does

Function	What It Does for the Business	CFO Advantage Group Service
Chief Financial Officer (CFO)	Decides how the company funds growth, prices and plans. Reports to the owner and the board.	Fractional Chief Financial Officer, CFO Advisory Session
Controller	Owns accuracy. Makes sure the books are closed on time and the financial statements can be trusted.	Fractional Controller, Interim Controller, Month-End Close Support
Accounts Payable	Records vendor bills, schedules payments and prevents duplicate or unauthorized payments. Payments are released only with the client's approval.	Accounts Payable Management
Accounts Receivable	Invoices customers and follows up until cash arrives.	Accounts Receivable Management
Payroll	Pays employees, files payroll taxes and reimburses expenses.	Payroll Processing, Employee Expense Reimbursement
General Ledger and Close	Reconciles bank, card and loan accounts and produces the monthly financial statements.	Month-End Close Support, Clean-Up/Catch-Up
Fixed Assets and Inventory	Tracks equipment, depreciation and stock so the balance sheet shows what the company owns.	Included in Month-End Close Support
Financial Planning and Analysis (FP&A)	Turns the numbers into budgets, forecasts and board-ready reports.	Board Member Report Package, Financial Statement Advanced Analysis & Presentation
Tax	Files returns, handles sales and use tax and plans to lower the tax bill legally.	Tax Accounting, Sales and Use Tax Services
Treasury	Manages cash, banking relationships and credit.	Guided by the Fractional Chief Financial Officer
Systems and Audit	Keeps the accounting system, processes and records ready for a lender, buyer or auditor.	ERP Implementation, Audit Readiness, Records Management

GROWTH PATH

The Department That Grows With Your Company

A company does not need a full accounting department on day one. It needs the right level of support for its size, and that level changes as revenue, headcount and risk increase. The right level of support depends on complexity, not a single number. Multiple entities, payroll, inventory, lender or audit requirements, and owner time spent on the books signal when a business is ready for an outsourced accounting department. Follow the path below to see how the books are kept at each stage, which functions are added, and where our services fit.

Compliance-Driven From Day One

Some businesses should start with an outsourced accounting department regardless of size, because their compliance requirements leave little room for error. Examples include nonprofits and grant-funded organizations, government contractors, healthcare practices, construction firms and businesses that handle client funds.

Idea and Start-Up

Before launch through the first clients

HOW THE BOOKS ARE KEPT

The owner keeps the records manually. The priority is a system to track income and expenses, which often means manual processes to invoice customers and pay vendors.

WHAT CFO ADVANTAGE GROUP ADDS

Strategic planning and guidance, budgeting and other CFO advisory services, plus self-help resources that bring organization to manual processes and financial records. We teach, coach and equip the owner with tools to run the finances independently until the business reaches the next level.

OUR SERVICES

CFO Advisory Sessions, including Business Start-Up Advisory; QuickBooks Online Implementation.

Micro Business

A few clients; one person can still keep up

HOW THE BOOKS ARE KEPT

The owner or a part-time team member records and reconciles transactions each month.

WHAT CFO ADVANTAGE GROUP ADDS

Month-end close support, organized and reconciled records, and a regular reporting rhythm, with coaching so the owner understands the numbers and builds toward a full department.

OUR SERVICES

CFO Advisory Sessions for strategic planning and guidance as the company grows to the next stage; Month-End Close Support; Clean-Up/Catch-Up; Business Annual Filings.

Growth

Growing complexity, multiple entities, or lender and audit requirements

HOW THE BOOKS ARE KEPT

An outsourced accounting department. Payables, receivables, payroll, close and tax coordination run as one team with review built in.

WHAT CFO ADVANTAGE GROUP ADDS

Controller-level oversight that owns accuracy and the close, plus accounts payable, accounts receivable, payroll and tax coordination, with CFO advisory guidance as decisions grow.

OUR SERVICES

Outsourced Accounting; Fractional Controller; Payroll Processing; Accounts Payable and Receivable Management; Business Taxes.

Expansion

Lenders, investors, a board, multiple entities or locations

HOW THE BOOKS ARE KEPT

An outsourced accounting department with Chief Financial Officer (CFO) leadership guiding funding, pricing and planning.

WHAT CFO ADVANTAGE GROUP ADDS

CFO leadership: financial planning and analysis (FP&A), treasury and cash oversight, board and investor reporting, and systems and audit readiness.

OUR SERVICES

Fractional CFO; Board Member Report Package; Financial Statement Advanced Analysis & Presentation; Audit Readiness; ERP Implementation.

In-House Team

The company is ready to hire its own finance staff

HOW THE BOOKS ARE KEPT

The company runs its own department. We hand over clean books, documented procedures and a trained team.

WHAT CFO ADVANTAGE GROUP ADDS

We support the transition: clean books, documented procedures and training while the company hires its own Controller and CFO and takes over the functions we have run.

OUR SERVICES

Transition support, documented procedures and audit-ready records.

Why Companies Move Up

More Volume

Transactions, vendors, customers and employees multiply, and a single person can no longer keep up without errors.

More Risk

Payroll, sales tax, lenders and regulators raise the cost of a mistake, so review and controls become necessary.

Bigger Decisions

Hiring, pricing, funding and expansion need forecasts and leadership, not only a record of what happened.

SAFEGUARDS

Outsourced Accounting Department Safeguards

Experience the difference of proper internal controls and the peace of mind that follows.

We prepare invoices and payment runs for your approval, and no payment is released until you approve it. We pay government agencies and vendors directly through their own websites only under a signed authorization form, and a one-time government payment setup requires a signed ACH authorization before the first scheduled payment. Additions or deletions of vendors, contractors, employees and customers are approved by you before they are added or removed. Changes to a payee's bank details are verified by a callback to a known contact before they take effect. Credit memos and write-offs require your approval. We do not hold or access your bank, credit card or other cash accounts beyond what your signed agreement provides. Our accounting and payables processes follow the internal control principles of the COSO Internal Control–Integrated Framework and the professional standards of the AICPA Code of Professional Conduct, including safeguarding company assets. This describes the practices we follow; it is not an audit or assurance engagement.

Build Your Accounting Department With Us

Get started at www.cfoadvgroup.com/GetStarted.html or email info@cfoadvgroup.com.