CPA Practice Advisor

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Randy Johnston • Jun. 19, 2017

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Most accountants I know like helping people and contributing to making their businesses successful. Even though many accountants deal with the details of compliance through financials, tax and audit, most aren't fans of the drudgery of the work that must be done. Accountants just know the work needs to be done right. Part of the popularity of value billing comes from not having to keep track of the details of

too complicated? Yes, it probably is. While this article won't solve expense billing at a high level, the intent is to give you a few ideas on how to make the process easier and more seamless.

What Are Some Expense Strategies to Consider?

For many of you, the pace of business, personal life and the complexities are all increasing. We want you to maintain a good work/life balance, but someone must do the work. That someone may be you. Observing effective people has suggested a few strategies:

- Say no early, politely, and firmly
- Where possible, choose projects that fit in your business and personal plans
- Delegate what you can
- Touch items one time, and action them
- Review processes and eliminate unnecessary steps
- Anticipate what is needed for a job

o Request items in advance, well in front of deadlines

o Do any preparation work possible

- Be consistent on repetitive work
- Automate wherever it makes sense
- Accountants should never key data if possible, and never more than once
- Choose systems that support your process and procedures

You can apply these principles to expense reporting. When it comes to expense capture and reporting, automation is included in a number of software products.

Examples from A to Z include (EO=Expense Only, but these products might capture

- ConnectWise
- Epicor
- ExpenseBot (EO)
- ExpensePath (EO)
- ExpensePoint (EO)
- ExpenseWire (EO)
- Expensify (EO)
- FreshBooks
- Intuit QuickBooks Online
- Microsoft Dynamics 365 for Financials
- Microsoft Dynamics 365 for Operations
- Microsoft Dynamics 365 Enterprise
- Nexonia (EO)
- Open Systems TRAVERSE
- Receipt Bank
- QuickBooks
- Sage One
- Save Live
- Sage 50c
- Sage 300c
- Sage X3
- Tallie (EO)
- Thomson Practice CS
- Xero
- Xpenditure (EO)
- Wave
- Zoho (especially in Zoho Expense which can be (EO) and free)
- And many more….

This list, which does not contain all the options, illustrates two very different

of these specialized products were integrated into one or more accounting software products, and in some cases, the products were eventually purchased. Concur is a good example of this type of evolution.

What IS the Right Thing to Do?

You must call the right shot for your business or your clients based on the real, not perceived need. Since I own more than two businesses with non-related ownership, we have chosen to run different products that fit our needs. Because of this, I'm currently using two different expense reporting systems. One system is integrated, and allows me to complete a week's worth of expense accounting in around 15 minutes. The other is not as integrated, and usually takes between 30-60 minutes for similar travel and transactions. Which one do you think is better? By the way, I have used Excel spreadsheets for these activities in the past, and could complete my expense reporting in about 20 minutes for the same style of activities. How do you think I felt about going to 30-60 minutes? How do you think using 15 minutes and getting the leverage of full integration for billing purposes works out?

Earlier this week, I completed a consulting engagement where my expenses were completed the day I finished the work, and the completed billing with expenses was generated in less than 30 minutes after the final deliverable was presented to the client. An adage drives this thinking: "The value of the work diminishes after the labor is performed." Because billing is so close to the proximity of the work, it is rare that expenses or billing labor is questioned on an invoice from our organization. Further, because the work and the expenses are so close to the recent past, if something is called into question, it's current enough most of our team can remember the circumstances to address the question. There are some clear benefits to expense automation:

- Workflow

- Mobile apps

tracking while simplifying the work. Is expense reporting fun? No. But can it be almost painless? Yes!

So, What's Next?

Consider your needs, or your client's needs. Build a list of key items that you need to do your expense reporting and consider what each team member must do to capture this information. Consider your workflows for approval, employee reimbursement and billing. Look at the big picture and determine what must be done, what should be done, and what should not be done. Remember there is a training cost in addition to the acquisition or recurring cost of expense reporting. It is OK to solve the problem temporarily one way, and improve the process and solve expense reporting in a different way later. Expense reporting takes time and effort, and our mission should be to minimize the time and effort to complete this task. Further, remember that there is no such thing as a free lunch, but at least it should not be painful to pay for it, OR to have someone else pay for it.

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