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CAS is one of the fastest-growing revenue-generating segments for accounting firms. In fact, **42% of accounting firms** now offer CAS. Along with increased revenue, CAS services can help firms improve client relationships and work fulfillment.

But what exactly *is* CAS? What are its benefits and impacts, and how do you incorporate them into your practice? I sat down with a few accounting professionals to find out what CAS means to their firm, how it has benefitted their practice, and how you can start offering these services today.

## What is CAS (Client Accounting Services)?

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- Basic bookkeeping
- Preparing financial statements, reports, and profit and loss statements
- Payroll and payroll taxes
- Sales tax filings
- Bill pay
- Collecting receivables
- Virtual controller services
- Cash flow management
- Outsourced CFO services, business advisory, and consulting services (note, there is some debate whether or not these services fall under CAS)

### What CAS Means to Accounting Professionals

To accounting professionals, CAS is more than just a way to increase their firm's revenue. It's a way to serve clients better and help them succeed in their business endeavors. To get a pulse on how the profession defines CAS, I sat down with a few of the best and asked them.

**Lee Klein III, CPA, Partner at HORNE:** "CAS means taking a deep dive into the business and truly understanding and identifying their pain points then providing solutions.

Sure, you're providing the accounting, payroll, and tax, but you're also looking beyond those services to see what's possible. From implementing robust software

solutions to succession planning, CAS positions you as the master of connecting the

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accounting process to allow for greater efficiency as well as the ability to operate a virtual accounting firm.

CAS also means that my firm can add value to the accounting and payroll that we provide by expanding our service offerings to include advisory and CFO services as well. This well-rounded set of services will allow my firm to guide our clients to reach their vision of their company's future.”

## **Impacts and Benefits of CAS**

Incorporating CAS services into your offerings can benefit your firm in many ways, including:

### **Improved Client Relationships**

Along with [getting new clients](#), CAS can improve existing client relationships. Your clients want to grow their businesses, but they still have accounting-related tasks that eat up their time and keep them from staying fully focused on core tasks.

As a CAS-practicing firm, you can take care of important things like bookkeeping, cash flow management, payroll, and controller level work so that your clients have more time to do what they do best. CAS allows you to better serve your clients' needs, naturally improving and nurturing these relationships.

### **Long-Term Impact on Clients**

The CAS services that you offer can have a long-term impact on business owners. While I could list out a plethora of benefits here, I think it's helpful to hear from firm owners providing these services on exactly how they've impacted their clients.

**Jan Breuls-Dorang, CPB, Owner of JBD Bookkeeping Services:** “I have helped several of my clients to adapt online technology, including applications such as Dext,

to streamline their business so I am not asking repeatedly for information such as

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clients. When one of his clients came to him needing to understand their equipment costs better but didn't have the data needed to create benchmarks, Lee really went outside the box to find a solution. He contacted a fleet management software company and purchased 15 years worth of their data to use as a benchmark for his client to create budgets and forecasts. This specific client is now able to create profitable budgets and grow their company with a complete understanding of their equipment costs down to the hour.

### **Increased Revenue for Firms**

According to the Journal of Accountancy, adding in CAS can lead to a **20% growth rate** in net client fees.

In fact, in their survey, they found that in 2020:

- CAS growth rate averaged 20%
- Professionals averaged \$112,293 in net client fees per professional
- CAS fees per client were \$13,636

Many CAS providers are now billing with fixed-fee and value pricing agreements, compared to hourly billing being less common. Adding additional value to your clients through CAS is a win-win, more revenue for your firm and a better service offering for your clients.

### **More Fulfilling Work**

Ensuring you have consistent revenue coming into a firm is important (a firm can't function without income), but what's equally as important is doing fulfilling work. When you add CAS to your firm, it adds an additional layer of fulfillment to the work

that you do. CAS enables you to find ways to help clients expand and grow their

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how to offer client accounting services.

When I sat down with Jason Saulters, a Partner at HORNE, he said things are moving fast. "If you aren't providing CAS, you're missing out. In fact, CAS is not just an opportunity but it's a vulnerability for firms who aren't offering it. There are a lot of ticking time bombs, opportunities where you can currently walk down the street and pick up new business simply because businesses are in need of help. If you aren't sure how to get your foot in the door:

- Try starting with the bookkeeping
- Get to know their numbers through bookkeeping
- Then become the advisor

You will be opened up to a world of other services."

Advisory services are ideal for most clients, but many have never used these types of services. If you're unsure if advisory services are something that you want to offer or if there's interest among existing clients for this service, you can:

- Focus on client relationships
- Learn more about the industries you're clients are in
- Ask clients their pain points
- Provide solutions to such pain points

You're an entrepreneur in the trenches with them; you just happen to be a CPA.

Bringing personal value to clients is crucial in today's customer-centric business world. You might not want to offer CAS, but if you're not asking these questions and

evolving to bring solutions to your clients, *someone else will.*

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- Brainstorm how to bring more value to your clients
- Draft a survey to learn more about client needs
- Find ways to bring value to your clients

On a final note, I want to leave you with a quote that hit me hard during my interviews: *“People don’t just want math or another CPA – they want a relationship and a mini cabinet” – Jason Saulters, Partner at HORNE.*

## Wrapping Up

CAS is rapidly growing. If you aren't already providing these services to your clients, now is the time. I want to thank everyone who sat down with me to share their definitions and stories around CAS to make this article possible. My hope is for this article to inspire you to take action and start providing CAS to your clients if you haven't already.

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Katie Thomas, CPA is the owner of [Leaders Online](http://www.leaders-online.com), where they help professionals in the accounting industry increase their impact, influence, and income through thought leadership marketing. If you'd like help implementing thought leadership marketing in your firm, visit [www.leaders-online.com](http://www.leaders-online.com).

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