CASE STUDY: LARGE ANIMAL SHELTER LEVERAGES RSM FAO RESOURCES TO MANAGE FINANCES

Overview

Our client is a large animal shelter in the Midwestern United States that was founded nearly 20 years ago to save pets at risk of euthanasia. The organization began with a grassroots awareness campaign to educate the public about pet overpopulation, and its initial campaign and future adoption events became the national model for the “no kill” movement for homeless animals around the country.

Through growth and evolution, the organization remains driven by two key factors: increasing public awareness of the homeless pet population and communicating that every person can take action to help. Their efforts have had transformative results, with euthanasia of pets in the shelter’s metropolitan area declining by more than 75 percent since the organization was founded.

Background

As the shelter continued to grow and expand, executives realized their solution for managing financial information was not sustainable. The complex structure for for not-for-profit endowments and fundraising has a significant impact on financial reporting, and utilizing QuickBooks and Excel required many manual processes that became highly inefficient.

The organization also had challenges with financial reporting accuracy and timeliness, as it did not have an effective close process or timetable. It was not uncommon for the organization to issue financials a month and a half after the end of a month, and information was not entirely based on generally accepted accounting procedures (GAAP). Considering these concerns, the shelter sought an advisor with deep experience in financial accounting and reporting, as well as an extensive understanding of not-for-profit report requirements.
Project

RSM US LLP’s finance and accounting outsourcing (FAO) group was introduced to the shelter through a referral from another RSM client. In early 2015, the organization took RSM’s Rapid Assessment®, which detailed opportunities for increased efficiency, enhanced automation and a more effective strategy and forward-thinking direction for the finance aspects of the organization. Following the assessment, RSM presented an overview of the organization’s current state followed by a strategic plan on how to reach an ideal future state in which deficiencies were addressed.

The shelter agreed with RSM’s assessment findings, and the FAO team was chosen to help optimize several aspects of the organization.

RSM transitioned the organization off of QuickBooks, implementing a robust cloud-based Intacct enterprise resource planning (ERP) platform that dramatically improved the organization’s finance and accounting efficiency. The Intacct platform enhances reporting processes and better manages general ledger activity, automating previously time-consuming manual processes for what once was a general ledger in excess 750 accounts.

In addition, the RSM team helped the shelter improve timeliness and accuracy of its financial reporting, leveraging Intacct to dramatically decrease the monthly closing timing. This more timely and actionable reporting data helps the organization make more informed decisions, and helps it more effectively present financial information to its board and constituents.

Outcomes

As a result of this ongoing engagement, the animal shelter has the finance and accounting efficiency and visibility it needs to build on its successes and become an even more effective advocate for animals in its metropolitan area. Through increased automation with the Intacct platform, a strong vision for the future and a solid relationship with RSM, the shelter now has the tools necessary for managing finances, increasing the success of fundraising opportunities, and operating as a successful, growing nonprofit organization.