

## Outsourced and Co-Sourced Solutions

### *How to Manage your Accounting and Finance Function During the COVID-19 Crisis*

By Joseph Doren, CPA, Stephen Prostano, CPA and Gemma Leddy, CPA

The rapid spread of the coronavirus throughout the world is clearly having a devastating impact on families, businesses and the economy in the U.S. and abroad. Businesses, large and small, are grappling with a high degree of uncertainty, and many fear the impact it will have on their revenues, profits, cash flow, employees, and shareholders in the short-term and their sustainability over the long-term.

A robust accounting and financial management function is critical to timely and effective decision-making as well as your business continuity plans during the crisis. As a result, companies are taking a closer look at their business operations and contingency plans in order to determine what is critical to their success and longevity. The following are areas of consideration and challenge.

#### **Back-up Coverage**

The most likely direct business problem that will occur during the crisis is that an employee cannot come into work due to sickness, obligations to care for family members affected or children home from school.

- Does your business have back-up coverage?
- Have people been cross-trained?
- Do they have access to software, documents and applications?

#### **Remote Working Arrangements and IT Infrastructure Requirements**

Many companies will also face problems from quarantine and other restrictions on travel and social distancing/public assemblies.

- Is your business prepared to support a remote workforce from a human resource and technology perspective?
- Do you have a secure IT infrastructure that can host your data and software that provides permissioned access, back-up and disaster recovery?

#### **Strategic Financial Planning and Management**

The financial challenges your business will face during the crisis requires a clear view of your finances; timely financial data, cash flow and scenario planning are all required to help you make the best decisions possible. Additionally, scrutinizing and reducing costs may be required.

- Do you have access to relevant, accurate and timely financial information?
- Do you have a contingency plan in place if your financial resources are impacted by the coronavirus?

- Are your accounting, tax, and legal teams proactive, responsive and collaborative with you and your advisors? Will they be available to address any issue that presents itself, as you work through this crisis?
- Do you have legal and tax resources to provide you with up-to-date information on relief programs to assist your business and employees during and after the crisis?

## Alternatives and Opportunities

Businesses across the globe have been scrambling to react to the crisis and ensure continuity of their business, employment for their staff and support for their customers. The finance and accounting function is critical and requires a robust technology infrastructure, access to financial software and accounting records for their employees and supplemental support to ensure that all processes, as well as policies, procedures and controls are functioning.

Many firms have solved these issues by implementing hosted accounting and finance solutions that can be operated by their existing staff, by outsourced professionals or a combination of both, through co-sourcing.

These solutions provide peace of mind knowing there is someone who will always be available to run the accounting and finance function remotely, without impacting your business operations, and, at the same time, provide you with the information, planning and advice required to make the right decisions for your business.

## The PKFOD Solution

PKF O'Connor Davies provides customized outsourced and co-sourced CFO services, including accounting, finance, advisory, tax and administrative services to large and small businesses, nonprofits, hedge funds and private equity funds as well as high-net-worth families and family offices, including:

- **Information Technology and Data Management**
  - Cost-effective private cloud hosting of integrated accounting software, payment processing and data management and secure document sharing
  - 24-7 access, client-care team, back-up and disaster recovery, cyber security, HIPAA and SSAE-18 Certified
- **Financial Management**
  - Co-sourced and outsourced accounting and CFO services
  - Treasury and cash management services
  - Vendor invoice processing and automated bill payment services
  - Accounts receivable invoicing and payment processing
  - Employee management, payroll and benefits administration
  - Document, contract and vendor management
  - Audit support and internal control evaluation and monitoring
  - Financial modeling, trend analysis, budgeting and projections
  - Tax preparation support and interface with tax professionals
  - Special projects and transactional support
- **Accounting and Reporting**
  - General ledger bookkeeping, accounting and reconciliations
  - Investment accounting and administration including aggregation and performance reporting
  - Comprehensive financial statement, regulatory and/or board reporting (GAAP, OCBOA, IFRS)
  - Sales, use and payroll taxes and 1099 reporting

- **Other Services**

- Tax planning, compliance and structuring
- Valuation, Forensic, Bankruptcy and Restructuring services
- Cyber Security, Dark Web Monitoring and Digital Forensic services
- Transaction and Financial Advisory services
- Risk Advisory services

## Conclusion

In addition to ensuring that you have the right accounting and finance resources available during this crisis for effective decision-making and business continuity, there is an opportunity to review core processes and consider how to better manage them now and in the future.

Outsourcing and co-sourcing and hosted IT solutions can help to transform your business operations, reduce costs, provide access to significant expertise and help to sustain your business over the long term.

## Contact Us

We hope you find these ideas useful in helping navigate the current crisis. Please visit our [COVID-19 Resource Center](#) for more information and insights from our specialists

For more information on accounting solutions, please contact:

<b>Business Solutions Group</b>	Joseph Doren	646-699-2863	jdoren@pkfod.com
<b>Medical Practices</b>	David Marks	845-565-5400	dmarks@pkfod.com
<b>Corporate Accounting</b>	Marc Rinaldi	646-449-6309	mrinaldi@pkfod.com
<b>Financial Services Firms</b>	Stephen Prostano	914-421-5615	sprostano@pkfod.com
<b>Hedge Funds &amp; Private Equity</b>	Marc Rinaldi	646-449-6309	mrinaldi@pkfod.com
<b>Tax Exempt Organizations</b>	Bob Daily, <i>Elite Accounting Services</i>	212-286-2600	bdaly@pkfod.com
<b>Private Foundations</b>	Joseph Ali	646-449-6358	jali@pkfod.com
<b>Family Office and HNW Families</b>	Gemma Leddy	914-341-7073	gleddy@pkfod.com

## About PKF O'Connor Davies

PKF O'Connor Davies, LLP is a full-service certified public accounting and advisory firm with a long history of serving clients both domestically and internationally. With roots tracing to 1891, twelve offices in New York, New Jersey, Connecticut, Maryland and Rhode Island, and more than 800 professionals, the Firm provides a complete range of accounting, auditing, tax and management advisory services. PKF O'Connor Davies is ranked 29th on *Accounting Today's* 2019 "Top 100 Firms" list and is recognized as one of the "Top 10 Fastest-Growing Firms." PKF O'Connor Davies is also recognized as a "Leader in Audit and Accounting" and is ranked among the "Top Firms in the Mid-Atlantic," by *Accounting Today*. In 2020, PKF O'Connor Davies was named one of the 50 best accounting employers to work for in North America, by *Vault*.

PKF O'Connor Davies is the lead North American representative in PKF International, a global network of legally independent accounting and advisory firms located in over 400 locations, in 150 countries around the world.

Our Firm provides the information in this e-newsletter for general guidance only, and it does not constitute the provision of legal advice, tax advice, accounting services, or professional consulting of any kind.