



## Accounting Tech Stacks: Best Practices for Large Platforms

Dave Gunter, Partner  
Courtney Gregory, Partner  
2.12.25



*The content of this presentation, whether communicated in writing or verbally by partners, employees, or representatives of Capin Crouse LLP, is provided solely for educational purposes. This presentation is not intended to provide legal, accounting, tax, investment, or fiduciary advice. Please contact your attorney, accountant, or other professional advisor to discuss the application of this material to your particular facts and circumstances.*

## Polling Question 1

---

### Do you want CPE credit?

- Yes
- No

3

## Learning Objectives

---

1. Evaluate the efficiency of your accounting software in meeting current and future needs
2. Apply practical considerations and steps to optimize your accounting tech stack and build a robust system that fits your organization's unique requirements
3. Calculate the cost of making a change

4



## Best Practice #1

Understand Restrictions



## Key Concept for Restrictions

---

- Think of funds as the “colors of money”
  - Examples
    - Green – without donor restriction
    - Yellow – restricted missions fund
    - Blue – restricted new campus fund
    - Red – restricted disaster recovery fund



## Restrictions – “Colors of Money”

---

- Donors restrict
  - Temporary
    - Passage of time
    - Events
  - Permanent
- Boards designate (unrestricted funds)
  - ... and can remove designation

7

## Restrictions – Statement of Financial Position

---

- Net assets **without** donor restriction
- Net assets **with** donor restriction

8

## Restrictions – Statement of Activities

---

- Without donor restrictions
- With donor restrictions
  - **Release**
    - Stipulated time has elapsed
    - Stipulated purpose has been fulfilled

9

## What dimensions should one have for a nonprofit organization?

---

### Top 3

- Fund
- Department
- Employees

### Next Level

- Location
- Project tags

Use of a fund dimension or segment is the best technique for tracking funds with and without restriction.

10

## Restrictions – Alternatives to Fund Dimension

---

- Other alternatives are more difficult to separate for reporting
  - Departments
  - Project codes or tags
  - Classes
  - Accounts

11

## Fund Dimension – Common Errors to Avoid

---

- Placing a fund on each side of a journal entry
  - Avoid having to place the fund on the cash side of the journal entry
  - Key is to keep the fund with any income account
  - The only time one places a fund on both sides of a journal entry is when transferring an amount between two funds

12

## Fund Dimension – Common Errors to Avoid

---

- Using funds for balance sheet accounts
  - Most organizations don't need to track by fund for assets
  - Your organization likely has multiple people managing multiple funds
  - Unrestricted donor contributions versus program revenue or capital campaigns

13

## Polling Question 2

---

### **Which of the following statements is true?**

- Boards restrict and donors designate
- Boards designate and donors restrict
- Donors designate and boards designate
- Donors restrict and boards restrict

14



## Best Practice #2

### Optimize Chart of Accounts



## Chart of Accounts – Simple vs. Complex

Type	Account
Assets	100
Liabilities	200
Net Assets	300
Income	400
Expense	500

- Avoid using account segment to track restrictions
- Multiple expense series can add value, but add complexity

Type	Account
Assets	100
Liabilities	200
Net Assets	300
Income w/o Restriction	400
Income with Restriction	500
Compensation	600
Operating	700
Facilities	800
Other	900

## Account Segments

Fund	Function	Dept.	Account	Program	Project
1	30	5939	5015	777387	037

- This segment structure is complex
  - Six segments
  - Twenty digits for each journal entry line
  - Capacity for:
    - 9,999 departments
    - 9,999 accounts
    - 999,999 programs
    - 999 projects

17

## Account Segments

Cost Ctr.	Account
30011	50100

- This segment structure looks simple but is difficult for accounting staff
  - Two segments
  - Ten digits for each journal entry line
  - Capacity for:
    - 99,999 cost centers
    - 99,999 accounts

18

## Account Segments

Fund	Account	Dept	Location
33	51000	400	11

Example:

Fund: 33 Missions Trip

Account: 51000 Travel

Dept: 400 Youth

Loc: 11 West Campus

- This recent segment structure has good functionality
  - Four segments
  - 12 digits for each journal entry line
  - Capacity for:
    - 99,999 accounts
    - 999 departments

19

## Common Errors to Avoid

- Too many:
  - Dimensions
  - Accounts
  - Departments
  - Projects

20

## Common Errors to Avoid

---

- Wrong purpose for chart of accounts
  - How can I ensure that every answer I ever need for a board or committee meeting is inside my G/L?

21

## Polling Question 3

---

**True or false: All payroll and payables details should reside in the general ledger.**

- True
- False

22



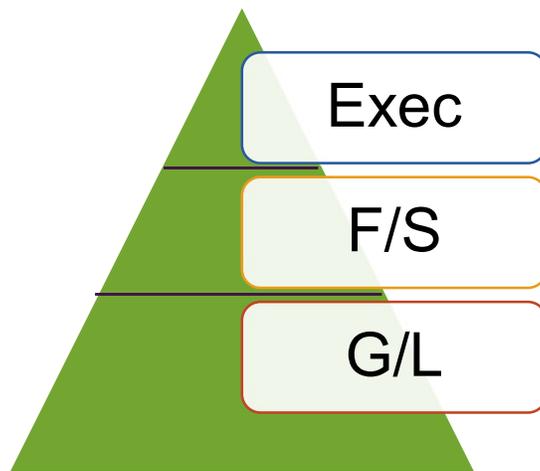
### Best Practice #3

Report to Intended Audience



### Report to Intended Audience

---



## Report to Intended Audience

---

- Board reporting
  - Executive summary
  - Headline before the story

25

## Report to Intended Audience

---

- Departmental reporting
  - What did I spend?
  - Am I over budget?
  - What do I have left?

26

## Report to Intended Audience

---

- Your software and report writer must do this for you:
  - Create sample of one data set into each of the three levels
  - Sustain timely and meaningful reporting
    - Automated
    - Not manual

27

## Common Errors to Avoid

---

- Bring summary data into the G/L
  - Payroll details reside in payroll system
  - Receivable details reside in A/R system
  - Payable details reside in A/P system
  - Donor details reside in donor accounting system

28



**Best Practice #4**  
Expense Management

 CAPINCROUSE™

## Expense Management

---

- Your organization has many spending agents
  - How do you capture and report all credit and debit card spending?
  - Amount
  - Purpose
  - Who



30

## Expense Management

---

- Use an app on a mobile phone
  - Snap a picture of a receipt
  - Limited chart of account options
  - Route to supervisor for approval



31

## Expense Management

---

- Your staff can self-report
- Outcome – timely and meaningful reporting



32



## Best Practice #5

### Count the Cost of Change



## Count the Cost

### Dollars

- Implementation costs
- License costs

### People

- Project percent of FTEs
- Training time for users

## Count the Cost

---

- Information
  - Are we enhancing decision making?
  - Are we creating the right amount of detail?



35

## Major Steps in Implementing New Software

---

1. Needs assessment
2. Meetings with software vendors
3. Discovery with implementation partners
4. Use case documentation
5. Demos
6. Selection
7. Implementation

36

## Polling Question 4

---

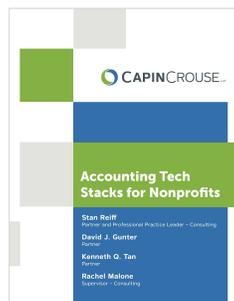
**What components are included in the cost of change?**

- Implementation costs
- Training time for users
- License costs
- All of the above

37

## Helpful Resource

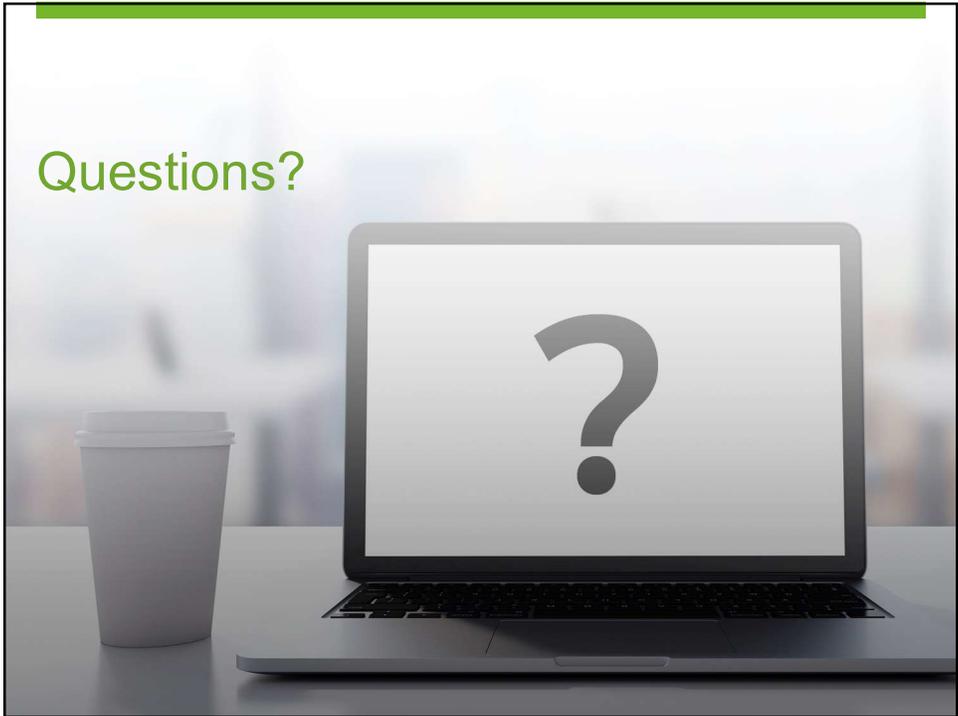
---



Visit [capincrouse.com/accounting-tech](https://capincrouse.com/accounting-tech) or scan the QR code to download your free copy!

38

Questions?



Dave Gunter, Partner  
CapinCrouse LLP

✓ dgunter@capincrouse.com

📱 505.50.CAPIN ext. 2060

Courtney Gregory, Partner  
CapinCrouse LLP

✓ cgregory@capincrouse.com

📱 505.50.CAPIN ext. 2065



© Copyright CapinCrouse 2025