

# Accounting Tech Stacks: Best Practices for Small Platforms

Kenneth Tan, Partner  
Rachel Malone, Supervisor – Consulting  
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, 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.*

## Learning Objectives

---

1. Evaluate the efficiency of your accounting software in meeting current and future needs
2. Recognize additional data and features that could optimize your workflows and decision-making
3. Apply practical considerations and steps to optimize your accounting tech stack and build a robust system that fits your nonprofit's needs
4. Evaluate potential technology solutions and calculate the cost of making a change
5. Discuss best practices for accounting processes and tech stacks

3

## Polling Question 1

---

**Do you want CPE credit?**

- Yes
- No

4

# Agenda

---

- Evaluating your current accounting software
- Understanding your accounting software options
- Looking beyond just accounting software
- Accounting tech stack best practices

5



## Evaluating Your Current Accounting Software

## When Evaluating, Consider These Questions

---

- Does it meet all your reporting needs, or do you have to extract data out of the system?
- Does it allow you to move to a paperless environment for A/P and disbursements?
- Does it have additional features you may not be aware of or use effectively?
- Are you using the most up-to-date version of the software?

7

## Next, Evaluate Your Existing Processes

---

- What “non-value” labor costs are you incurring from your team’s manual processes?
- Have you considered implementing automated processes for recurring transactions?
- Is your current process reactive or proactive?
- What about your current system keeps you up at night?

8

## Additional Considerations for Your Existing Software

---

- Does it provide data visualization and dashboards for leadership?
- Does it let you attach electronic source documents?
- Does it have an auditor portal to give auditor access?
- What open architecture is available to support API integration with other applications?

9

## Considerations for a Tech Stack

---

- Automation can benefit your organization by:
  - Reducing the likelihood of errors
  - Saving time
  - Allowing for more real-time accounting, including reporting and dashboards for analysis
  - Providing faster month and year-end closing processes
  - Solving document retention and storage concerns

10

## Polling Question 2

---

**Is your organization considering switching accounting software within the next year?**

- Yes
- No
- Discussing, but no commitment yet

11



## Understanding Your Software Options

## Optimizing Your Software

---

Optimizing your software solutions can be:

- As simple as connecting software that you are already using to allow for automation...
- .. or as complex as switching to a new general ledger accounting system that will provide more automation and integration opportunities

13

## Standard Versus Optimized Accounting Systems

---

- Older financial statement platforms generally use a site license, meaning that the software is installed on your physical server, and perform these functions:
  - General ledger – Entering and adjusting standard and recurring entries, perhaps reversing entries and year-end adjustments for audit entries
  - Accounts payable – Should be seamless with the general ledger functions
  - Reports – Creating standard or custom reports for Statements of Activities, Statements of Financial Position, and maybe a functioning cash flow statement

14

## Standard Versus Optimized Accounting Systems

---

- Newer financial statement platforms are cloud-based and becoming more common among nonprofits and ministries as they provide the additional features below:
  - Procurement workflow – authorization and electronic approvals
  - Dashboards that are easily accessible on a mobile device
  - Data that is as close to real-time as possible
  - Cash flow data
  - Click-into detail so you can drill down for more information

15

## The Solution May Not Always Be Switching Software

---

- Switching accounting software isn't simply turning one off and turning the other software on
- Change management becomes the overarching theme
- Research whether there are modules within your current accounting system that you have not activated or are not using

16

## Evaluate Your Accounting System Options

---

- Evaluate your “need to have” versus “would like to have” with your current system
  - Some nonprofits only want fund accounting software and won’t consider other options that might have better integrations to save time
  - There’s always a solution to a need

17

## Evaluate Your Accounting System Options

---

- Consider the total cost of ownership
  - Beyond just the cost of purchasing the software
  - Implementation costs
  - Training costs
  - Ongoing support
  - Don’t forget the time value

18

## Polling Question 3

---

### **Do you like your current accounting software?**

- Yes
- No
- Indifferent (it does the job, but I'm not excited)

19



## Looking Beyond Software Automation

## What is a tech stack?

---

- Expense management
- Accounts payable or bill pay
- Accounts receivable (or tuition, for educational institutions)
- Payroll
- Online giving and nonprofit member or donor management
- Budgeting and forecasting
- Reporting and analysis

21

## Areas Tech Stacks Can Help

---

### Automated accounting review

- Detecting errors
- Correcting transaction recording through artificial intelligence (AI) rules
- Tracking task lists
- Asking internal questions
- Defining closing processes
- Providing reconciliation status

22

## Areas Tech Stacks Can Help

---

### Automated data entry

- Capturing and uploading invoices or statements and linking accounts
- Providing categorization suggestions based on historical data
- Publishing to accounting software

23

## Areas Tech Stacks Can Help

---

### Dashboards

- Interactive; can be customized and filtered to provide insights
- Key performance indicators (KPIs) can be automatically populated so real-time data is always available
- Ability to drill down into transaction detail

24

## Areas Tech Stacks Can Help

---

### Consolidations

- Across general ledger platforms
- Across multiple currencies
- Intercompany eliminations
- Visualization
- Reporting

25

## Areas Tech Stacks Can Help

---

### Forecasting

- Aligning Statements of Activities, Statements of Financial Position, and cash flow statements
- Driver-based – Manipulation of specific KPIs to analyze the outcome
- Anticipating cash surpluses and deficits, which can help you project future funding requirements like capital expenditures
- Forecasting seasonality from prior years
- Generating scenarios – Allowing for hypothetical simulation of financial data to identify whether certain decisions will generate the desired outcomes or carry additional risk

26



## Tech Stack Best Practices



### Best Practice 1: Ideal Tech Stack Situation

---

A centralized accounting platform where the following areas are either built-in or integrated seamlessly into the software:

- Expense management
- Accounts payable or bill pay
- Accounts receivable (or tuition, for educational institutions)
- Payroll
- Online giving and nonprofit member or donor management
- Budgeting and forecasting
- Reporting and analysis

## Best Practice 2: Change as a Catalyst

---

If you're considering a tech stack change, use as a catalyst to update your chart of accounts —

- Opportunity to restructure:
  - Funds
  - G/L accounts
  - Departments
  - Employees

29

## Best Practice 3: Think Beyond Next Year

---

- Consider a solution that will set the nonprofit up for the next 5 to 10 years
- “If it ain't broke” may work, but not long-term
- Consider this as a part of succession planning
  - What accounting systems are popular versus ones that might be nonprofit-specific, but not as common

30

## Polling Question 4

---

**Do you use your phone to submit expenses?**

- Yes
- No

31

## Helpful Resource

---



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

32

# Questions?



Kenneth Tan, Partner  
CapinCrouse LLP

---

✉ [ktan@capincrouse.com](mailto:ktan@capincrouse.com)  
📱 505.50.CAPIN ext. 1323

Rachel Malone, Supervisor – Consulting  
CapinCrouse LLP

---

✉ [r Malone@capincrouse.com](mailto:r Malone@capincrouse.com)  
📱 505.50.CAPIN ext. 2073



© Copyright CapinCrouse 2025