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E-BOOK

Nonprofit Accounting Software

Why nonprofits are moving to the cloud

Contents

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Introduction

Nonprofit Accounting in the Modern Era

Accounting systems are not something you change often.

However, as your nonprofit organisation grows in size and complexity, you reach a point where manual, time-consuming processes drain your productivity, and flying blind without real-time visibility into key metrics and outcomes is stifling growth. As a good steward, you need a system that leverages the latest technology advancements.

At a minimum, a modern accounting system should automate and streamline core financial management functions such as Accounts Receivable, Accounts Payable, and Financial Close. But you can hardly fuel your growth and need for accountability and transparency by simply automating the minimum. Nonprofits, in particular, have accounting, tracking, and reporting needs that require specialised functionality in their financial management systems.

Today, inflexible, inefficient, and outdated on-premise accounting software is rapidly being replace by a new breed of modern cloud financial management solutions. Over 90 percent of businesses report using cloud solutions today, and nonprofit organisations are no exception.[1]

Let's explore why...

Cloud Computing

Why Nonprofits are Moving to the Cloud

If you are like many nonprofit organisations, you have limited IT resources, extensive manual processes for accounting tasks, and a myriad of reporting and compliance requirements with various key stakeholders. You need a financial management and accounting system that is proven to overcome these challenges.

Nonprofits are striving to invest more in their core missions, decrease the cost of operations, and ultimately execute more successfully. For many, the dilemma is how to maximise effectiveness without breaking the budget. And although cost may be a driving force behind a move to the cloud, the reality is that cloud solutions are more robust and flexible than ever before and offer integrated solutions specific to the needs of your organisation.

In other words, the cloud can provide both cost savings and innovative, integrated solutions that enable your nonprofit to be the best it can be.
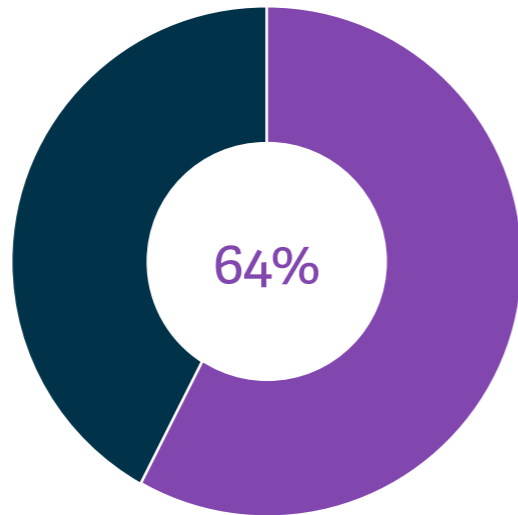
Source: 2017 Nonprofit Innovation Report, Sage Intacct

Cloud Computing

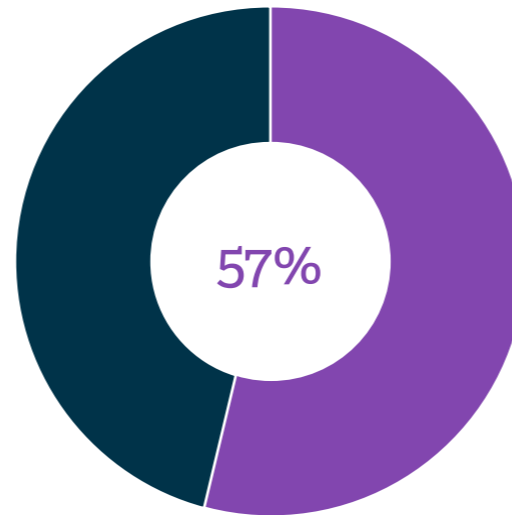# The Pains of Dated Technology

Manual Reporting

64%
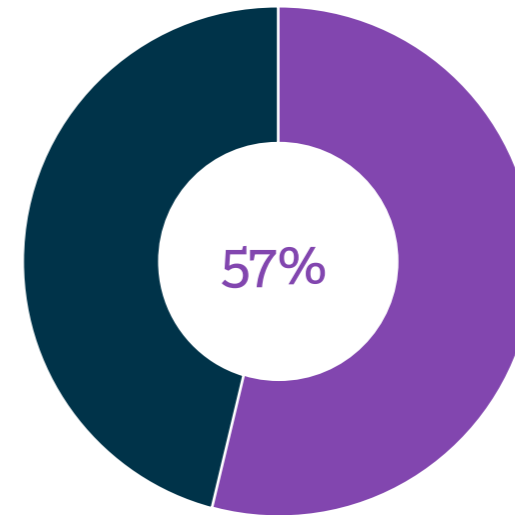
Say manual, time-consuming reporting is a concerning issue.

Poor Visibility

57%

Believe lack of real-time visibility into KPIs slows decisions.

Disparate Systems

57%

Feel multiple, disconnected systems cause inefficiency.

Cloud Computing

Five Reasons the Cloud is Right for Nonprofits

1

You only pay for what you use

No more complex and costly IT infrastructure

2

Your data is safe in the cloud

Skilled cybersecurity engineers use sophisticated software to watch over data centers

3

It supports a mobile workforce

Staff and volunteers can access the system anytime and anywhere

4

You're always using the latest version

No more outdated software and painful upgrades

5

Integrated solutions for nonprofits

Open APIs let you utilise best-in-class apps (CRM, donor mgmt, fundraising, payroll, etc.)

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Cloud Computing

On-premise Model vs. Cloud Model

On-premise Model		Cloud Model
Upfront License Fees	Lower TCO Rapid ROI	Pay for What You Use
18+% Annual Maintenance Fee		Maintenance Included
Outdated Legacy Architecture (25-30 years old -created before the Internet existed)	Visibility, Flexibility, Power	Modern Dimensional/Relational Database
Customer Bears All IT Costs	No Hassles, Security, Peace of Mind	Vendor's Responsibility (SLA)
Customer has Costs/Risks of Upgrades	Constant, Consistent Innovation	Vendor's Problem (SLA)
2-3 Year New Release Cycles		Quarterly Updates
Software Doesn't Scale (What you see is what you get)	Partner and Vendor Loyalty	Easily Scales To Your Needs
Vendor "Ships & Forgets"		Vendor/Partner Wants You to Renew

Sage Intacct for Nonprofits

The AICPA's preferred provider of cloud financial applications.

Specialising in helping nonprofits of all types including charities, trade and membership associations, philanthropic organisations, cultural institutions, and faith-based organisations, Sage Intacct streamlines grant, fund, project, and donor accounting, while delivering real-time visibility into the metrics that matter.

Our modern, true cloud solution, with open APIs, gives nonprofits the connectivity, visibility and efficiency they need to do more with less. At Sage Intacct, we help nonprofits strengthen stewardship, build influence, grow funding, and achieve mission success.

AICPA Business Solutions
Preferred Provider of Financial Applications

Thousands of Nonprofits Rely on Sage Intacct

Product Overview

Why Nonprofits Love Sage Intacct

Rated #1 in Customer Satisfaction

- Delivers immediate visibility into your financial data with easy-to-use, real-time financial and operational reporting and dashboards.
- Ensures control and compliance, and reduces risk and cost with automated workflow and internal controls.
- Ensures world-class stewardship by automating grant, fund, and donor accounting.
- Streamlines reporting and compliance using built-in nonprofit-specific reports and FASB and IRS compliant financial statements.
- Provides anytime, anywhere access for staff and volunteers, increasing finance department productivity by 30% or more.
- Reduces IT infrastructure costs and complexity.
- Open API allows you to easily integrate with your other best-in-class solutions.

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Features and Benefits
Empower the Modern Accounting Team

Sage Intacct makes your team more effective and efficient from day one.

With Sage Intacct, you can create tailored dashboards and reports on the spot that are relevant to your organisation's specific mission and operational measures.

Plus you can do your job from any browser and any device with confidence. This also allows you to easily provide views to non-finance personnel including the executive team, finance committee and other key stakeholders within your organisation that require insight for decision making, including full drill-down capability to source documents.

You can also empower non -finance personnel to initiate finance department interactions such as expense requests, check requests, purchase requisitions, budget to actual, and more with flexible electronic workflows, easy-coding rules, and anywhere access.

"We are very mobile. I did recognise that the future is in the cloud. What's wonderful for me is, since Sage Intacct is in the cloud, I can work from anywhere my home or my local coffee shop."

Braam du Plooy | Controller | Atlanta Convention & VisitorsBureau

Gain Real-time Operation and Financial Visibility

The days of flying blind with no real-time reporting and visibility are over.

Sage Intacct provides a rich, multi-dimensional, multi-ledger system that enables you to easily capture granular financial and operational data in exactly the same way that you manage your organisation.

Gain real-time visibility into every aspect of your organisation's finances, whether you're interested in which funds were used for each project, the performance of your organisation by location or team, the expense tied to each volunteer or employee, or any other aspect unique to your organisation.

Sage Intacct's role-based dashboards and rich reporting and analytics make it easy to keep a pulse on the financial health of your organisation, as well as the health of individual projects, and to accurately budget for the months ahead. Sage Intacct automatically keeps your sub-ledgers and your general ledger synchronised in real-time, so you always have instant access to summaries and balances as well as transaction details.

"Since we balance by funds, from the Gates Foundation to the Government of Sweden, I can quickly see how much unrestricted cash we have on hand. This is a key metric for us to ensure that we spend the right money at the right time as we make strategic decisions."

Michael Mohr |CFO | Women's World Banking

Master Multi-entity and Multi-currency Management

Your organisation is complex, but your system doesn't have to be.

Whether you're a cultural institution that runs a museum and a retail operation that manages hundreds of independent chapters, or a global industry association with subsidiaries and satellite offices in multiple countries, Sage Intacct automates multi-entity, multi-site, multi-currency, and multi-country operations.

Streamline inter-entity transactions, allocations, eliminations, and financial consolidation, reporting, and analysis with extensive built-in automation and one-click consolidations.

Take advantage of deep support for global nonprofits with automatic multi-currency transactions and reporting. Plus, you can store, manage, and report any data in multiple currencies.

"Our fund visibility has been drastically improved because of Sage Intacct's multi-entity, multidimensional architecture. With the many dimensions available, we can easily keep track of each fund's separate cash or accounts payable balance, or rollup all of our funds to look at the Foundation's overall portfolio."

Jodie Mote | Controller & Treasurer | UAB Education Foundation

Features and Benefits

Infuse Flexibility and Automation

Your system should work the way you do, not the other way around.

Sage Intacct allows configurable design to bring flexibility and automation to your organisation's operational workflow processes, and tracking and reporting toolsets, making compliance an 'of course' and freeing up time to focus on strategic financial management.

As your organisation evolves, financial operations need to keep pace with transaction tracking procedures, internal controls, and reporting views that support the current and future organisational needs.

Designed to evolve with your organisation, Sage Intacct's flexible and configurable architecture can be adapted to the tracking, electronic approvals, and workflow requirements for your operational structure and provide insights to best support your mission now and in the future.

"As we've evolved, it's been easy to make minor configuration changes to Sage Intacct with clicks versus code. It simply fits our changing needs; not the other way around."

Aaron Goin |Finance Director | Faith Promise Church

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Simplify Grant, Fund, and Donor Accounting

Running reports tailored to each funder's requirements shouldn't be hard.

No two funding sources are alike, creating extraordinary complexity in nonprofit accounting. From revenue recognition to reporting, Sage Intacct makes it easy to measure the effectiveness of your organisation's programs and demonstrate your financial responsibility to donors, grantors, volunteers, and others.

Sage Intacct feature robust fund, grant, and donor accounting, flexible budgeting and planning, real-time reporting, and role-based dashboards.

Engage both employees and volunteers in your financial processes with built-in expense management, time and billing, and purchasing applications—saving hundreds of hours of staff time every year. You'll also save hours every month and eliminate errors by getting rid of spreadsheets to calculate allocations.

"With Sage Intacct, we can now drill down into where we're getting our money from, and how much of our donations are for restricted vs. unrestricted funds. With in-depth, real-time information on what we've spent and any leftover funding, we can actually expand our programs more quickly rather than waiting for complex reporting at the end of the year."

Christopher Sue |CFO | Children's Hunger Fund

Features and Benefits

Strengthen Your Organisation with Best-in-Class Solutions

Gain peace of mind with easy and seamless third-party integrations.

At Sage Intacct, we pride ourselves on being the best cloud financial management solution on the market. That's all we do. And we believe you should have the freedom to choose the best solutions for all of the other areas of your organisation. That's why we partner with more than 200 software solution providers enabling you to streamline processes by connecting Sage Intacct with fundraising solutions like Salesforce.com, payroll services like ADP, donor management solutions like Orange Leap, and many more specialised applications.

Sage Intacct's open API and true cloud integration strategy allows for easy, intuitive imports or seamless integration via web services. This ensures that your finance team stays current with modern processing and reporting insights for your management team by harnessing technology to work smarter.

"Our favorite things about Sage Intacct is that we can quickly import files and journal entries from outside vendors like ADP for payroll and State Street for investment accounting. In minutes we can upload files right into the system, saving days that we used to spend tediously creating journal entries every month."

Monica Emerson | Controller | Conrad Hilton Foundation

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Modernising Financials in the Cloud

Challenges
- Dated on-premise accounting system
- Manual Excel work
- Needed more sophisticated, flexible reporting

Gains with Sage Intacct
- Increased visibility
- Saves <15 minutes for each of the 3,000 yearly invoices it pays electronically
- Modernised several time-consuming workflows

Results
$80,000
Headcount Avoided

850 Hours Saved
In Accounts Payable

66% Shorter
Monthly Close

"When we compared Sage Intacct against other solutions, it was clearly the most intuitive to use, and the only application with a multidimensional general ledger approach."

Morgan Matthews, Director of Finance and HR

Customer Success

Real-time Financial Reporting Drives Growth

Challenges
- Needed better financial management tools
- More meaningful, timely reports for CEO and board
- Budget forecast in real-time vs. months-old historical data
- Accurate financial statements and data

Gains with Sage Intacct
- Directly led to nearly $7M in value
- Increased overall gross margins 20%
- Manage operations, pricing & forecasting in real-time
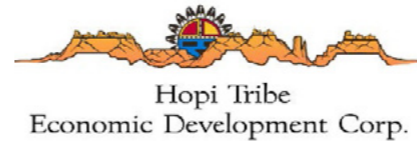- Accelerated ROI on major development projects

Results
$500,000
Cash Flow Improvement

$5 Million
Asset Value Increase

Hopi Tribe
Economic Development Corp.

"Management can quickly pinpoint areas of financial concern and have accurate information with which to make better business decisions. As a result, three of our struggling entities moved into the black."

Larry Chank, Chief Financial Officer

Customer Success

Managing the Complexity of a Global Nonprofit

CHALLENGES
- Meet numerous fund accounting and compliance requirements
- Intuitive dashboard and access to real-time financial data and business metrics
- Automate processes and reduce reliance on Excel

GAINS WITH SAGE INTACCT
- Eliminated manual data entry for payroll and allocation journals
- Eliminated paper timesheets and expense tracking
- Revenue recognition matches monthly grant allocations

RESULTS

2 Days Shorter
Monthly Close

1 Day/Month
Saved from Automation

25% Shorter
Billing Cycle

THE WHITE RIBBON ALLIANCE
HEALTHY MOTHERS HEALTHY WORLD

"Sage Intacct was a clear choice over NetSuite because of its impressive multi-entity and multi-currency capabilities, as well as the great experience we had with the Sage Intacct team who showed a clear commitment to customer success."

Celine Okoh, CFO

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Customer Success

Cloud-based Financials for a Rapidly Growing Nonprofit

Challenges
- No visibility into partner-specific revenue
- Excel-based reporting
- Physical invoices and check mailing

Gains with Sage Intacct
- Minimised data entry
- Intuitive, powerful reporting
- Complete visibility into the grant lifecycle

Results

20% Gain
In Efficiency

50+ Hours
Saved Per Month

60% Shorter
Monthly Close

DonorsChoose.org

"Sage Intacct is the perfect partner to scale with us along the way. The software delivers major productivity improvements for our team, but more importantly, it gives us access to trusted financial data on a real-time basis."

Andy Kaplan, CFO

Customer Success

Finding a Flexible System to Manage Funding Sources

Challenges
- On-demand visibility and reports to key stakeholders
- Time-consuming manual data entry
- Lacked real-time financial performance insight

Gains with Sage Intacct
- Can manage and report on multiple funds, projects, and statistical indicators
- Seamless integration with Bill.com
- Increased operational efficiencies
- Replaced manual processes with automated workflow

Results

1K Hours/Year
Work Eliminated

$22,000/Year
Saved in Staffing Costs

2 Weeks/Month
Saved from Streamlined Accounts Payable Processes

GRACE FELLOWSHIP CHURCH

"Previously, our church directors would receive a financial update, but not for two weeks after each monthly close cycle. By comparison, Sage Intacct gives us a modern system with all the financial information we need immediately at our fingertips."

Stacie Porter, Director of Finance

School Graduates to Sage Intacct to Manage Growth

Challenges
- Complex accounting for 23 departments
- Needed to integrate financial system with existing Salesforce CRM system
- Track and analyse income streams, expenses, or cash balances in real-time

Gains with Sage Intacct
- Managed rapid expansion without adding headcount
- Salesforce integration streamlined processes and increased visibility
- Gained ability to monitor and report on programs, donors, funds, fund types, and grants across the organisation

Results

$50,000 Saved
In Annual Headcount

2 Days Shorter
Monthly Close

360 Hours Saved
Per Year

ISLANDWOOD™

"Not only has Sage Intacct saved us several days of cobbling together spreadsheets each month, it has allowed us to keep up with increasing complexity without additional headcount."

Jennifer Sharp, Senior Accounting Manager

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Conclusion

Accomplish Your Mission with Sage Intacct

"Do more with less" is the mantra of today.

And Sage Intacct can help you accomplish your mission by providing you the visibility, flexibility, efficiency, automation, and integration you need to succeed.

Replacing and updating your old accounting solution with a modern, best-in-class cloud solution built for nonprofit organisation can cost less than you think while saving you time and resources.

We can help you prepare an ROI analysis for your key stakeholders and discover how you can lead your organisation to better stewardship and greater impact. Our mission is to help you succeed with your mission.

Conclusion

Educational Resources to Help You Make the Right Decision

Product Introduction Video
Sage Intacct for Nonprofits Overview

Watch now >

Customer Success Video
Atlanta Convention & Visitors Bureau (ACVB)

Watch now >

Nonprofit Accounting Software Buyer's Checklist
40 Essential Features of a Modern Accounting System

Download now >

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About Sage Intacct
Sage Intacct is the innovation and customer satisfaction leader in cloud financial management. With the powerful combination of Sage and Intacct, the Sage Business Cloud offers the best capabilities of both companies. Bringing cloud computing to finance and accounting, Sage Intacct's innovative and award-winning applications are the preferred financial applications for AICPA Business Solutions. In use by organisations from startups to public companies, Sage Intacct is designed to improve company performance and make finance more productive. Hundreds of leading CPA firms and Value Added Resellers also offer Sage Intacct to their clients. The Sage Intacct system includes accounting, cash management, purchasing, vendor management, financial consolidation, revenue recognition, subscription billing, contract management, project accounting, fund accounting,inventory management, and financial reporting applications, all delivered through the cloud.

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