

Keys to Success With Cloud Accounting

Part 3: Checklist for Selecting a Cloud Accounting Partner

(For purposes of this Checklist “bookkeeper” will be used to refer to the provider of day-to-day and monthly accounting services, whether the bookkeeper is an individual or company or whether the title is bookkeeper, staff accountant, controller, or something similar.)

Step 1: Preparation Prior to Interviewing Potential Bookkeeper/Accountant

Notes	
	Determine who will manage the bookkeeper
	Define specific accounting skills, education and experience required to successfully do the job
	Determine how you will assess accounting skills during interview process
	Define risk tolerance for making an unsuccessful hire or experiencing turnover
	Define specific services desired, including any budgeting, collections, management or planning activities in addition to A/P, A/R & reconciliations
	Define any special or complicated accounting needs such as inventory, foreign currencies, equity or debt issuances, etc.
	Determine need for bookkeeper to manage accounting software and systems
	Define expected hours per week required now and in the future to meet growth needs
	Define level of responsiveness required and if vacation coverage is required
	Define services which must be performed on-site



	Define desired weekly and monthly reports for internal use and presentation to owners, investors, lenders, Board, etc.
	Determine the importance of good internal controls and how they will be implemented
	Determine if tax planning and filing is part of the desired service package
	Determine cost of current bookkeeping including extra year-end work
	Determine cost of having CFO, CPA or business owner manage or clean up bookkeeper's work if necessary
	Determine infrastructure cost of software, IT systems, paperwork processing & filing
	Define desired insurance coverage, whether hiring an employee or contract bookkeeper
	Determine who will define accounting policies and procedures, and manage them ongoing. Review current documentation, if any.
	Determine who will provide CFO-level strategic planning and analysis services, if desired
	Define the budget for the new Bookkeeper (at least a range) considering the total cost of the accounting function including above factors, not just direct compensation to the bookkeeper

Step 2: Candidate Qualifications

Candidate Name:

No	Maybe	Yes	
			Accounting skills accurately assessed during interview
			Has desired accounting skills, education & experience
			Capable of handling any complicated accounting issues
			Capable of managing accounting software and systems



			Can provide tax planning and filing services, if you desire a streamlined and integrated solution combining tax and bookkeeping
			Can provide sufficient hours now and accommodate future growth needs
			Can meet onsite service requirements
			Can be responsive, including ad hoc needs outside any prescheduled service time
			Able to do accounting without the need for CFO, CPA or business owner supervision or cleanup of his/her work
			Has desired collections skills and experience, if part of their job responsibilities. Ability and time availability to follow up with delinquent accounts.
			Able to produce desired reports on desired schedule
			Presents low risk of hiring someone who will be unsuccessful
			Presents low risk of hiring someone who will leave for another job or retire in the next few years
			Has presented a plan for providing desired internal controls
			Has presented a plan for implementing or upgrading accounting technology stack to improve efficiency and controls
			Carries adequate insurance, if hiring non-employee contract bookkeeper or bookkeeping company
			Capable of developing, implementing and managing accounting policies and procedures including documenting them in a finance manual
			The cost of the bookkeeper is a good value in the context of the total cost of the accounting function relative to the quality and risk of the solution provided

