

Attending this Breakout Session entitles you to 1 hour of CPE

Please answer all three polling questions to qualify for CPE Credit.

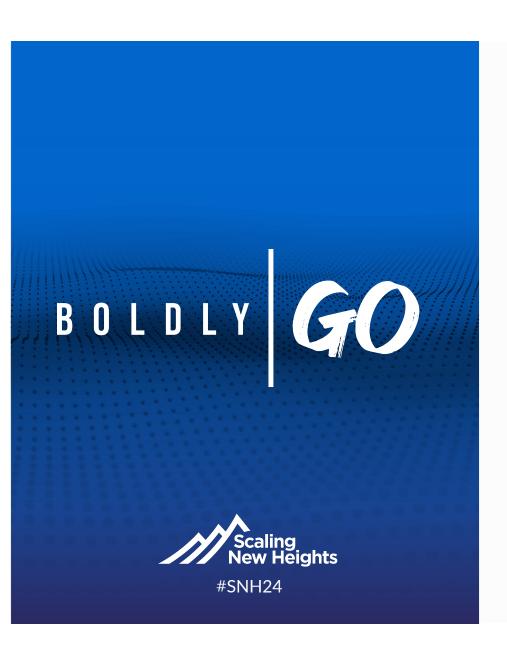




What I Will Cover in this Keynote Address

- Update on the Evolution of CAS
- "Thought Bombs" Since Last Year's Conference
- Questions and Answers Ask Anything Relevant to the Profession





Update on the Evolution of CAS



How Does the Profession Define CAS?

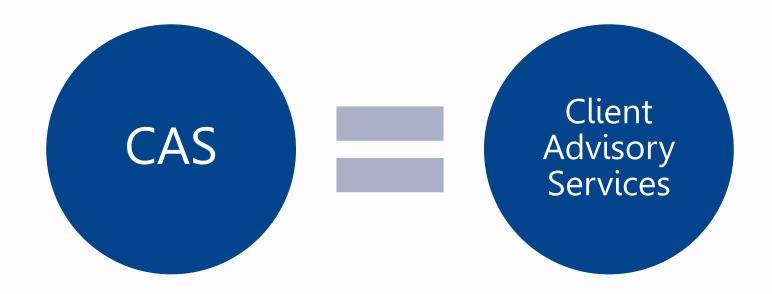
- CAAS Client Accounting and Advisory Services
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- CAS Client Accounting Services
- CAS Client Advisory Services

Name of primary CAS practice offering	
CAS (Client Accounting Services)	43%
CAS (Client Advisory Services)	13%
Other name including the term "advisory"	16%
Other name including the term "CFO"	7%
Other name including the term "outsourced"	17%
CAAS - Client Accounting & Advisory Services	7%

Source: 2022 CAS Benchmark Survey - AICPA



How Does the AICPA Define CAS?



IMPORTANT: "Advisory" by this definition of CAS is a very broad term that includes services other than financial analytics/CFO.



Accounting (i.e., Bookkeeping)

- Recording History (A Year Ago, Quarter Ago, Month Ago, Day Ago)
- Never Operational
- Should Not Including Payroll Processing/Compliance
- Should Not Include SALT
- Should Not Include Back Office Management, etc.
- SHOULD Include a Cyclical Meeting with the Client to Discuss GL Balances

Horizon:

Accounting Services

Product: Financial Information



Thought Bomb

Nature Creep is More Dangerous than Scope Creep





Controllership Services

- Cost Reductions and G&A Reductions
 - Budgeting with Regular G&A Assessments
 - Purchasing Policies and Procedures (with Optional Enforcement)
 - Spend Policies and Procedures (with Optional Enforcement)
 - AR Monitoring → Reduces Bad Debt Expense
- Reduction in Expenses Other than G&A
 - Capital Expenditure Strategies
 - Internal Controls with Fraud Mitigation
 - Credit Monitoring and Maintaining Credit Worthiness

Horizon:
Present

Controllership Services

Product:Journey Protection

Industries that Most Often Need Controllership Services

- Most Common: Distribution, Wholesale and Manufacturing
- Common: Construction
- Not Uncommon: Retail (Typically with Strong e-Commerce Focus)
- Not Uncommon: Non-Profit Organizations, Especially Larger Houses of Worship and Grant-funded Charities
- Uncommon: Franchises with 100 or Fewer SMB Franchisees
- Uncommon: Professional Services Companies (Legal, Engineering, Consulting, etc.)



Thought Bomb

In other words... contra-professional expense





Back Office Process Outsourcing

- Operations Related to Payroll and SALT
 - Payroll Calculation and Processing (or Payroll Service/Software Curation)
 - Worker's Compensation Insurance Filing/Compliance
 - Sales Tax Calculation and Processing (or Sales Tax Service/Software Curation)
- Business Licenses and Other Local Permits and Compliance
- Payables Processing
- Receivables Processing...etc.

Horizon:
Present

Back Office Process Outsourcing (BPO)

Product:Journey Protection



ANYTHING operational is Back Office Process Outsourcing





Financial Planning & Analysis Services

- Cash Flow Projections
- Dashboards and Dashboard Monitoring
- Key Performance Indicators (Leading Indicators) with Management Implications and Advice
- Financial Forecasts (Contrasted with the Spend Regulatory Budgets of Controllership)
- Regular Meetings with Clients and General Accessibility to Clients around Actionable Management Advice that is Informed by Financial Measurements, etc.

Horizon: Future

FP&A Services

Product: Financial Visibility



To Niche or Not to Niche

Controllership Services

FP&A Services

There are leashes in the niches.

There are riches in the niches.



Fractional CFO Services

- Fractional Executive Leadership that Leverages the Data Compiled by FP&A Teams and Controllership Teams to Guide Leadership
- Decision-Making Authority (or Strongly Influential Advisory) that Steers the Businesses Planning and Strategy
- Stakeholder Relations Representation (e.g., Financial Institutions and Inventors)
- Capital Management
- Inform Tax Strategies for the Business and/or Its Owners/Shareholders

Horizon: Future

Fractional CFO

Product:Business Advancement



You don't have to be a
CFO to provide
financial analytics and
actionable
management advice.



PAST PRESENT FUTURE

HORIZON

Product: Financial Information

ACCOUNTING SERVICES

- Monthly Record Keeping with Monthly Close
- Recording Adjusting Entries
- YE Closes
- Monthly Q&A about GL Balances

* When offering sales tax and/or payroll calculation and filing, we strongly recommend access to software companies as well as compliance experts. Woodard typically discourages opening payroll compliance and sales tax compliance (e.g., SALT) practices

Product: Journey Protection

CONTROLLERSHIP SERVICES

- Spend Management
- AR Monitoring and Bad Debt
- Budgeting (with G&A Analysis)
- Fraud Mitigation
- Capital Expenditure Strategy
- Credit Worthiness

BACK-OFFICE PROCESSING

- Misc. Paperwork: Licenses, Permits.
- Sales Tax Calc and Filing*
- Payroll Processing, Filing*
- Payables/Receivables Processing.

Product: Visibility and Leadership

FP&A SERVICES

- Cash Flow Projections
- Essential Financial Measurements
- Actionable Management Advice
- Financial Forecasts
- Financial Analytics, Dashboards, and Actionable Measurements/Metrics

FRACTIONAL CFO

- Fractional Executive Leadership Stakeholder Relations
- Strong Influence and/or Decision-Making Authority on Business Strategy and Management Decisions
- Capital Management
- Inform into Tax Strategies for the Business and/or Its Owners/Shareholders

4 Pricing Steps for CAS Engagements

Assessment (Including Ways to Add Value) Correction/ Clean Up Informed and Value-Infused Price

Re-price Regularly

Offer value that others don't provide to differentiate and increase relative value per Cobb Value Curve





Opening Keynote Address

Scaling New Heights 2024 – Encore Day