

SMALL BUSINESS

KATHY WILLIAMS, EDITOR

ACCOUNTANTS VOLUNTEER TIME, EXPERTISE

Most small business owners still don't have the necessary amount of accounting expertise to guarantee them success when they start a company. They lack training or experience in the basics—planning, budgeting, book-keeping, and financial management. Many owners also lack sufficient funds to hire the right experts.

A nonprofit group of volunteers, Accountants for the Public Interest (API), is trying to help these small business owners. API is a national network of accountants (including many NAA members) who work on volunteer public service projects for nonprofit organizations, small businesses, and individuals who cannot afford to pay for professional accounting services. Particularly in demand is management expertise to help small companies use their limited budgets most effectively. Volunteers also provide objective analyses of public policy issues and help low-income individuals with their tax returns.

This year volunteer accountants have helped more than 2,400 nonprofit organizations in individual counseling sessions, as part-time staffers, and by conducting seminars. Hundreds of volunteers logged in more than 15,000 hours of service. The average time donated by a volunteer is 15 to 20 hours per case and one case per year.

Typical duties performed, in addition to counseling, include preparing tax calendars and overviews of fiscal responsibilities for small companies and publishing pamphlets on issues relating to charity status, fiscal accountability for board directors, and proposed changes in law affecting private foundations and public charities. Volunteers also provide guides on nonprofit book-

keeping and summaries of the legal and financial aspects of maintaining a tax-exempt status. In addition, they place accountants on the boards of directors of small companies and set up internship programs whereby qualified accounting students will work part-time for a company that needs their services.

Marilyn Quinn, director of development for API, explains that, "The need for volunteer accounting services is more important than ever. Nearly 890,000 registered nonprofits now exist and another 90,000 are expected to be formed this year. Typically, new or small nonprofits have limited budgets and depend on volunteer staffing. They have neither the experience nor the funds to perform basic accounting tasks, nor can they afford professional assistance. Without access to API volunteer services, many would continue to be deficient in financial management, reporting, and accounting procedures."

API is encouraging accountants to join its network of volunteers. Paul Dascher, member of NAA's Committee on Community Responsibility, is API's president for 1987, and two of the three practicing accountants in Congress, Joseph J. DiGuardi (R-N.Y.) and Ronnie G. Flippo (D-Ala.), are members of its board of directors. Mr. Dascher says, "The public image of accountants fails to reflect the immense value of the accounting profession to the nation and of the pro bono publico work done by many individuals and firms to serve the public interest. API is helping to change that image—especially by recruiting accountants for volunteer service and by demonstrating to the public that the accounting profession does care."

For more information about its work, contact Accountants for the Public Interest, 888 17th Street, N.W., Suite 201, Washington, D.C. 20006, (202) 659-3797. ■

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Accountants for the Public Interest

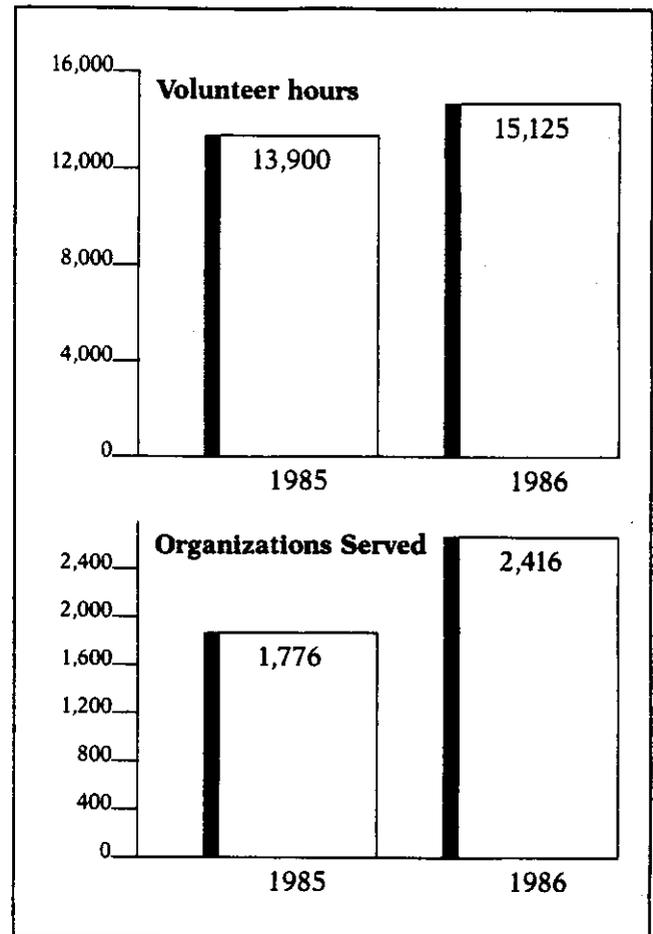
In an era when self-interest is more in vogue than lending a helping hand, Accountants for the Public Interest (API) seems to be successful in going against the grain. API is a nonprofit service organization that helps accountants use their professional skills to assist nonprofit organizations, small businesses, and local government—similar to lawyers' activities in legal public interest work. API has the support of all the major accounting firms and works closely with the professional accounting societies to encourage public service accounting. Local API affiliate organizations help set up accounting systems, prepare financial reports and forms, analyze public issues from a financial perspective and train for leadership skills in financial management.

Accounting volunteers work in their own communities to help small businesses and nonprofit organizations. A look at some of their activities provides a clear picture of the valuable work performed by thousands of API volunteers each year. As the sole statewide source for pro bono accounting services in California, the Clearinghouse for Volunteer Accounting Services (CVAS) typically receives thirty-five requests a month for accounting assistance from California nonprofit organizations. Many of those requests are for urgent help to resolve a crisis; others seek professional guidance to accomplish essential budgeting, bookkeeping, or reporting procedures. But the accounting aspects of such requests—and their eventual solution—often mask the human side of the program, a dimension not clearly represented by numbers alone. One case in particular illustrates the point.

Last year the director of a small Southern California nonprofit organization phoned CVAS. At 80 years of age, she unexpectedly found herself in charge of the nonprofit she had formed years before. The bookkeeper had left suddenly, the year-end IRS tax report was past due, and her volunteer-based group, supported by small private contributions, could not afford to pay an accountant. She was, she explained, "in a pickle." Notwithstanding the penalties for late filing, the problem was clearly distressing to her personally. Could CVAS help?

The same as 260 other people who contacted CVAS during the past year, the caller's organization did receive help: in this instance, fifteen hours of services provided by a CVAS volunteer accountant.

The process for providing that volunteer involved contacting a number of working accountants to locate someone in the vicinity who would be available and willing to undertake the work. And as with the other 240 accountants who volunteered their time and expertise to CVAS last year, this CPA was requested not to charge for his assistance.



Many nonprofit organizations would like to have an accountant on their board of directors. They believe that an accountant's expertise and professionalism would enhance the functioning of the organization. Last year, the API network helped place accountants on the boards of more than 200 nonprofit organizations. Accountants who accepted positions sometimes served as the treasurer or chaired the organization's finance committee.

Thanks to generous contributions from the accounting community, corporations, foundations, and individual accountants who volunteer their time, API was able to serve over 2,400 organizations in 1986. By using volunteers, these contributions are leveraged to help bring fiscal soundness to small businesses and nonprofit organizations. More than 15,000 hours of volunteer time made it possible for organizations that cannot afford to pay for professional accounting services get the help needed.

Readers who want to become volunteer accountants with the API network can obtain a membership application from Peter D. Rosenstein, executive director, Accountants for the Public Interest, 888 17th Street, N.W., Washington, D.C. 20006: (202) 659-3797.

Helping Clients Learn About Computers

Computers can be intimidating for first-time users who may find themselves "required" to use one as part of their jobs. Sometimes, in the rush to computerize operations, the importance of assisting and properly training beginning users is overlooked.

Often, employers find it difficult to provide the time and facilities for uninterrupted learning, and their employees may be reluctant to put in the extra time necessary to learn the new system. The training should never be conducted in a haphazard manner, however, or be held where the employees' jobs will result in distractions. In such situations, we find that our staff at Simmons & Company can be of great help to our clients.

First of all, we advise clients to make their commitment to computer usage known to their employees and to assure them that they will be supported by the firm during the transition. We also advocate checking the software package thoroughly to make sure it is well designed and adequately documented—features that will make it easier for beginning users to get started.

Another suggestion for speeding the learning process is to have the beginners work with experienced

users who can go over the program with them and answer their questions. Also, it is often better for beginners to learn a little about a program and check the features they need in the manual, rather than to attempt to digest it all at one time.

A possible option is for employees to attend a computer seminar, especially one designed for a specific level of knowledge and/or software package. For beginning users, we might recommend a relatively inexpensive, elementary course. For people who have a good working knowledge of computers and some experience in using the program, we find that attendance at seminars conducted by professional groups can be worth the added cost. The instructors are usually well-versed in the subject matter, can give tips, and recommend additional reading matter. This type of seminar will most often include a course outline (for later perusal) and diskettes with program applications.

We believe that with our help in evaluating the level of their employees' expertise and in choosing appropriate programs and training courses, our clients can quickly make effective use of their computers.

—by Beverly D. Purtlebaugh, CPA
Muncie, Indiana

American Institute of Certified Public Accountants, Inc.
1211 Avenue of the Americas
New York, N.Y. 10036

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Celebrating a Century of Public Service

Across the country, thousands of CPAs are actively involved in public service activities. CPAs have consistently volunteered their professional and personal time to improve the quality of life in their communities.

They've used their expertise to develop accounting systems, reporting procedures and budget practices, so non-profit groups can maintain financial stability. They help establish scholarships and give time to schools to raise funds. CPAs serve on appointive bodies such as planning and zoning commissions, and hold elective offices from city councils to the United States Congress. They develop training programs for municipal accounting personnel and work with economic development commissions to attract businesses to the community.

The Public Service Committee of the American Institute of CPAs (AICPA) has encouraged state CPA societies to recognize local CPAs for their volunteer efforts. The AICPA will publicly honor those CPAs recognized by their communities and their

state societies for distinguished public service at the AICPA Centennial Meeting this week in New York City. In recent years, the Public Service Committee has worked closely with the United States Office of Consumer Affairs in educating the public on subjects of widespread consumer interest.

Some CPAs provide volunteer accounting services through other organizations such as Accountants for the Public Interest (API). API is a national network of accountants who work on volunteer public service projects. Their work helps nonprofit organizations, small businesses and individuals who cannot afford to pay for professional accounting services. The result: better accountability and more efficiently run agencies and businesses.

During its centennial, the AICPA pays special tribute to those CPAs who have consistently devoted their time and services to their community in a volunteer capacity.