

BPM Case Study

Transformational applications streamline family office operations

Solving integration challenges to eliminate manual processes

The CFO of an ultra-high-net-worth family office with extensive investment holdings in stocks, bonds, alternative assets and partnerships came to BPM seeking guidance on streamlining back-office operations.

Its accounting team traditionally relied on QuickBooks to manage its finance functions. But as the family's investment activities expanded and the family grew to multiple generations, the CFO quickly realized that QuickBooks would not allow financial operations to scale effectively.

The family supported several philanthropic foundations, while also making sizable donations annually to a variety of charities. Complicating matters, family members had varying ownership stakes in the entities, many were split between different family members holding varying-sized stakes, and some had diverse ownership structures with groups outside the family. In total, there were 150+ different legal entities that needed to be managed by the in-house accounting team.

Each legal entity had its own instance of QuickBooks, which made the task of generating monthly and annual reports the largest and most immediate challenge. Relying on Excel, the accounting team spent an enormous amount of time each month manually consolidating QuickBooks data from each account to generate financial statements. QuickBooks was also unable to generate custom reports based on family member requests.

In addition to QuickBooks, the accounting team used the Addepar wealth management platform to track the investment holdings for the family. However, as Addepar did not integrate with QuickBooks, the team was once again burdened with laborious manual processes to consolidate financial data. These inefficiencies significantly limited the accounting team's ability to close month end and generate important financial reports on a timely basis.

BPM modernizes operations with Sage Intacct: A two-step solution

BPM first analyzed the volume of accounting work and found that modern systems with automated workflow and integration capabilities could be leveraged to streamline back-office operations. BPM proposed using Sage Intacct as the primary solution to meet the financial reporting needs of the family.

Sage Intacct includes powerful and flexible real-time reporting capabilities to deliver consolidated and individual family member financial performance reports. Accessed through the cloud, BPM's



solution allowed both family members and the family office to view this critical information on any device in real-time.

The second hurdle was to streamline the data flow of investment activity from Addepar into Sage Intacct. BPM identified KnowLedger with its powerful rules engine as a solution to automate this process and worked closely with the vendor to develop a seamless integration between the two systems. This solution automated the entry of investment activity directly into the GL built into Sage Intacct, saving hours of manual effort monthly, and leveraged the dimension functionality of Sage Intacct so that all reporting capabilities were readily available. The two-step solution, and collaborative BPM approach with the client, allowed the project to be completed in six months.

Automation reduces workload and offers **real-time, customizable reporting**

When the project was complete, 150 QuickBooks accounts were consolidated into Sage Intacct, with the recurring workload of manual data entry for family office members dropping substantially. The family office team now runs consolidated and individual financial statements in real-time with the click of a button. Moreover, Sage Intacct breaks down the extensive holdings for individual members allowing for customizable reporting. Finally, the integration of the Addepar information into Sage Intacct through KnowLedger provides family members with real-time fair-market value data on holdings.

In reviewing the implementation, the CFO of the family office related, "The ability to see all the family holdings and how they are allocated and roll up at one time on a dashboard is so powerful and provides us with such great insight."

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