



CONSERO
High Performance Finance

CASE STUDY:
Synergis Education

Synergis Education Solves Unique Problems with Outsourcing Strategy

Synergis Education (Mesa, AZ) is a tech education firm that has been expanding rapidly. With rapid growth, and a lack of defined policies and procedures, operations became very complex. The company has unique, varying partner/customer agreements--which require complex and detailed operations support, marketing, IT, intellectual property management, and equity arrangements.

It was important for Synergis to quickly ramp-up financial operations to support their coming revenue growth while leaving top management to focus most of its time and energy on penetrating the market and maturing their business model.

Finding a Progressive Solution

Scott Wenhold is the CFO of Synergis and he came up with a unique, progressive solution.

He partnered with Consero Global, a Finance & Administrative (F&A) firm, to offload the backroom accounting functions. Together, they rapidly redesigned and deployed an optimized, scalable finance infrastructure. Austin based Consero Global worked together with Synergis as one team to solve tough problems.

“What Synergis did was really born out of necessity,” Wenhold explained. “As a young company, we did not want to invest our capital into non-revenue generating assets, whether those assets were people or systems. The Consero model that we adopted is very scalable and cost effective but also flexible enough to adapt to our dynamic environment.”

The flexibility of the outsourcing model has kept pace with business changes in a very seamless, cost-effective manner. It also allowed them to quickly fill finance or administrative needs that required a specific skill set or expertise on an on-demand basis. This is a common problem to fast-growing companies.

About Synergis:

Synergis provides an integrated suite of services that continue throughout the full student life cycle.

Synergis helps its partners to develop on-ground, online and hybrid degree programs to better serve the ever-growing non-traditional, adult learning population.

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Four Key Milestones

1. *Achieving Timely, Accurate Financial Reporting*

Wenhold and his combined team achieved four key milestones. The first was timely and accurate financial reporting—from audited GAAP financial statements to visibility into customer/partner performance and cost management.

Before Wenhold implemented outsourcing, this was a big struggle. “We are a multi-site, multi P&L organization,” said Wenhold. “When I first got here, we were struggling to close the books on a monthly basis, calculate revenue, and deliver the partner (client) reports--so they could close their books in a timely manner, and calculate revenue.” This started creating significant relationship issues with their customers. Outsourcing brought a huge improvement. “We are now closing the clients’ books, and delivering all the required reporting within the first four days following month-end close!” Wenhold exclaimed. “It’s all done, tick and tied, and delivered—which I think is absolutely outstanding!”

2. *Revamping Operations Support*

The second milestone involved operations support, allowing Synergis to meet contract requirements. Wenhold’s combined team improved reporting, data integrity and visibility, internal controls, and operations performance. They also developed revenue recognition programs—very important for auditing--and customer/partner required reporting.

“With the outsourcing partnership,” Wenhold reflected, “we were able to improve the integrity and timeliness of our financial statements. The year-end audit--ensuring financial statements are GAAP compliant—was almost a non-event this year. We were able to gain greater visibility into customer performance and cost management, from an operations standpoint. That has led to improved insight. We can make faster course corrections with respect to managing customer profitability.”

CHALLENGES:

- Lack of timely or accurate financial reporting
- Not meeting client’s contract requirements because of limited visibility, poor internal controls and operations performance
- Difficult accounts payable process in a decentralized environment
- Not meeting compliance and board requirements

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CONSERO SOLUTION:

“Not only is it cost effective,” Wenhold remarked, “but it keeps our processes standardized even though all of our client contracts are very different”.

3. *Getting a Handle on Accounts Payable*

The third important milestone Wenhold’s combined team achieved was getting a handle on Accounts Payable management—including purchase order processing.

“This whole accounts payable and purchase order process is extremely critical for us,” Wenhold explained, “especially in a decentralized environment, or a multi-geographic site environment in which we are operating”.

All Synergis’ accounts payable is now managed and processed by Consero who established a formalized process for onboarding new vendors or suppliers.

“We have a purchase order matching process,” Wenhold told us. “The processes and Consero systems inject a certain structure and discipline throughout the organization that provide a long runway into what we might be spending—and then what we will actually be spending, and when. It allows us to maximize the accuracy and length of our cash planning and forecasting activities.”

4. *Ensuring Comprehensive Due Diligence, Audit, and Tax Prep Support*

The fourth milestone involved due diligence, audit and tax preparation support—allowing Synergis to obtain funding, meet Board of Directors requirements, and file tax returns. Initially Wenhold was greatly concerned about how the outsourcing model, which also stores accounting information in the cloud, would handle the challenges of an audit. But it worked out very well.

“The Consero team obtained the prepared by client list, prior to the start of the audit—our first annual audit,” said Wenhold. “Then they provided the necessary materials to the auditors upon their arrival. Everything was ready to go as soon as the auditors showed up!”

- Completely outsourced finance solution including standardized processes, a scalable finance application and a dedicated staff
- Fully managed delivery of timely and accurate financials
- Implemented cloud technology including A/P workflow automation, e-payment solution and document storage
- Fully documented all processes and created calendars and checklists for all key deliverables

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Working ahead like this drives efficiency and reduced stress. Creating a single point of contact also eliminated confusion from multiple parties interacting with an outside auditor.

Wenhold also noted, “When your books are in the cloud, all the data is centralized in a flexible to upload and retrieve format. Your auditors don’t need to go hunt down the fixed asset accountant to answer questions, and then track down the revenue recognition accountant for other questions. Instead, it’s a very flexible and centralized process.”

“We’ve been through multiple annual audit cycles now, with no issues,” said Wenhold. “The outsourcing model allows us to meet all of our investor and lender deadlines with respect to GAAP reporting and other internal reporting. It allows us to respond very nimbly to future fundraising due diligence, as well as deliver to the board of directors their reports in a timely manner, and provide the necessary data to file all of our federal, state, and local tax returns.”

The Verdict: Quality Outsourcing Yields Impressive Results

It is clear that Wenhold’s progressive attitude towards quality outsourcing has certainly helped him achieve some impressive results for Synergis.

“The ability to understand the business, record and report the business, has less to do with where the accounting and finance folks sit,” Wenhold concluded, “it has more to do with the quality of the people, processes and systems involved.”

Wenhold went on to say, “We consider ourselves extremely fortunate in that our team at Consero is a group of very dedicated, competent professionals, leveraging a platform of best-practice based processes and robust applications.”

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CFO
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