

Better Together: Sage Intacct + FloQast is a Winning Combination for Code42



Industry

Insider Risk Management Software

Founded

2001

Objective

To replace the company's existing accounting software with an integrated ERP and close management solution that can handle multiple entities, multiple currencies, and more robust internal controls.

Why Sage Intacct & FloQast

- Needed an ERP system and close management solution that would help improve internal controls for the growing company
- Wanted solutions that would help them automate global consolidations, revenue recognition, and other tasks being done manually in Excel
- Sought a solution that could facilitate detailed analysis required by the FP&A team

Results

- Reduced the month-end close from 10-15 days to seven days
- Both the accounting team and FP&A team benefit from greater analysis in less time.
- Improved controls over journal entries and reconciliations
- Able to easily complete their financial statement audit remotely during the pandemic with cloud-based tools

Code42 is an Insider Risk Management company. Native to the cloud, Code42 Incydr rapidly detects data loss, leaks, and theft sabotage as well as speeds incident response — all without lengthy deployments, complex policy management, or blocking employee productivity. With Code42, security professionals can protect corporate data and reduce insider threats while fostering an open and collaborative culture for employees. Backed by security best practices and control requirements, Code42's Insider Risk solution is FedRAMP authorized and can be configured for GDPR, HIPAA, PCI, and other regulatory frameworks.

More than 50,000 organizations worldwide, including the most recognized brands in business and education, rely on Code42 to safeguard their ideas. Founded in 2001, the company is headquartered in Minneapolis, Minnesota. Since joining the company in 2011 as its second accounting hire, the team has grown to 13 people.

“Before, it was all manual. We exported the trial balances in the local currency and then manually converted them for the consolidation. But now, with Sage Intacct, we just push a button. We can run a consolidation multiple times a day. It just saves us a tremendous amount of time.”

Grant Christianson, Controller

Prior to 2013, the company used QuickBooks for accounting but knew they needed something to better facilitate global consolidation, multiple currencies, and complex revenue recognition — all of which Code42 had been doing manually in an Excel spreadsheet. Additionally, the accounting team sought a solution that would help them improve internal controls — especially over posting journal entries and account reconciliations.

More Effective Controls and Reporting With Sage Intacct

After considering several options, Code42 selected the Sage Intacct cloud financial management platform and realized immediate benefits.

The company deals with a variety of customer orders, high volume, low dollar to large, complex enterprise multi-elements, which Sage Intacct could handle with ease. "It's nice to have a system that just kicks those in quickly," Christianson said. "On the revenue recognition side, before it was all done in Excel, and we booked an aggregate total to QuickBooks each month, so we had no real detail. With Sage Intacct, we have those customer contracts detailed revenue schedules."

That level of detail helped Christianson's team provide the FP&A team with a more detailed analysis of month-over-month revenue by customer and contract for the reporting and budgeting they do. "Without that, we'd

manually, with an Excel checklist of reconciliations to be done. Plus, they had ongoing issues with last-minute transactions or journal entries hitting the trial balance, forcing them to spend hours re-running the trial balance and checking whether the reconciliations were still balanced.

After a FloQast demo, Christianson knew Code42 would benefit from it, but he wasn't sure if management would be willing to give them the budget for it. "But once we told them about the benefits of it and how we could get away from manual work and greatly improve our internal control documentation, we got the buy-in. Within a matter of weeks, we had FloQast set up and running smoothly."

With Sage Intacct and FloQast connected, it was easy to bring over balances, spot when new accounts have been added to the trial balance, and ensure the team was reconciling each account's balance sheet every month.

"We really liked using Flux during month-end close to provide a month-over-month analysis. We used to run a report in Sage Intacct and export it into Excel, and make notes in a Google Sheet, but it wasn't real-time. Now, it's all real-time. People can make notes before we get to our pre-close meeting. By the time we get to the pre-close meeting, a lot of our variances are already explained."

Grant Christianson, Controller

be lost," Christianson said. "We spent hours trying to figure that out manually."

Sage Intacct also saved Code42 hours of manual work spent consolidating the company's many global entities. "Before, it was all manual," Christianson said. "We exported the trial balances in the local currency and then manually converted them for the consolidation. But now, with Sage Intacct, we just push a button. We can run a consolidation multiple times a day. It just saves us a tremendous amount of time."

Greater Efficiency With FloQast

The improvements with Sage Intacct were clear, and Christianson started thinking about how positively a close management solution would impact the team. They had been managing their month-end close

FloQast Flux Offers Stability Amid Uncertainty

Soon, Code42 started using FloQast Flux, and Christianson immediately saw the benefits.

"We really liked using Flux during month-end close to provide a month-over-month analysis," Christianson said. "We used to run a report in Sage Intacct and export it into Excel, and make notes in a Google Sheet, but it wasn't real-time. Now, it's all real-time. People can make notes before we get to our pre-close meeting. By the time we get to the pre-close meeting, a lot of our variances are already explained."

That proved to be especially beneficial when the pandemic closed Code42's offices just as they were about to begin fieldwork on their 2019 financial audit.

Fortunately, with Sage Intacct and FloQast's cloud-based platforms, they were able to complete the audit remotely. "We didn't have any issues whatsoever with the audit," Christianson said. "We had several virtual status meetings with our auditors every week, and with all the tools that we have and everything being online, it was really seamless."

Today, a month-end close process that used to take 10 to 15 days takes just seven, and the entire process is more manageable thanks to the winning combination of Sage Intacct and FloQast. There's less manual data entry and reconciliation, so the team has more time for higher-level analytical work, which helps improve team morale.

"Getting them out of that mundane day-to-day stuff keeps them interested in their work and gives them an opportunity to learn new things," Christianson said. "Not everybody stays at the same company for 25 or 30 years. I think what they learn here will benefit our accounting team members in their overall careers. Thankfully, we're very fortunate that our accounting team has all been with the company for quite a while. When you have the right team and implement the right tools, it just clicks and things get done."

