

## The Right Person for the Job: How to Hire a Bookkeeper

The person who handles your organization's day-to-day accounting is instrumental in maintaining its financial health. So, when you're looking for a bookkeeper, focus on finding the best candidate with the right skills and experience to handle this important job.



### Define the Role

Before placing any want ads, you should define the role. The terms "bookkeeper" and "accountant" sometimes are used interchangeably, but there are differences. In general, a bookkeeper enters income and expense data into your accounting system. An accountant uses that data to generate financial reports and prepare tax documents. Bookkeeper candidates should have a basic understanding of accounting terms and principles to do the job well, but, in most cases, the individual doesn't need the specialized knowledge of a CPA.

Crafting a detailed job description that outlines the position's responsibilities will help you attract qualified candidates and give you a consistent yardstick with which to measure them against. Common bookkeeper responsibilities include: preparing and recording accounts payable, accounts receivable and cash receipts; tracking expenses; reconciling bank statements; posting accounts to the general ledger; and assisting as necessary with year-end financial audits. If you also will be relying on the bookkeeper to send donor acknowledgments, order supplies or handle any other clerical duties, spell them out in the job description.

### Specify Skills

Nonprofits have special bookkeeping challenges that for-profit businesses don't. Most for-profit businesses, for example, don't handle pledges, donated goods or services, and restricted donations. While it may not be essential, finding a bookkeeper with previous nonprofit experience can be helpful. At the very least, you want to work with someone who understands that there are differences between for-profit and nonprofit accounting methods and is willing to learn the accounting intricacies of your organization.

Other skills are nonnegotiable. Candidates should be:

- Knowledgeable about accounting basics,
- Attentive to details,
- Deadline oriented, and
- Computer literate, which may mean familiarity with the accounting system you use.

### Pass the Test

Many organizations hire a bookkeeper because their top-level management doesn't have the necessary accounting skills. Without qualified financial experts on board you may be wondering how to judge the acumen of bookkeeper job candidates.

The American Institute of Professional Bookkeepers (AIPB) can help. The AIPB has created a short test and test administration guidelines that you can use with candidates to gauge their knowledge of accrual-basis bookkeeping. Should you require special skills, the tests can be customized to your needs. For more information on this free resource, go to <http://www.aipb.org>.

Finally, because your bookkeeper will be handling cash, financial records and proprietary information, potential hires must be trustworthy and above reproach. Conduct thorough background and credit checks — including following up on any references — on anyone you're seriously considering.

### **Be Choosy**

Your bookkeeper will be responsible for tracking the lifeblood of your organization — your income and cash flows. Don't make a hasty decision: Take adequate time to select the best candidate.

## *Compensation Comes In Many Forms*

It goes without saying that nonprofit organizations aren't always able to offer dazzling salaries or top-of-the-line benefit packages to their employees. However, employees who work for nonprofits typically aren't there for the big money. Many are hoping to give something back to their communities or support a cause they feel strongly about.

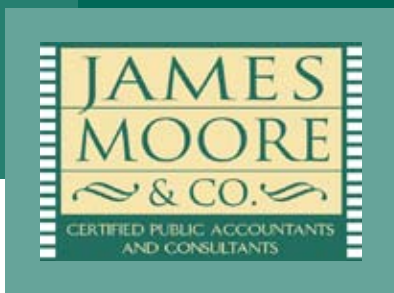
That doesn't mean that they don't want to be treated well, though. Along with traditional benefits, many nonprofits have become creative in the perks they offer. From flexible schedules to telecommuting to casual dress codes to generous paid time off to credit union and AAA memberships, organizations have found ways to keep their employees happy without busting their budgets.

Because your employees are probably emotionally invested in your nonprofit's cause, try to find benefits that coincide with your organization's mission. For example, to encourage employees to take public transportation Greenpeace offers employees \$40 a month in Metro passes or a one-time reimbursement of up to \$350 to purchase a bicycle.

Your perks also can come in the form of discounts on merchandise or services and admission for employees and their guests to local attractions. Or consider partnering with local companies, such as day care or fitness centers, to offer additional discounts.

For many organizations, creating a comfortable and collaborative workplace environment has also become a priority — and a serious perk. An example that combines designing a functional workspace with the organization's mission is the World Wildlife Fund's renovation of its U.S. headquarters. While their new building was designed to be eco-friendly, one of the goals was to create a "positive and uplifting workplace." So they maximized natural light and configured the workstations to allow for collaboration, while still maintaining privacy.

Motivating employees ultimately takes more than a few perks. You also need to keep their work interesting and meaningful, empower them with information, and involve them in decision-making. But adding a few extras will set your organization apart and keep your employees coming to work with a smile.



*Your Success Is Our Business*

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