

YPTC HIGHER EDUCATION SPECIALIZATION

CASE STUDIES: HOW YPTC SUPPORTS HIGHER EDUCATION INSTITUTIONS



AT YPTC, we help nonprofit and higher education leaders strengthen the finance functions they rely on for planning, reporting, compliance, and board oversight. Colleges and universities face added pressure from tuition dependence, discounting, enrollment shifts, fund accounting, and external reporting requirements. Through our customized and flexible financial management services, YPTC's higher education specialists provide expert, hands-on support. We help accounting teams improve processes, strengthen financial reporting, and give leadership better information for decisions about cash flow, budgets, and long-term stability.

CASE STUDY: TRANSFORMING FINANCIAL OPERATIONS FOR A PRIVATE COLLEGE

THE CLIENT

A SMALL, PRIVATE COLLEGE with a mission rooted in faith-based education. After a long-tenured controller retired following more than two decades of service, the college had difficulty keeping up with day-to-day accounting. The new controller could not manage the full workload, and the college fell about four months behind on its monthly closing process. There was no formal close process, little documentation, and the general ledger system was not designed to track restricted funds as required in higher education accounting.

THE OPPORTUNITY

- **COMPLETING** federally required Integrated Postsecondary Education Data System (IPEDS) reporting for the current year using historical audit data, and building internal capacity to prepare timely, accurate filings in future years.
- **ADDRESSING** a significant backlog in monthly close activities and establishing a consistent, formal close process.
- **ASSESSING AND STABILIZING** the accounting function after a leadership transition, streamlining and modernizing systems and processes to better align with higher education compliance requirements.
- **TRAINING AND SUPPORTING** the in-house accounting team and eventually assisting in the college's hiring, onboarding, and training of a new full-time in-house controller.

OUR APPROACH

PHASE 1: ASSESSMENT AND STABILIZATION

- **COMMUNICATED** the accounting gaps to leadership, clearly outlining risks created by delayed closes, incomplete reporting, and lack of documentation.

- **STEPPED** into the controller role during the transition, addressing the four-month close backlog and establishing a structured monthly close process.
- **RECONSTRUCTED** financial records and built a complete set of monthly work papers and account reconciliations using auditor documentation as a starting point, replacing the prior practice of maintaining only monthly bank reconciliations.

PHASE 2: ENDOWMENT AND RESTRICTED FUND ACCOUNTING

- **CLEANED UP** endowment accounting and developed roll-forward schedules that continue to track activity from year to year.
- **REDESIGNED** the restricted fund accounting structure so that the college could track more than 90 donor restrictions, replacing a system with only 12 broad codes that did not provide enough detail to ensure compliance with donor intent.
- **WORKED** with department leaders to clarify how restricted funds could be used to help ensure spending followed donor requirements.

PHASE 3: SYSTEMS MODERNIZATION

- **LED** the selection and implementation of a modern financial database, including a fund accounting system and an integrated development module, before the new fiscal year.
- **TRANSITIONED** payroll and accounts payable processes to integrated and automated systems, improving reporting, documentation, and approval workflows.
- **IMPLEMENTED** a digital expense management process to eliminate delays caused by paper-based credit card reconciliation.

PHASE 4: TRANSITION AND ONGOING SUPPORT

- **TRAINED** a new full-time controller over a structured onboarding period, covering monthly close procedures, reconciliations, and reporting.
- **PROVIDE** ongoing oversight, including payroll projections and work paper review to maintain accuracy, consistency, and audit readiness.
- **TRAIN** staff on higher-education-specific processes such as IPEDS reporting, student invoicing, and compliance-related activities outside the monthly close cycle.

THE RESULTS

- **RELIABLE MONTHLY CLOSES:** The college moved from a four-month accounting backlog and no formal close process to timely, accurate monthly financial statements supported by complete account reconciliations.
- **MODERNIZED FINANCIAL SYSTEMS:** The college replaced a 40-year-old general ledger system with a modern fund accounting platform and integrated development tools, improving efficiency, financial reporting, and data quality.
- **ACCURATE FUND MANAGEMENT:** The college now tracks restricted funds across more than 90 distinct codes with clear documentation, so department heads can ensure that donor-restricted resources are being used properly.

- **STREAMLINED ACCOUNTS PAYABLE AND EXPENSE PROCESSING:** Automated approvals and digital expense management replaced paper-based processes, reducing delays and strengthening audit readiness.
- **SUSTAINABLE INTERNAL CAPACITY:** A full-time controller was hired and trained with documented processes and tools that continue to guide financial operations long after implementation.

THE IMPACT:

YPTC STEPPED IN DURING A CRITICAL LEADERSHIP GAP AND REBUILT THE COLLEGE'S FINANCIAL INFRASTRUCTURE, helping to transform an institution that was months behind on its financial closes and relying on outdated systems into one with structured processes, clear documentation, and a trained finance team. The college now operates with timely and accurate financial reporting, properly structured fund accounting, and the internal capacity to manage higher education accounting requirements such as endowment tracking, restricted fund compliance, IPEDS reporting, and student invoicing. With this financial foundation, leadership has better information for budgeting, cash-flow planning, board reporting, and long-term decisions.



CONTACT US with questions and learn more about our work with higher education institutions at <https://www.yptc.com/higher-education-specialization/>