

# What Things Should You Expect From Your Payroll Accounting Team?



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Accounting is an essential aspect of any business. Be it big or small. Also, because of the importance of the payroll [accounting team](#), it is critical that you get to know your team.

The accounting department is the backbone of every business, and its stability paves the road-map for achieving success in any business field. With the growing complexities and volume of work, the functions of the accounting and finance department can get quite confusing at times. The need for **outsourced accounting services** has, thus, been up the gradient since the last decade to meet this hindrance with ease and convenience.

It involves the recording of a company's compensations to be dispensed to its employees like bonuses, gross salaries, wages, and even commissions earned by the latter. It further demonstrates and deals with the withholding of payroll taxes, withholding for the employees' portion of health insurance premiums, Medicare taxes, fringe benefits to workers.

## What Are the Key Roles of The Accounting Department?

Any accounting department has specific roles to play which are common to all businesses

- Money out- Paying all bills and making all payments on time
- Money in- Handling incoming payments
- Payroll- Making sure everyone, including the government, is paid on time
- Reporting- Preparing financial reports like balance sheet, P/L accounts
- Financial Controls- For avoiding errors, frauds, and theft

## The Responsibilities of the Payroll Accounting Team in detail

The essential responsibilities of any **payroll accounting team**, in general, can be clubbed under these broad brackets-

1. **Accounts payable (money out)**- It is incredibly vital to ensure all your vendors get paid out on time to ensure a healthy relationship with them. It is the accounting department's responsibility to check out for discounts or incentives on paying certain vendors more quickly, thereby saving on money wherever possible. Also, they should be scheduled to ensure there are no late payment charges and that the least amount of money goes out per payment.
2. **Accounts Receivable and Revenue Tracking (money in)**- Another extremely crucial duty of the accounts department is to create and track invoices. It is their accountability to track receivable and account for them through gentle reminders to customers to ensure they clear the invoices on time
3. **Payroll**- A very critical function of the accounting department is to pay all employees accurately and timely. This is what payroll denotes. Even proper tax assessment and payments should be on time through state and federal government agencies.
4. **Reporting and financial statements**- Preparing financial reports on your accounting software, which can further be utilized for budgeting, forecasting, and decision-making is also one of the primary roles of the accounting department. These reports play a pivotal role in determining the growth of the business and are required for communication to investors, banks, and other professionals.
5. **Financial controls**- To ensure full-proof compliance, theft and fraud prevention, it is mandatory to implement financial controls like reconciliations, dividing the responsibilities and following the GAAP standards of accounting principles, all of which is the whole and sole duty of the accounting department.

## Key Positions in an Accounting Department

There have to be key players to play various roles in the [Accounting Department](#).

- **Chief-financial Officer- (CFO)-** The Head financial executive of large businesses is the CFO's who oversee the economic strategies, are forward thinkers, and manage the rest of the finance department too. They help companies to navigate through growth stages and downturns as well. They even assist senior management in comprehending the financial impact of real-time decisions, which, in turn, would ascertain the financial success of the business. Apart from financial planning, reporting and controlling, CFO's are responsible for laying down short and long term business strategies, cash management, handling investments, internal risk management, and so on.
- **Financial controller-** Financial controllers work alongside CFO's, COO's, and Financial directors. They work upon financial accounting, reports and analysis, budget preparation, project management, and so on. However, the key role on which they focus is the immediate financial issues within their administration.
- **Treasury Manager-** The treasury manager formulates and develops treasure policies. Identifying and implementing the best investment opportunities, developing great banking relations, reducing finance costs, and optimizing credit facilities, all come under the duties of a treasury manager.
- **Accounting Manager-** A company's accounting activities, including maintaining and reporting of both cost and financial sets of accounts, are carried out by an accounting manager, but he does not handle or negotiate it. He is the one who enforces the accounting principles and establishes them, based on statutory requirements and auditing policies.
- **Chief Accounting-** The Chief Accounting dispenses the same responsibilities as the accounting manager; the only difference is in terms of job title and designation.
- **Accounting Supervisor-** Accounting manager and accounting supervisor have the same set of responsibilities and acts as a complete supportive member of their team.
- **Accountant-** Finance departments are handled by accountants like the measurement and interpretation of financial information. They actively contributed to compliance and lay down the grounds for more significant financial strategies.
- **Bookkeepers do Bookkeepers- The day to day recording and accessing of basic accounting data.** However, they are not involved in any strategic role.

## Conclusion

**Accounting and Bookkeeping services** are one of the salient features of a business, and any discrepancies or pitfalls in these can lead a business organization to the doldrums. With growing complexities in handling businesses, the best option is to **outsource accounting services**, which, in turn, ensures sure-shot growth and prosperity through proper handling of financial matters.