

## BlackLine – What is it, and Why You Should Be Using It

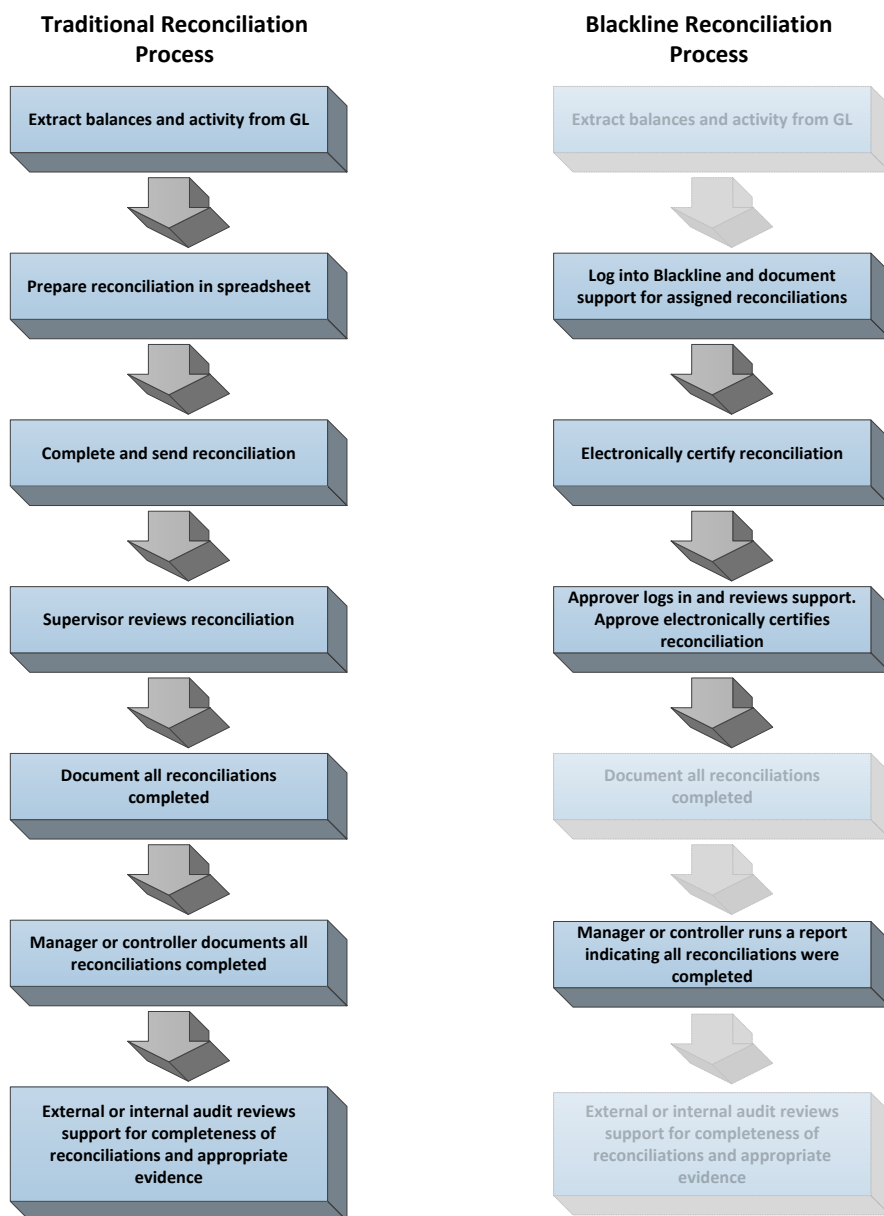
If you've heard the name BlackLine batted around in accounting circles, but weren't sure what it is, you're not alone. Many CPAs that I've spoken with haven't heard of this product before. Here is a brief summary of what BlackLine is, and more importantly why you should consider using it.

### *What is BlackLine?*

BlackLine is software as a service (SaaS) platform that provides a system for performing account reconciliations, variance analysis, and documenting journal entries. In addition to these key features it also provides support for customized task completion and tracking, and consolidation validation. In a nutshell, BlackLine replaces the common practices of spreadsheet documentation for many key accounting processes.

BlackLine solutions contain various products, the most common being account reconciliation and journal documentation. Through these products account balances are uploaded into BlackLine where users are assigned the responsibility of providing support.

As way of comparison, the following diagram compares the typical account reconciliation process in the traditional method to the typical process in a BlackLine instance.



*Why should you consider BlackLine?*

BlackLine improves the account reconciliation process by automating the load of account balances from the source ledger, notifying supervisors that reconciliations are complete and ready for their review, storing support in a single location, providing evidence of review and approval, and incorporating segregation of duties controls necessary to ensure the integrity of the reconciliations process.

While a strong reconciliation process is important for all entities, private or public, public entities (or entities subject to annual audits) can leverage BlackLine as a repository for reconciliation and journal entry support. External and internal auditors may be granted access and are able to review support that has been completed and made available for inspection.

Because BlackLine is a SaaS offering, the client hardware requirements do not extend past having appropriate workstations for employees. This, combined with the BlackLine standardized implementation procedures, results in minimal involvement from the IT department. A typical implementation of the BlackLine Account Reconciliations may be completed in as little as two months. BlackLine can be managed with a minimal amount of administrative time and is typically handled by the accounting department.

Few products offer as much return with a nominal investment.

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