

Vasquez + Company LLP

50+ Years Experience in Audit,
Accounting, Tax, and Consulting

Los Angeles \ San Diego \ Irvine \ Sacramento \
Fresno \ Phoenix \ Las Vegas \ Philippines





Strategic Growth: Maximizing Profitability through Offshoring and Outsourcing



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Tonette Santillan

Audit Partner

Partner at Vasquez + Company

- **Oversees audit, assurance, and consulting services** for private and publicly traded companies, regulated entities, and employee benefit plans
- **Leads the Vasquez Advantage Center** in the Philippines, overseeing offshore outsourcing operations, including audit, accounting, tax, consulting, and administrative support
- **Manages** the firm's quality control and risk management functions

Distinguished Experience

- **Over 30 years** in public accounting and private industry
- **Assurance Director at RSM US LLP** in Los Angeles
- **PwC's Financial Services audit practice** in both LA and the Philippines
- **Colonial Mutual Group of Australia** in the Philippines

Professional Achievements

- **Founding Board Member ISFFA**
- **BSC in Accounting** and **MBA** from De La Salle University
- **CPA and CGMA**

/ VASQUEZ BY THE NUMBERS

50+

A full-service firm established in 1969, with more than 50 years of experience in providing audit, accounting, tax and consulting services.

275

Our team consists of 275 professionals with 75% identifying as female.

12

Partners and Directors with 75% identifying as female.

8

Serving clients through offices located in the Western United States and Philippines.

1

The largest minority-controlled accounting firm in the United States, as well as the only one to have global operations.

1%

Ranked among the top 1% of accounting firms by the AICPA.

.1%

Vasquez Advantage Center in Philippines. Less than 30 US-based CPA firms have this capability.

/ WHAT IS OUTSOURCING AND OFFSHORING?



OUTSOURCING

Outsourcing is when a company hires an external organization to handle services. This approach helps reduce costs and access specialized skills, impacting functions like professional services support, manufacturing, and administration.



OFFSHORING

Offshoring is a type of outsourcing where business functions are moved to another country to benefit from lower costs, favorable regulations, or tax advantages. It often involves setting up operations like manufacturing, call centers, and/or professional services abroad to cut expenses and optimize global management.

/ WHY OUTSOURCE?

Global Competitiveness

Leading firms are outsourcing to expand globally and enhance their local competitiveness by accessing diverse talent pools and new market opportunities



/ WHY OUTSOURCE?

Talent Shortage

The accounting profession is facing a talent shortage



47,000 students earned a bachelor's degree in accounting in the 2021-22 school year, a **7.8% decline from the previous year**



CPA exam candidates have dropped significantly, from 48,004 in 2016 to just 32,188 in 2021, representing a **33% decrease**



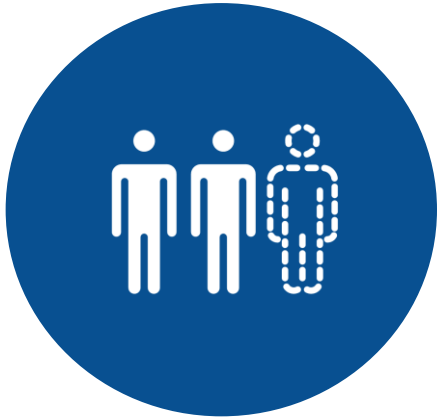
The total number of CPA exam candidates further **decreased by 7%** from 2021 to 2022, reaching the lowest **levels in 17 years**



7% decrease in bachelor's and master's degrees in recent years, exacerbated by a projected enrollment cliff starting in 2025

/ WHY OUTSOURCE?

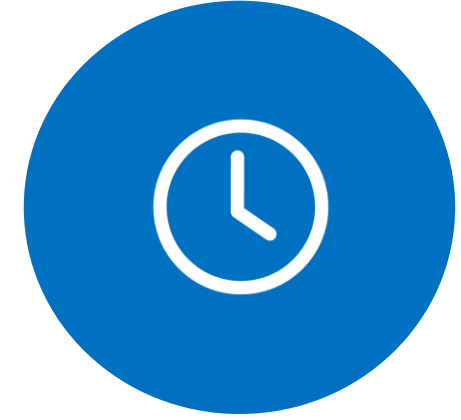
Challenges contributing to the shortage



Aging Workforce: Approximately 75% of AICPA members are nearing retirement, compounding the talent shortage crisis



Perception Issues: Accounting is often viewed as less exciting compared to fields like finance and technology, which offer higher starting salaries and fewer barriers to entry



150-Hour Requirement: The additional education requirement for CPA licensure is seen as a significant barrier, contributing to decreased interest in accounting as a profession

/ WHY OUTSOURCE?

Implications for the accounting profession



The shortage of accountants is not just about numbers; it impacts the ability of firms to **maintain efficiency and meet client needs**



The accounting industry needs **innovative solutions to attract and retain talent**, addressing both the image of the profession and the barriers to entry

/ WHY OUTSOURCE?

Outsourcing outside of the US as a strategic solution



Mitigate Talent Gaps

Outsourcing allows firms to access skilled professionals and maintain operations despite the shortage of local talent



Cost Efficiency

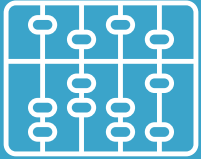
Reduces the burden of hiring and training new employees in a tight labor market, offering a cost-effective way to manage workload



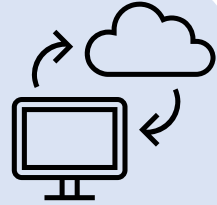
Global Talent Pool

Provides access to a diverse and qualified workforce, helping firms stay competitive and meet client demands

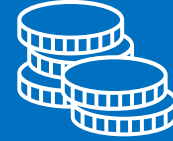
/ CONSIDERATIONS WHEN CHOOSING AN OUTSOURCING PARTNER



Choose a CPA firm with outsourcing capabilities and experience in your sector and knowledge of local regulations in the offshore location



Hire a CPA firm with advanced technology and robust international cybersecurity measures

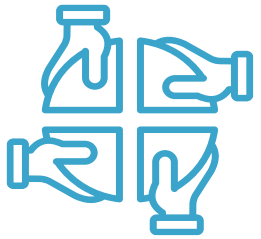


Evaluate the cost-effectiveness of the CPA firm's services.
The goal is to achieve a balance between cost savings and service quality



Select a CPA firm that can scale with your business and have a strong reputation supported by positive client testimonials and case studies

/ WHY THE VASQUEZ ADVANTAGE CENTER?



Our team **adapts to your methodology** and aligns with your operating procedures



Our senior team members in the Philippines have **3 to 10 years of experience with a global CPA firm**



Cost efficiency:
Clients reduce payroll, occupancy, and administrative costs, with average savings of 30-50%



Qualified talent:
Each team member holds a BS in Accountancy from top Philippine universities

/ WHY THE VASQUEZ ADVANTAGE CENTER?



Continuous oversight is performed by our US Partners, ensuring quality control



The Philippine team undergoes the **same rigorous training as our US personnel**



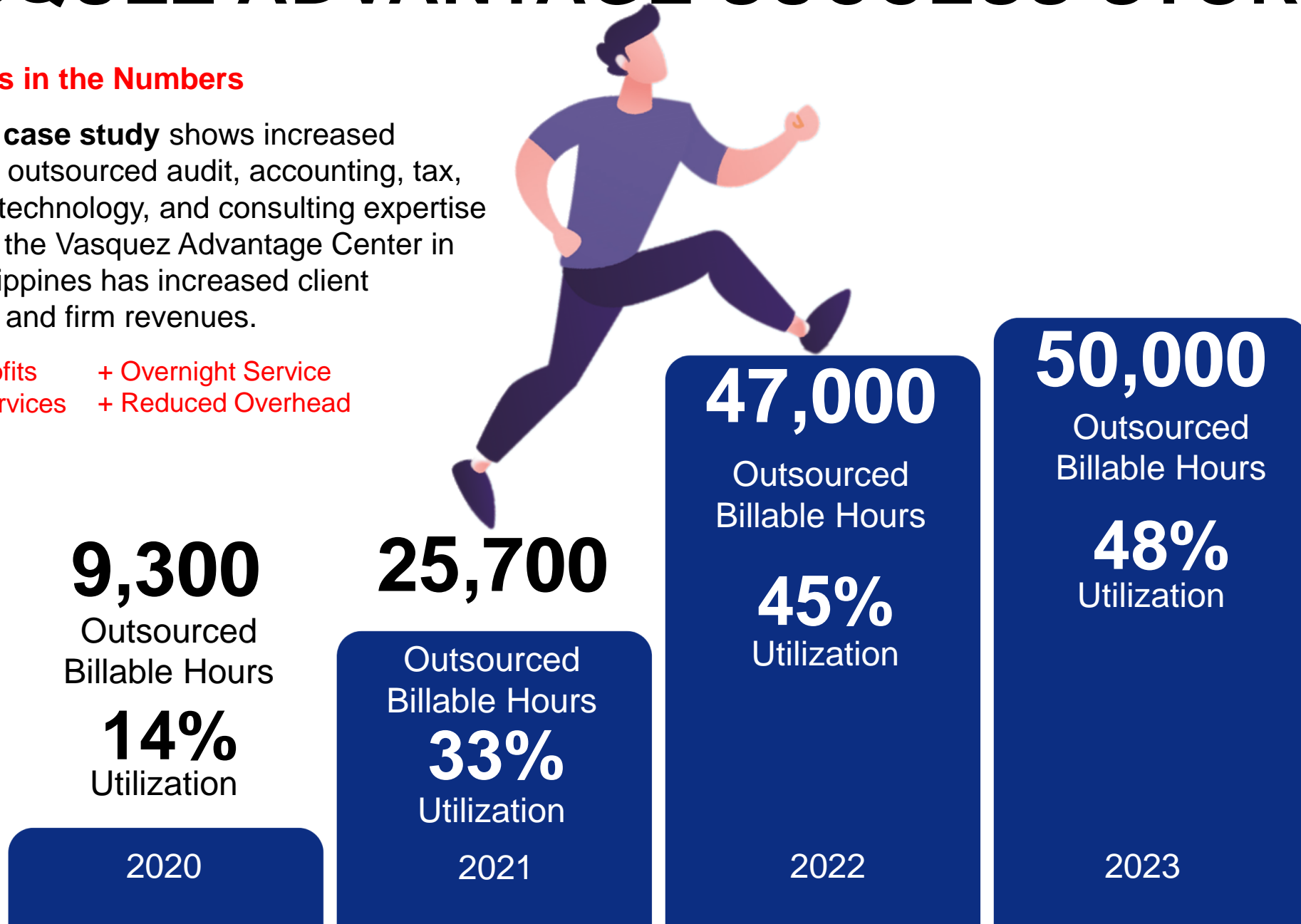
Overnight productivity:
Leverage time zone differences to maintain continuous workflow and increase productivity

/ VASQUEZ ADVANTAGE SUCCESS STORY

The Proof is in the Numbers

A CPA firm case study shows increased utilization of outsourced audit, accounting, tax, information technology, and consulting expertise provided by the Vasquez Advantage Center in Manila, Philippines has increased client acquisitions and firm revenues.

- + Increased Profits
- + Expanded Services
- + Overnight Service
- + Reduced Overhead



/ WHAT OUR CLIENTS SAY ABOUT US

It has been a great experience, and I appreciate being able to expand our client service group to include your team.

Vasquez CPA has been instrumental in our growth as a firm.

Thanks so much for your willingness to lean in so we can get things done, serve our clients well and grow together.

Vasquez has been very responsive, and extremely collaborative.

/ WHAT OUR CLIENTS SAY ABOUT US

I wanted to thank you for the tremendous progress we've made together in financial reporting, audited statements, and IT processes.

Working with you and your team has been a pleasure, and I'm proud of what we've accomplished.

The adaptability and dedication of the Vasquez team have been crucial to our success in the IT Controls Testing initiative. Despite external challenges and delays, each member has shown exceptional commitment.

The team's resilience in completing their work on time is a testament to their steadfast spirit. I am proud of their accomplishments and the exemplary way they embody our values and work ethic. I am sincerely grateful for their contributions.

I want to express my sincere gratitude for Vasquez team's outstanding services during the 2023 tax season. Their expertise and guidance made the process seamless and had a significant impact on our business.

Thank you for your exceptional service; I look forward to working together again in the future.

I also want to extend a BIG thank you for the tremendous effort and dedication!

We genuinely appreciate your hard work in getting us across the finish line.

Q&A

/ APPENDIX

- **Outsourcing: How It Works in Business, With Examples:**
<https://www.investopedia.com/terms/o/outsourcing.asp>
- **Offshore: Definition, How It Works, Pros and Cons:**
<https://www.investopedia.com/terms/o/offshore.asp>
- **AICPA 2023 Trends Report:** <https://www.aicpa-cima.com/professional-insights/download/2023-trends-report>
- **The Accounting Profession Is in Crisis A Partial Solution to the Shortage of Accountants:** <https://www.cpajournal.com/2023/12/01/the-accounting-profession-is-in-crisis/>
- **Pool of accounting graduates shrinks, AICPA report finds:**
<https://www.journalofaccountancy.com/news/2023/oct/pool-of-accounting-graduates-shrinks-aicpa-report-finds.html>

/ CONTACT INFORMATION

Vasquez + Company LLP has over 50 years of experience in performing audit, accounting, and consulting services for all types of private companies, nonprofit organizations, and governmental entities.

We are clients of the **RSM Professional Services+ Practice**. As a client, we have access to the Professional Services+ Collaborative, a globally connected community that provides access to an ecosystem of capabilities, collaboration and camaraderie to help professional services firms grow and thrive in a rapidly changing business environment. As a participant in the PS+ Collaborative, we have the opportunity to interact and share best practices with other professional services firms across the U.S. and Canada.

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THANK YOU