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CPA Practice Advisor

EDITION

Today's Technology for Tomorrow's Firm

2013 Thought Leader Symposium

What Small Businesses Want from their Accounting Professional

Mobile Scanning Options for Accounting and Tax Professionals

Great Leaders Make Themselves Replaceable!

PRODUCT REVIEW: Portals

CYGNUS BUSINESS MEDIA

CPAPracticeAdvisor.com

April 2013
VOLUME 23, NUMBER 4

By M. Darren Root, CPA.CITP, Executive Editor

Thought Leader Events Prompt Two Key Questions

I recently attended the second annual Cloud Symposium along with 48 other industry thought leaders and vendor executives. CPA2Biz executives hosted the event at AICPA corporate offices in New York. Over the course of the event, I listened to several vendors' plans for moving their applications to the cloud and from other vendors who have been in the cloud from the start. At an event titled "Cloud Symposium," I expected nothing less than a focus on cloud applications.

Darren Root, CPA.CITP, Randy Johnston and Greg LaFollette, CPA.CITP.

What became clear very early on was CPA2Biz's desire to help educate the profession on cloud technologies and make the transition. And this effort could not be better timed, as many vendors indicated a move to the cloud in the very near future. Vendors are quickly developing platforms and products designed to work strictly online. So, if you are still asking if this "cloud thing" is really going to take off…trust me that it's already here, and here to stay. For firms, that means it's time to get on board.

Just two weeks after attending the Cloud Symposium, I joined the *CPA Practice Advisors'* Top 25 Thought Leaders for a three-day event in Dallas.

In attendance were the best and brightest, gathered to discuss everything from emerging technologies to strategic changes in behavior required by firms. The overriding theme from the group was the need to rethink the services firms offer and how services are delivered.

Much of the profession has been focused on compliance work, whether that's tax preparation, financial statements, or audit reports. As a whole, the profession seems to be sticking with "doing what we've always done." The key question from thought leaders was: "What do clients *really* want from their accounting professional?"

The answers that kept coming up were higher-level advisory services and advanced platforms—that is, insights into the client's business, benchmarking data, immediate access to information, and the technology required to work collaboratively and conveniently.

Vendors, the profession, and our clients are all moving quickly to adopt cloud-based and mobile technologies. As such, once tax season is over, it will be time to immerse yourself in learning about these technologies and setting up a game plan to adopt the right solutions for your firm.

In summary…I attended two great events and left with two really interesting questions. I leave you to ponder these questions:

- What is your plan for dealing with technologies related to the cloud?
- Are you willing to take the time to identify what services your clients really want from you?

I think if you can answer these questions with some clarity, you've taken the first big step in moving your firm forward.

Darren is the Executive Editor of CPA Practice Advisor. *He remains in public practice as the principal of Root & Associates, LLC, in Bloomington, Indiana, and is president of his consulting practice, RootWorks. He formerly served on the Board of the AICPA's CITP Credentials Committee and is a former member of the Board of Directors for the Indiana CPA Society. He speaks at dozens of professional organizations each year and frequently serves as a guest lecturer at Indiana University's Kelley School of Business.*

VOLUME 23, NUMBER 4

CPA Practice Advisor
Today's Technology for Tomorrow's Firm

NSA Practice Advisor
Today's Technology for Tomorrow's Firm

800-547-7377 • www.CPAPracticeAdvisor.com

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Practice Advisor, (ISSN #2160-8725 (print), ISSN #2160-8733 (digital); USPS #017-576) is published eight times a year (April/May, June, July, August, September, October, November and December) by Cygnus Business Media, Inc., incorporating two editions known as *CPA Practice Advisor* and *NSA Practice Advisor,* 1233 Janesville Avenue, Fort Atkinson, Wisconsin 53538. Periodicals postage paid at Fort Atkinson, WI 53538 and at additional mailing offices. Printed in the U.S.A.
Send all subscription inquiries or change of address to:
Practice Advisor,
PO Box 3258, Northbrook, IL 60065-3258.
Phone: (877) 382-9187 (toll free); 847-559-7598 (local)
Fax: (847) 564-9453
Email: Circ.CPA@omeda.com
Subscription Rates: The basic annual rate is $3, based on qualifying associations of 10,000 or more public accountants that may also subscribe for all their public accountant members (certain restrictive covenants apply) for a basic subscription rate of $9 per member for a three-year subscription.
One year subscription for all others: USA - $48; CAN $70 GST; INT'L $99 GST #131910168.
POSTMASTER, please send address changes to:
Practice Advisor, P.O. Box 3258, Northbrook, IL 60065-3258.
Canadian address changes to:
Canada Post PM40612608. Return Undeliverable Canadian Addresses to: *Practice Advisor,* PO Box 25542, London, ON N6C 6B2.

CYGNUS BUSINESS MEDIA
BPA WORLDWIDE
PRINTED WITH SOY INK

CPA Practice Advisor
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Check out our Online Buyer's Guide
www.CPAPracticeAdvisor.com/directory

Share Your Thoughts on our Blog
www.CPAPracticeAdvisor.com/blogs

Preparing for the Challenges of Tomorrow's Accounting Professionals: 2013 Thought Leader Symposium

By Isaac M. O'Bannon, Editor

Successful accounting professionals understand the need to continue to pursue opportunities for greater productivity, greater efficiency and ultimately, greater profitability.

The **2013 Thought Leader Symposium**, created by *CPA Practice Advisor* (also known as *NSA Practice Advisor*), brought together two dozen of the nation's most respected accounting professionals, technology experts and practice management consultants for three days of interactive discussions with the largest technology companies serving the profession.

The goal: Helping identify the core challenges that tax and accounting firms will face in the coming years, and helping shape the future of technology and workflow, so that professionals will have the tools and resources they need to most effectively run their practices.

The Symposium was held Feb. 17-19 at the Omni Mandalay Hotel in Las Colinas, Texas, and included extensive presentations by CCH, Office Tools Professional, Sage and Thomson Reuters, followed by group discussions and feedback. As would be expected in any gathering of such leaders, there were also occasional respectful arguments over the necessity of some workflow practices and tools.

Hall of Fame Honors Decades of Leadership

During a special awards dinner on the first evening of the 2013 Thought Leader Symposium, Executive Editor Darren Root, CPA.CITP and Publisher Jim Baker presented each of this year's Thought Leaders with commemorative plaques in recognition of their achievements.

Gary Boomer (L) receives an award from Executive Editor Darren Root. Boomer was inducted into the Tax & Accounting Hall of Fame.

The awards dinner culminated with the induction of L. Gary Boomer, CPA.CITP, into CPA Practice Advisor's Accounting Hall of Fame. He joins previous inductees Gregory L. LaFollette, CPA.CITP, Rick Richardson, CPA.CITP and Randy Johnston.

Boomer, who was also in attendance as one of this year's Thought Leaders, is the president of Boomer Consulting (www.Boomer.com), which is focused on helping accounting firms achieve greater success by improving their leadership, client development, technology and other practice areas. Before starting the consultancy, Boomer worked in public practice at a large regional firm. (More on Gary Boomer's induction into the Hall of Fame is at: www.cpapracticeadvisor.com/10880809.)

Improved Integration and Client Collaboration

Sage North America was the first technology vendor to offer a presentation to the Thought Leaders, with its executives focusing on Sage's strategy of helping professional accountants and their clients work more productively together.

"We are hearing from many professional accountants that they think many of their previously core services, like tax compliance, are being commoditized," said Jennifer Warawa, Sage's Vice President of Partner Programs and Channel Sales. She said the company continually reaches out to its customers across the U.S. and Canada, including holding focus groups in many cities.

"Firms are wanting to change, to be recognized as true business partners by their business clients. At the same time, these business owners are saying they want their accountants to be more like a partner," she added. Many know they want more help, but they don't necessarily know how to ask their accountant, and they want to better understand the information they are given.

As a part of Sage's presentation, Thought Leader Tom Hood, CPA.CITP led an interactive brainstorming session focused on helping a small practice owner better serve her clients, including how to develop new services and strengthen her position as a trusted business advisor, not only a tax compliance expert. Hood is the executive director of the Maryland Society of CPAs.

Warawa also briefly discussed the recent decision by Sage to sell off its Act!, SalesLogix and Sage Non-Profit Solutions. The company officially announced that move two days before the Symposium, and Warawa said it is part of Sage North America's enhanced focus on its core areas, which are accounting, ERP and payroll.

Globalization, Commoditization & Generational Shifts

The continually changing landscape of the accounting profession was the focus of Thomson Reuters, which opened the second day of the Symposium with their session with the Thought Leaders.

Scott Fleszar, the vice president of strategic marketing for Thomson Reuters Tax and Accounting, said

Participants at the 2013 Thought Leader Symposium.

they hoped to gain further insight at the exclusive event. This is the third year the Thought Leader Symposium has been held, and Thomson Reuters has participated each year.

After a brief overview of the company's products and services for the accounting profession, including their core focus areas of Taxation, Accounting Management and Firm Management, Fleszar and the Thought Leaders focused on where the company believes the greatest changes will be in accounting technologies and firm needs in the near and long term.

"Thomson Reuters wants to be a holistic provider of the solutions that tax and accounting professionals in public practice need," he said, and noted their latest tax preparation offering, AgileTax, which is designed for tax preparers running 1040-only practices or high volume tax prep businesses focused on the needs of less sophisticated clients.

Among the topics discussed were broader trends affecting accounting professionals and their business clients, which were identified as globalization, the commoditization and relevance of some professional services like tax preparation, and generational shifts.

"Every year the world gets smaller and even smaller businesses are engaging in a global economy," Fleszar said. Small and mid-sized businesses are increasingly in need of international compliance and planning expertise, and CPAs and other professionals serving them need to realize it's now a necessary role for accounting firms in this new global market."

"Future Ready Firms"

As professional accounting firms move to the cloud in greater numbers, companies that make the technologies that firms use need to enable greater integration within the programs, as well as with other systems that professionals use.

That was one of the core messages that executives from CCH, a Wolters Kluwer business, presented during several hours of discussion with the Thought Leaders. Teresa Mackintosh, the Executive Vice President/GM Software for CCH in North America, represented the company and fielded questions as thought leader panelists discussed how CCH can best support firms and their needs in the coming years.

Having anywhere-anytime access to client data and collaboration with clients, however, is only one of the many trends that CCH, a Wolters Kluwer business, sees as challenging tax and accounting professionals in the years to come.

Mackintosh also identified the commoditization of traditional tax and accounting services, and broader compliance issues as focuses that CCH and practices need to focus on as more businesses go global and governments at every level seek additional revenue.

"Accounting firms are facing pressure from every angle and changes in business and technology are impacting firms faster than ever before," Mackintosh said. "Our goal at CCH is to deliver solutions for firms today and tomorrow that help them be 'future-ready."

One of the core areas that Mackintosh and the other CCH executives shared was the Open Platform system the company started developing three years ago as a part of the launch of its collection of online, software-as-a-service (SaaS) professional tax and accounting programs. Now called CCH Suite, the program includes systems for Tax, Document Management, Portals, Practice Management, Scanning/OCR functions, Workstream for workflow optimization and KnowledgeConnect, for managing a firm's internal knowledge.

Practice Management for the Small Firm

On the final day of this year's Symposium, the CEO of Office Tools Professional and the Thought Leaders spent nearly four hours discussing the needs of smaller practices, particularly when it comes to improving practice management. OTP is a developer of workflow technologies for small and mid-sized accounting and other professional services firms.

Mike Giardina opened with the message that while good workflow technologies and processes can improve not only productivity, but also work-life balance, those technologies can also make work and workflow more difficult and time consuming, if they are done wrong. The key, he said, is automating as much as possible.

However, while some accounting firms have made a lot of progress toward automating their internal management processes, he says many still need to find a solution that can help them operate more efficiently.

"I believe practice management program is the most important system in a firm, because it brings everything together, allowing firms to operate to their potential," he said. The apps in the program must also be not only useful, but also immediately accessible. "People need to be able to find and use the parts of the system they need in a matter of one or two seconds, so that they can get work done."

Since founding Office Tools Professional in 2000, he's focused on designing a system that is easy to use, but also offers the real functionality that small and mid-sized practices need. From time tracking, contact management and client invoicing, to document storage, project management and scheduling.

The company is in the process of developing a SaaS version of the program, which thus far has been available installed or as an online accessible solution via hosting providers that include Right Networks, Cloud9 RealTime and other partners. They currently serve more than 1,500 accounting practices across the U.S. ranging from sole practitioners to firms with up to 80 staff members.

2013 THOUGHT LEADERS:

- M. Darren Root, CPA.CITP
- L. Gary Boomer, CPA.CITP
- Jim Boomer, CPA.CITP
- Jim Bourke, CPA.CITP
- David Cieslak, CPA.CITP
- Gale Crosley, CPA
- Chris Frederiksen, CPA
- Michelle Golden
- John H. Higgins, CPA.CITP
- Tom Hood, CPA.CITP
- Randy Johnston
- Roman Kepczyk, CPA.CITP
- Allan D. Koltin, CPA
- Mark Koziel, CPA
- Barry C. Melancon, CPA
- Jim Metzler, CPA
- Edi Osborne
- Rick Richardson, CPA.CITP
- Donny Shimamoto, CPA.CITP
- Doug Sleeter
- Bob Spencer, Ph.D.
- Brian Tankersley, CPA.CITP
- Geni Whitehouse, CPA.CITP
- Sandra Wiley
- Jennifer Wilson

REVIEW SECTIONS

CORE PRODUCT FUNCTIONS/ FEATURES

- UI and simplicity of design
- Ease-of-Use/Navigation
- Ability to embed in firm website
- Flexibility and power
- Search

INTEGRATION

- Email
- Mobile
- MS Office Integration
- Can scan directly to the location
- Cache a large number of files on a local drive
- Special integration with hosting providers

TAX & ACCOUNTING INTEGRATION

- Document Management
- Tax software
- Engagement software
- Accounting Software

SECURITY/COMPLIANCE

- HIPAA Compliance issues
- Section 7216 issues
- On their own servers or using public cloud
- Data encryption
- Passwords & User Security
- Redundancy
- SSL Certificate and Custom URLs

DOCUMENT RETENTION AND DESTRUCTION

- How long are documents kept by default
- Can you set retention periods
- Can you limit the number of times a document can be downloaded

LARGE FILE TRANSFERS

- Zipping of multiple file downloads, or individual download required
- How many times does it try to resume before cancelling with an error
- Client application required?

ADVANCED FUNCTIONALITY

- Management Reporting
- Return Receipt

Which Portal is Right for Your Firm?

By Brian Tankersley, Technology Editor

One of the real challenges associated with selecting portal solutions is the way the product fits into a company's workflow. We selected 11 portal products for this year's review (and could have easily located and reviewed 50 solutions, assuming unlimited money and caffeine were available).

The products selected for review by no means represent a comprehensive listing of hosting providers, but instead are a cross-section of the many services available in this emerging category. The review also includes standalone "best in breed" applications which are focused primarily on file storage and exchange, including ShareFile, CPA SafeMail, FileGenius, SendThisFile, and SmartVault without being part of comprehensive suite of practitioner tools like the offerings from CCH or Thomson Reuters.

Some solutions like Ziptr really represent a proprietary secure messaging platform which happens to send files instead of a more traditional file sharing application.

CPA Practice Advisor's 2013 review of portal solutions covers the following applications:

- ProSystem *fx* Portal
- Citrix ShareFile
- CPA SafeMail V 3.1
- FileGenius
- SmartVault
- NetClient CS
- Ziptr v2.2

We also included a separate sidebar article on portal tools which are integrated into other products. XCM*portal*, Office Tools Professional 2013, and the Doc.It Suite are portal services which are only available to users of these document and workflow management solutions.

Unlike previous reviews which focused on how many "stars" were given to a particular product, this review will instead focus on the features of each product. We will attempt to help users identify strengths and possible limitations associated with each product, and will also include links where interested parties can learn more about each product.

There are a wide range of differences between the various applications, and the software is designed to meet very different needs. Some of the interesting points from each of the individual articles include:

- Many of the applications will synchronize directories of files from local servers into the cloud (or vice versa) similar to a backup while also integrating with the organization's internal Windows server user database (e.g. Active Directory).
- Other applications, like Citrix ShareFile or SmartVault are designed to work with a wide range of solutions, albeit with shallower integration than one might obtain from solutions which are purpose built for an extremely high level of interoperability.
- Some suites of products (CCH and Thomson Reuters) provide a two-way integration with one product line, and a lower level of integration with other products from the same vendor. For example, CCH's ProSystem *fx* portal product has bidirectional integration with ProSystem *fx* Tax, but does not provide integrated support for products from CCH Small Firm Services such as TaxWise and ATX.
- CPA Safe Mail is one application which has an optional electronic signature tool which uses Adobe's EchoSign digital signature technology.
- SmartVault is the only tool reviewed which allows clients to attach documents to transactions in QuickBooks or QuickBooks Online and simultaneously grant access to outside accounting professionals.
- Finally, Ziptr is a secure messaging application which can be used to transmit encrypted files and messages while also also storing an encrypted copy of the information in the user's message archive.

Almost all of the solutions are hosted in enterprise-grade commercial data centers, however one solution (Doc.It Suite) provides the ability to host portals on an internal server. Many of these hosting companies have external security reviews (SOC 1, SOC 2, SOC 3, ISO 27001, etc.) which are available to users upon request.

We encourage users to obtain and read these reports when evaluating the risks and benefits of selecting a provider. Users should also consider which tools their employees and clients are most likely to be a positive (or at least neutral) extension of the service experience provided by your firm.

Brian Tankersley, CPA.CITP Technology Editor,
Brian is a frequent speaker at national events, and a consultant, coach and instructor for K2 Enterprises.

SmartVault

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/10891901

BEST FIT

While SmartVault is a good fit for any firm that needs a secure client portal, SmartVault is a best fit for accounting professionals and their clients whose practices involve working with the desktop version of QuickBooks or QuickBooks Online, and would like to streamline workflow, go paperless, and view images of documents linked to transactions.

STRENGTHS

- Secure and stable (99.9% uptime) document storage and file sharing which scales well to small and mid-sized businesses.
- Many file types (PDF, Microsoft Word, Excel, PowerPoint, Outlook E-mail) can be viewed from within a web browser without needing to download and open the file.
- Customizable, firm-branded site (yourfirmname.smartvault.com) in higher end plans which allows users to customize their portal to match their website.
- Strong integration as a document storage system portal with QuickBooks, Results CRM, MethodCRM, SpringAhead, and XpandedReports. Supported by many commercial hosts, including InSynq, Cloud9 Real Time, Ngenx, Right Networks, and Swizznet.
- The product has apps available for iOS and Android, and features add-ins for Outlook, QuickBooks, and QuickBooks Online. SmartVault can also be mapped as a drive to a Windows or Mac computer.

POTENTIAL LIMITATIONS

- Data is only backed up offsite once a week, so if there was a catastrophic failure, users could lose a few days of work, and the service would be offline for at least 24 hours.

SUMMARY & PRICING

Plans range from $19 per month ($205/yr) for a single user and 5 GB of storage to $99 per month ($1,069/yr) for 10 users and 40 GB of storage. Every plan includes unlimited guest users. And there are no bandwidth charges.

Add-on services are $10 per month for each additional user, $5 per month for each 5GB of additional storage, and $9 per month for each additional QuickBooks Company. Some features require the Team or Professional plans, which are detailed at www.smartvault.com/pricing/

866-684-6785
www.smartvault.com

Thomson Reuters NetClient CS

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/10891902

BEST FIT

Firms who use the Thomson Reuters professional accounting and tax software, especially those who work with client bookkeeping on the Accounting CS platform or those who store their documents in FileCabinet CS. Also, firms who want to publish invoices, tax returns, payroll items, and documents to clients through integrated portals from other applications.

STRENGTHS

- Tight integration with a range of Thomson Reuters products, including FileCabinet CS, GoFileRoom, Accounting CS, the web organizer for UltraTax CS, Virtual Client Office, Practice CS, and Virtual Office CS.
- The NetClient CS mobile app released in late 2012 can be branded with firm logos, and gives iOS and Android users a mobile tool for interacting with clients.
- A "To Do" list called the Task Center prompts clients to provide missing items, and data collection through tools like electronic tax organizers can be facilitated by NetClient CS.
- Easy to use interface with customizable firm branding which supports drag and drop into most web browsers.
- Optional Employee web portals allow remote users to enter time and permit the firm and clients to deliver paychecks and other confidential data to employees.
- Clients can receive invoices from Practice CS and pay online with merchant services from InterceptEFT from within the client portal.

POTENTIAL LIMITATIONS

- Some of the integration points with the Thomson Reuters CS Professional Suite use the data stored in FileCabinet CS to present to the client. NetClient CS users who do not utilize FileCabinet CS may have less integration with some parts of the Thomson Reuters CS Professional Suite.

SUMMARY & PRICING

Plans start at $175 per month ($2,100/yr) for up to 1,000 client portals.

800-968-8900
cs.thomsonreuters.com

Citrix ShareFile

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/10891899

BEST FIT

Firms who would like a simple and secure tool for storing and exchanging files with clients, staff, and vendors.

STRENGTHS

- Flexible, secure (99.99% uptime), and stable tool with features and plans which can scale to meet the needs of firms of all sizes.
- Customizable, firm-branded site (yourfirmname.sharefile.com) with colors and fonts similar to your firm's website configured by ShareFile support personnel as part of implementation.
- Add-ins and sync tools for Windows and Outlook allow users to work with files without using a web-browser.
- Product is backed by enterprise-grade support and infrastructure from Citrix, who also operates cloud services like GotoMeeting and provides infrastructure software to mid-sized and large organizations.
- ShareFile also has mobile applications for iOS, Android, BlackBerry, Windows RT/8, and Windows Phone, and many of the apps allow administrators to view an audit trail for mobile access and automatically wipe any cached data from the remote application.

POTENTIAL LIMITATIONS

- There are very few direct integrations with professional accounting applications.
- Monthly data transfer allowances on some plans can cause firms who use the product heavily or those who use the file sync feature to go over their allotted quotas and incur extra charges.

SUMMARY & PRICING

Basic plans start at $29.95 per month ($359.40/yr) with two included employee accounts. Certain features, like the Outlook plugin and Desktop Sync require either a Professional ($59.95/mo or $719.40/yr) or a corporate plan ($99.95/mo or $1,199.40/yr).

800-441-3453
www.ShareFileCPA.com

CCH ProSystem *fx* Portal

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/10891900

BEST FIT

Accounting professionals who need the ability to create, update, and manage up to 2,500 or more client portals in a powerful client interface. The Enterprise version supports unlim ited portals. Firms who use the CCH ProSystem *fx* suite of applications (but not necessarily those who use CCH Small Firm Services). Firms who want to publish invoices, tax returns, and documents to portals from within other applications.

STRENGTHS

- Easy to use interface with customizable firm branding which supports drag and drop into most web browsers.
- Good integrations with ProSystem *fx* Tax, ProSystem *fx* Document, Global *fx* Tax, and ProSystem *fx* Engagement.
- Customizable client-facing materials for explaining how to use the portal and automated password reset e-mails for clients.
- Files can be archived and removed either by settings for an entire folder or using individual settings for each file.

POTENTIAL LIMITATIONS

ProSystem *fx* Portal offers good integration with most software in the CCH suite, including ProSystem *fx* Document SaaS and ProSystem *fx* Engagement, however, there is not any special integration with the CCH Small Firm Services applications (ATX, TaxWise, etc.) or the on-premises Foundation version of ProSystem *fx* Document.

The service does not encrypt data at rest on its servers, which may be required by some states.

SUMMARY & PRICING

ProSystem *fx* Portal is a good fit for many firms, especially those running the ProSystem fx suite of applications. Plans start at $630 per year ($52.50/mo).

800-PFX-9998
CCHGroup.com

Ziptr Client Portals

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/10892846

BEST FIT

Ziptr is best suited for individuals and firms who need a standalone product for secure messaging and encrypted file delivery.

STRENGTHS

- A simple to use tool with strong encryption that makes it easy to collaborate on confidential matters with users outside the firm. Users can verify that the other party has seen the message with return receipts.
- Ziptr allows users to send encrypted messages and files to other Ziptr users using a proprietary messaging application. Files are stored in a vault which is encrypted both online as well as on the user's hard drive with 256 bit AES encryption.
- The product is hosted on Amazon's secure data centers in two different US locations with failover. The Company has an independent attestation on its environment (SOC 3 last year, SOC 2 Type II this year).
- Outlook add-in reminds users to use Ziptr for secure communications instead of e-mail. E-mail messages in progress can be easily converted to Ziptr without leaving Outlook.
- When data is delivered to the third party, it is no longer stored on the Firm's portal (it is stored in the recipients portal with Ziptr), and the firm has no more responsibility for the data.

POTENTIAL LIMITATIONS

- The encrypted file vault does not have a traditional folder structure, although items can be categorized and filtered. Users with a large number of files in their vault, especially if many have similar names, will need to use the included labels/tags to maintain the organizations of those items.
- Messages can sit unanswered for days if a user does not check their Ziptr account for messages, and some of the associated software runs in the background all of the time.
- There are no available integrations with professional accounting and tax applications at this time.

SUMMARY & PRICING

A limited plan for individuals with 2GB of encrypted storage is free; business plans start at $10 per user per month, and include web access, an Outlook plugin, secure messaging, and the ability to insert custom message footers onto all messages.

785-365-1022
www.ziptr.com

Integrated Portal Options for Client Collaboration

Although our review is focused on solutions which are separate from the other applications used by an organization, there are some solutions which offer portals as an integrated add-on feature. We excluded these from our traditional review, but these tools should be considered for those who use (or are considering) the related options.

The three add-ons are all related to tools that are primarily designed to provide document management and/or workflow management to a firm. They are:

- Doc-It Portals
- Office Tools Professional Client Portal
- XCM*portal*

DOC-IT PORTAL

Doc-It is a well-regarded document management system for small and mid-sized accounting firms. The Doc-It Suite is made up of the Work Binder application for managing engagements, the Archive for storing completed engagements in their final PDF form, and the Doc-It Portal for sending and receiving files from clients and others outside the firm.

Unlike every other product evaluated as part of this review, Doc-IT is the only one which can be hosted on a firms internal servers or hosted by a third party. For more information on the Doc-It Suite, visit www.doc-it.net.

OFFICE TOOLS PROFESSIONAL CLIENT PORTAL

Office Tools Professional is a popular practice management application for small and mid-sized accounting firms. The company's primary application (Office Tools Professional) provides document management, time and billing, and customer relationship management in a single piece of software.

The optional portal module makes it possible for firms to send and receive files with clients from within a service which is directly integrated with the company's practice management application. Invoices can also be sent to clients using the portal. For more information on Office Tools Professional, please visit the company's website at www.officetoolspro.com.

XCM*portal*

XCM*portal* is a service which is designed to assist firms and clients with collaboration by providing a secure website where they can request and receive documents. Staff can post lists of missing items or open questions to the portal for a client, and the client can respond securely in writing using the secure portal platform. For more information, visit www.xcmsolutions.com.

cPaperless, LLC — CPA SafeMail 3.1

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/10892846

BEST FIT

- Firms who want to use a range of tools to automate the preparation and secure transmission of documents to and from third parties.
- Firms who want to adopt the CPA SafeSign electronic signature service.

STRENGTHS

- Outlook add-in allows users to securely transmit small files via e-mail as embedded attachments in password-protected PDF files. Large files can be delivered from within Outlook to an included secure portal where the recipient can download over an encrypted channel.
- Common document processing steps like converting Microsoft Office files to PDF, embedding watermarks in PDF files, file encryption, and e-mail preparation are handled by an Outlook add-in.
- Large files can be prepared in Outlook and then made available to users over a secure portal.
- Optional CPA SafeSign electronic signature service allows users to receive electronically signed forms like engagement letters and some routine forms (although not IRS Form 8879).

POTENTIAL LIMITATIONS

- Some users may be confused by how the e-mail transmission tool embeds documents to be delivered as items embedded in a large PDF file.
- The Outlook add-in does not support the Apple MacOS X platform or any mobile devices.

SUMMARY & PRICING

Plans start at $175 per user, per year (e-mail transfer only) or $350 per user, per year (e-mail transfer or portal file transfer), with discounts for multiple users. Outlook add-in requires Microsoft Outlook 2007 or 2010, and portal plans include unlimited clients, bandwidth, data transfer, and storage. Electronic signatures start at $2.25 per document, and volume discounts are available. (A free 30-day trial of the CPA SafeMail product is available upon request.)

800-716-2558 x100
www.cPaperless.com

Applied Answers, Inc. — FileGenius

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/10892827

BEST FIT

FileGenius BASIC is best for a small organization that needs 10 or fewer employee accounts and 25 or fewer client portals. FileGenius TOTAL offers unlimited employee accounts and client portals, unlimited transactions and more robust management tools.

STRENGTHS

- FileGenius is an easy to use and effective web-portal designed for transmitting confidential files of any size.
- Applied Answers (the company) indicates that its solution is compliant with a range of regulatory requirements, including HIPAA, FIPS, PCI level I and the Massachusetts encryption statute.
- Product can be privately branded and offers users a custom subdomain (yourfirmname.filetransfers.net).
- No extra charges for users or bandwidth usage on a FileGenius TOTAL account. The major limitation on a FileGenius TOTAL account is the amount of storage used.
- All product functions can be accessed through a web browser.

POTENTIAL LIMITATIONS

- There are no mobile apps or Windows programs to assist when working with this tool (although mobile apps are coming by late Spring). While this may be appealing to some users, batch uploads require a user to create a zip archive of the files and folders to be sent and use a web browser to upload the content.
- There are no direct integrations with any common applications, and FileGenius does not support traditional templating of folder structures (although workarounds are available to help with this task).
- Unlike many of the products reviewed, there is not a drag and drop interface available for uploading files.

SUMMARY & PRICING

FileGenius BASIC plans start at $49 per month ($529/yr) with unlimited e-mail support; FileGenius TOTAL plans start at $159 per month ($1,339/yr) and include unlimited, users, workspaces, and voice/e-mail support.

888-753-2245 x703
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Facing Cyber Security Threats in the Cloud

By Robert J. Chandler

Whenever I present at conferences, or even when I'm in a conversation with a CPA or accountant, the number one topic on most everyone's mind is about cloud security.

Ever since we began talking about the cloud, there have been three areas of concern: security, availability and reliability. That's why I'm not at all surprised that most accountants are still concerned about the security of their firm's information and, of course, the security of their clients' data.

A recent article in the *Washington Post*, "Pentagon to Boost Cybersecurity Force," caught my attention. The intent is to expand the staffing of the Defense Department's Cyber Command to protect U.S. computer systems against foreign threats.

The article states:

"The plan calls for the creation of three types of forces under the Cyber Command: "national mission forces" to protect computer systems that undergird electrical grids, power plants and other infrastructure deemed critical to national and economic security; "combat mission forces" to help commanders abroad plan and execute attacks or other offensive operations; and "cyber protection forces" to fortify the Defense Department's networks."

This may sound very "James Bond," but it still is a very viable and real concern, and I'm glad to hear that our government is bolstering its defenses against other nations that want to see us fail.

Accountants should know more about cloud security not only for themselves, but also to pass on the knowledge to their clients. Because not every risk can be completely eliminated in any environment, it is vital that security is on the top of the list for anyone who wants to compute in the cloud.

First, you will want to ensure your providers maintain the highest security available.

Certification along many platforms should be constantly updated as new security measures become part of an up-to-date data center. A recognized and independent auditing standard, such as the AICPA SOC2 certification, must be employed that includes a uniform format for reporting.

It must demonstrate that an organization has participated in an in-depth audit of their objectives and activities that often includes controls over IT processes and financial reporting. When data is hosted or processed by a third party over the Internet, adequate controls and safeguards must be in place.

Second, another security feature is data encryption.

Encryption is simply a means to *not* allow unauthorized people to see data they shouldn't see. When a user accesses the cloud, standard security log on requirements are in play. One is a first username and password for an online portal. Another is a second username and password for some applications. This is especially true in accounting where an accounting professional has to access a customer's financial files.

Third, a reliable cloud server operation will maintain 24/7/365 security staff on-site, and redundancy of all data and data center systems.

While no human security effort is going to be completely foolproof, these measures make cloud computing one of the most reliable and secure forms of doing business. Accountants should understand the ins and outs of security in the cloud, but also know that data is safe, security and always available.

Robert J. Chandler is president and CEO of Cloud9 Real Time, *an accredited Managed Service Provider, application hosting company and licensed Intuit Commercial Host. He is author of the recently published book* Together in the Cloud, *an informative "How To" guide that offers readers insight into how businesses can implement and utilize cloud technologies in order to bridge the gap between users, applications and IT.*

By Randy Johnston

Portals, Email or

Over the past 20 years we have had the pleasure of assisting many firms down the paperless path. In the last five to ten years, portals have become popular.

My Network Management Group, Inc. team (NMGI) has assisted in implementations of CCH Portal, NetClient CS, ShareFile and other popular solutions. Portals are clearly a more secure way of transferring data to and from clients, but some clients just don't want to go there.

Mr. Johnston is executive vice president and partner of K2 Enterprises and Network Management Group, Inc. He is a nationally recognized educator, consultant and writer with over 30 years' experience. He can be contacted at randy.johnston@cpapracticeadvisor.com.

How do we manage people that we can't control? Do we simply let them do what they want? Do we try to educate them on the benefits of using the technology that can protect them? Or do we cave in in the name of client service? There is no clear answer, but you knew that before reading this article introduction.

Until proven wrong, we will maintain the position that using portals is a secure document transfer strategy that a CPA firm can take. Additionally, if your firm can drive more traffic through your website because of your portal, the additional traffic can improve your Search Engine Optimization (SEO) and local search results. Traffic to your website is a good thing.

Unfortunately, if your site is down, or your portal is clumsy to use, your client experience won't be a good one. Further, new generation applications that are available as a Software as a Service (SaaS) offering, don't always have the best way to integrate to your website. All of these applications belong on your website or in your portal as well.

We believe it is in your firm's best interest to have your clients visiting your website on a regular basis. Using applications provided by the firm such as accounting, payroll, bill payment or portal transfer may be reason enough for a client visit. However, content including video postings, RSS feeds of news and other information pertinent to clients can promote return visits.

A little humor and local flavor can also help build client relationships. However, all of these actions take time. If you try to stay informed and current on professional reading, you can provide updated content for all of your website's visitors using an RSS reader and tagging or posting items from your daily readings. Integrating all of your social media feeds, including Twitter, Facebook, LinkedIn and others will also help with SEO and traffic on your website.

The Goal

However, the heart of the matter is doing business in the easiest way possible on your website. If you have not found a website developer that understands this, you may need to look for a new developer. Many of the canned website tools won't provide the level of customization needed to make your website "business friendly."

We suggest using a website and marketing company like RootWorks to get unique portal capabilities with market leading tools like ShareFile, SmartVault, Bill.com, Thomson NetClient CS, CCH Portal, Intuit QuickBooks and other key practice tools. The RootWorks team will give you a professional look and feel and will also provide options to interface to a number of client friendly tools.

Another high value addition to your website can be collaborative accounting. This can be provided with hosted capabilities for products like QuickBooks, or can be new generation SaaS accounting tools like Xero, Monchilla, SageOne, Wave or QuickBooks Online. If your clients' mission critical applications are provided by the firm, don't you think they will visit your website frequently? Don't you think this will result in more exposure in your community?

Most firms think about portal capability for sending and receiving documents for tax returns, compilations, reviews, or audits. While these are certainly important and may be justification for a portal by themselves, you should consider the evolution occurring with electronic signatures. Since electronic documents and eSignatures are legally binding in all 50 states because of

Something Else

the Digital Millennium Copyright Act of 1999, you should consider allowing your clients to sign documents electronically.

This is currently not permissible for that bane of tax documents the 8879, but it certainly can work for engagement letters and other documents needed by the firm. Leading producers of software are including technologies like Adobe EchoSign, Topaz signature pads, DocuSign, Rpost or CloudX inside their products to ease the signature process.

But what if your clients refuse to use your website and portal capability? Is there a viable alternative? We actually believe there may be using encrypted email. The offerings from CPASafeMail, Secured-Accountant, RPost, or ZixMail may provide an encrypted and safe way to transfer files from the client to the firm or vice versa. Of course, it is in the firm's best interest from a workflow and process perspective to have everything flowing through a portal.

But if a client isn't comfortable with using a portal after you have explained the benefits, then using a simple email encryption tool is at least a safe alternative. Beyond encrypted email, you'll find that providers like SmartVault and Ziptr will have alternatives that serve as a nice bridge between email and a portal. Further, look for tools that have integrated their tool into Outlook or other email software just like ShareFile and SmartVault do.

The Results

Interaction with your client should be easy and become a second nature to both team members in the firm and clients. Understanding the workflow will take training on procedures among your team members. Review your processes and make sure that you refine the processes to accommodate the new electronic transfer and filing methods.

Eliminate unnecessary steps. Think about how processing will take place when the technology doesn't work, which isn't often. Planning for continuing work, which the computer industry calls business continuity, will help you realize that processing payroll a day or two before it is due can really help reduce daily stress. Doing client activities or processing at the last minute is error prone and leads to lower quality work.

For those of you that process tax, think about how you often refuse to take last minute tax work or you choose to accept the work at a premium rate. Are you taking that last minute return because you needed more to do or just wanted to have some extra fun? How much fun is it if all of your technology stops working for the last three days before any tax deadline? Your portal can become mission critical to your client and to the firm.

If neither portals nor email work for your firm, think about an alternate method to get the information you need from a client. There have been hundreds of articles written about Cloud Computing and the benefits of working collaboratively in the Cloud. Perhaps systems for accounting, payroll, workflow and document management could all live in the cloud. This year, we will see tools such as itDuzzit, which begin to hook these separate systems together. One thing we don't see is increased use of paper documents between clients and the firm.

One final note: for a portal to work best, it has to be integrated into your website. If you don't have an acceptable website, it is way past time that action needs to be taken to correct that. In the old days, we spent a lot of money on yellow page advertising. Most of us maintain our offices as a pleasant and attractive place to work and we'd be pleased to host a client at our office.

Does your website look like a place you'd bring a client? At the risk of an inappropriate analogy, if you were trying to impress a prospective spouse, would you feel comfortable showing that person your website?

Sometimes clients are dating you on your website and if you don't make a great impression, they will frequently move on. Our tradition in the CPA profession is not one of marketing or stealing clients, but if an "A" type client is looking around, wouldn't you like to have your firm considered?

The Opportunity

Think about your preferred work style, your image, and the tools that you use. Get your website, collaborative tools, portal, and email encryption tools right. Train your staff and your clients on how to do business with you. All of these things will make it easier to do business with you. Further, there is high probability that this will reduce your work load and enable the firm to provide better client service.

Doing Business His Way

By Kristy Short, Ed.D

In 2012, Jake Keen, CPA, CVA, and managing partner of Keen & Company, made the commitment to convert his firm's tax software—moving to UltraTax CS. Little did he know that his sales rep had more to 'sell' him. With a little coaxing, Keen was convinced to register for a Thomson Reuters Partner Summit.

"When my rep told me about it, honestly, I had little interest in attending. I was just too busy and didn't think I could spare the time out of the office," Keen explained. "But after hearing Darren Root's [CPA and fellow firm owner] presentation and getting a look at how he runs his firm, I was very glad that I went."

Keen was so impressed with Root's message and concept of the Next Generation Accounting Firm that he immediately joined RootWorks. RootWorks is a member-based education organization founded by Root that offers its members a guided road map to transform their firms into highly efficient and profitable businesses—including dedicated coaching on business model, technology, branding, marketing, and more.

"His [Root's] firm was the kind of firm I wanted to operate," Keen said. "I remember my drive home from the Partner Summit and feeling for the first time in a long time very excited about the accounting profession."

Action #1 – Implement a New Business Model

A core part of the RootWorks message is that firms must first have a sound business model in place. Too many firms operate under a whatever-makes-the-client-happy mindset. This leads to disparate services, fragmented processes, and lack of uniformity firm wide. Add it all up, and what you get is a lot of time wasted trying to accommodate every client's unique needs.

"We were guilty of trying to please each client, always customizing our services and fees based on what a given client wanted. All that did was put the client in control of our processes," Keen explained. "We learned that by defining our service offerings, and sticking to a standardized format, it put us back in the driver's seat."

Today, Keen & Company operates under a fixed services and fixed-fee model. One of the first tasks accomplished after joining RootWorks was defining a set of services based on the firm's core competencies. Keen stated that he has not deviated from this model.

"We are no longer all over the board with our services and fees. And because we stuck to our guns, we were also able to standardize workflow processes. When all staff members follow the same process to complete a task, the efficiency gains are immense."

Keen has also realized that by operating under a standardized model, the firm is attracting ideal clientele. "We've found that most business clients love that we bundle our services and charge a fixed fee because it eliminates monthly billing surprises and allows them to easily budget for the year. The new model is attracting the type of client we want and weeding out those we don't."

Action #2 – Implement an Advanced Delivery Mechanism

"I knew that we also needed a new website, *a place for clients to do business* as Darren [Root] described it during his presentation. This was a key element in our redevelopment efforts," Keen stated.

The RootWorks approach directs firms to provide clients with a dedicated online space to perform work—the firm's website. The logic behind this approach is that a firm cannot control processes if clients have no way of working collaboratively with staff.

"Client portals offer the ideal delivery mechanism. Darren showed us how his firm's website supports a

WE'VE FOUND THAT MOST BUSINESS CLIENTS LOVE THAT WE BUNDLE OUR SERVICES AND CHARGE A FIXED FEE BECAUSE IT ELIMINATES MONTHLY BILLING SURPRISES AND ALLOWS THEM TO EASILY BUDGET FOR THE YEAR. THE NEW MODEL IS ATTRACTING THE TYPE OF CLIENT WE WANT AND WEEDING OUT THOSE WE DON'T.

STATS AT A GLANCE

Website: www.keenandcompany.com

Year founded: 1990

Total employees: 11 F/T

Home base: Springdale, Arkansas

Firm description: Full-service tax and accounting firm

Technology of Choice: Thomson Reuters, Bill.com, Right Networks, Hosted QuickBooks

dedicated Client Center where clients can log in and upload documents, enter data, and access hosted QuickBooks," Keen explained. "At the time, we didn't have this level of functionality on our site, so I knew that a powerful new website had to be part of our transformation."

Keen reported that his firm's new website has been a huge hit with clients. "They love the portals. They love having 24/7 access to their financial docs and data… and they get all of this in one location with a single sign-on. RootWorks built our website as well, so I knew that it would be done right, complete with the high-end features we needed."

To date, Keen & Company has about 50 percent of their client base set up on portals. The goal is to have all clients set up by year's end.

Keen added, "Portals are a big deal to the clients, but portals also offer a lot of value to our firm. It's so nice to deliver 500 organizers with the push of a button."

According to Keen, beyond a powerful delivery mechanism, the website has also significantly enhanced the firm's brand presence. "It's a clean, professional, and content rich site. It beats any competitor firm's website by far."

Action #3 – Grow

Jake Keen reported that since joining RootWorks his firm is well into re-development efforts. They've implemented a new business model, adopted advanced technologies, and launched a newly branded website.

"We are happy with everything we've done. And now with these big tasks completed, we are well positioned to sell our services and deliver on them," Keen stated.

Keen & Company is using the RootWorks' trademarked small business service package, BOSS™ (Back Office Support System). BOSS provides clients with a comprehensive outsourced accounting package at an affordable fixed monthly fee.

"In a very short time, we've brought in 10 clients. Seven of the 10 are new relationships and have signed up for BOSS and/or our Hosted QuickBooks package. The other three were existing clients that upgraded to BOSS or Hosted QuickBooks."

Keen explained that having a standardized set of services and a way to efficiently deliver services has made all the difference. "We operate so much more efficiently and are attracting qualified leads."

Keen & Company is firing on all cylinders. An advanced website complete with client portals, a defined set of services and fee schedule, and standardized workflow processes have accelerated firm growth. These changes also have Keen excited about the future and ready to take the next big step. "I can't wait for busy season to be over so we can take on the challenge of marketing. I want to tell our story to everyone!"

Kristy is a partner in RootWorks Communications (RootWorks.com) and president of SAS Communications 360 (SAScommunications360.com) — firms dedicated to providing practice management education, branding, marketing, and public relations services to the accounting profession. She is also a professor of English and marketing at University of Phoenix and Cleary University. You can reach her at kristy.short@cpapracticeadvisor.com.

If you'd like us to consider sharing your firm's story of innovation in a future issue, go to www.CPAPracticeAdvisor.com/great-practices and complete the short form. *We'd love to hear from you.*

By Dave McClure

Reviewing PC-Matic

You've seen the ads. The ineffective husband trying to clean viruses off of his machine. The college student who wants a new laptop because hers is running "too slowly." The flower shop girl whose PC is so slow she can't complete a transaction. Yes, the ads are like fingers on the chalkboard of PC utilities. But the real question is…does PC Matic actually work?

The answer is yes…sort of. But that does not make it worth the $49.95 asking price, nor does it make the software worth installing. In fact, this is software I would never recommend to an accountant for use at home or at the office.

First, here's what it is: a collection of five products from a company called PC Pitstop, a ten-year-old private company incorporated as an LLC. Rob Cheng, founder and CEO, is the only investor in the firm. The five products are Optimize, Driver Alert, Disk MD, Exterminate and Overdrive.

Optimize is a PC optimization program that deletes temporary files, cleans the system registry, gets rid of unneeded Outlook files, and tweaks the system in terms of other settings. Driver Alert is designed to check existing hardware drivers and identify drivers that are obsolete. Disk MD is a disk defragmentation utility. Exterminate is an anti-malware program that boasts daily signature updates for the latest in malware identification and removal. And Overdrive creates an extensive report of your PC's performance, security, software, drivers, etc.

To be fair, if you are a novice who has not learned how to make use of free utilities that do the same things better (see the accompanying piece in "Reality Check"), PC Matic may actually make your PC run faster. But this is an uneven proposition, and the problems it may create could actually make your PC run more slowly…a disaster for a professional accounting office.

PC Pitstop has spent an inordinate amount of money in television advertising for a simple utility aimed a novice computer users, and has followed this up by cramming virtually every reviewing source with phony reviews. The company itself maintains a variety of websites that purport to be independent but in fact give only glowing reports for the product. In addition, the company early in its history established a marketing relationship with PC World Magazine. Truly independent sites and even those in which you disregard the five-star ratings, though, tell a different story.

The major complaints are that the software does not work, actually inhibit the use of some software products, or fails to speed up the operations of a computer. To understand why this may be the case, a user has to understand the reasons why a computer may run more slowly over time. In spite of the claims of companies that make and market "Registry Cleaner" products, that is seldom a major problem (with the exception noted below). The greatest reasons are that the computer has insufficient RAM memory or that it is infected with malware.

Nearly all computers are sold with less RAM memory than they need, in order to keep the cost low. This is a problem with desktop PCs in general, but especially with proprietary PCs that are unable to take more than a limited amount of memory – and virtually all laptop computers, which are chronically under-RAMmed. If your PC is running slowly, the first step is to buy and install more RAM memory.

The second major reason for slow operations is a virus, Trojan or other "computer virus" infection. It is usually easy to spot these, as they generate pop-up ads or phony "virus infection alert" messages. For these, which may clutter the system registry, the best bet is a good malware identification and removal tool, and for this the PC Matic suite has problems. Like the free Lavasoft Ad-Aware product, our tests of PC Matic generated a number of "false positives," which might lead an unwary consumer to delete files necessary to the operation of mission-critical software. The files identified are not malware, but their deletion will cause the programs not to load or work.

If you decide to take the plunge and buy the software anyway, don't pay the full sticker price. Hold out a few days, and you will likely get an email that drops the price to $14.95 – that is, IMHO, still too much to pay.

Between the TV hype ads, the phony online "reviews" and the high number of actual negative reviews, PC Matic is a product to avoid for a professional's office or home. But that doesn't mean the company's without merit. Sign up for the PC Pitstop Newsletter at news.pcpitstopmail.com, and you will find fascinating articles from third-party bloggers that are chock full of useful information – one you get through the PC Pitstop ads.

REALITY CHECK – 6 ESSENTIAL PC UTILITIES

We'll suspend the normal rants of "Reality Check" for this month in favor of my favorite list of PC utilities. Sorry, Mac guys – the Apple line of computers is designed for minimal tinkering by the end user, and you are far better off to use Apple-approved utilities for your machines. As for my list for the Windows PC, feel free to email me with your disagreements or additions to the list at dave.mcclure@cpapracticeadvisor.com.

Mr. McClure is a consultant and widely published writer on technology issues. He can be contacted at dave.mcclure@cpapracticeadvisor.com

INTERNET SITE OF THE MONTH

CCleaner at Piriform.Com (www.piriform.com). CCleaner in its free version (the business version is $34.95) is a first-rate program that cleans temporary files, cleans the computer Registry if you wish, and wipes clean space on the computer so that it cannot be recovered. Highly recommended, and incorporates into all versions of Windows.

Microsoft Security Essentials and Microsoft Defender. Looking for a highly-rated and free anti-virus and anti-malware utility? Look no further than Microsoft itself. The Microsoft Security Essentials program works on computers running Windows XP through Windows 7, and Windows 8 comes pre-installed with Microsoft Defender. While you will need additional malware removal tools for some of the nastier viruses, both of these work well and are highly regarded as anti-virus programs.

Glary Utilities (www.glarysoft.com) The Glary Utilities, for $39.95 and often discounted, are among the most popular and consumer-rated utility collections on the market. The collection scans and cleans your PC, cleaning temporary files, removing junk files, fixing broken shortcuts, and resolving a wide range of issues, both major and minor, that most Windows users will have no trouble recognizing. You can configure its One-Click Maintenance option to run just those processes you want with a single click, making regular maintenance simple.

Belarc Advisor (www.belarc.com/free_download.html) You need to know what is installed on your computer, what your major software is, what the version numbers are, and other critical facts. When you have to call tech support, this information will often be what they ask for first. The Belarc advisor, which we have recommend in the past, is a free utility that will provide this information in a quick and easy audit of each computer.

MalWareBytes (www.malwarebytes.com) One of the most highly recommended tools to remove viruses is MalWareBytes. For home use, the Malwarebytes Anti-Malware Free utilizes Malwarebytes powerful technology to detect and remove all traces of malware including worms, trojans, rootkits, rogues, dialers, spyware and more. A small business license is also available for $24.94.

Microsoft Windows Malicious Software Removal Tool (www.microsoft.com/security/pc-security/malware-removal.aspx) The Microsoft Windows Malicious Software Removal Tool checks Windows Vista, Windows 7, Windows XP, Windows 2000, and Windows Server 2003 computers for and helps remove infections by specific, prevalent malicious software—including Blaster, Sasser, and Mydoom. When the detection and removal process is complete, the tool displays a report describing the outcome, including which, if any, malicious software was detected and removed. The tool is updated each Tuesday by the Microsoft Updater, and is a first line of defense if malicious software is discovered by an anti-virus program.

By Doug Sleeter

What Small Businesses Want from their Accounting Professional

In January 2013, The Sleeter Group conducted some research of small and medium-sized business (SMB) owners across the US. The goal of the research was to learn about what SMBs want from their outside accounting firm.

We asked a series of questions that targeted the types of services currently provided by CPA firms, as well as the types of services that SMBs desired from an outside accountant. We also wanted to understand the SMB's impressions of what services their accountant *could* provide compared with what they thought their accountant *wanted* to provide.

We presented the results at the recent AICPA SaaS Executive Roundable. The data might surprise some accountants as well as SMBs, because quite often, the difference between what SMBs *want* differs from what they think their CPA wants to do for them, especially in the areas of technology consulting.

When we combine the quantitative research of 160 respondents with our nearly 20 years of qualitative research and understanding of how accountants work with their clients, these findings point to some significant opportunities for forward thinking accounting firms, who invest in technology skills and who build client services to leverage these skills.

The majority of respondents were service businesses, in business for between ten and fifteen years, average revenues of between $250,000 and $1,000,000, and under 5 employees. 54 percent of the respondents provide services to consumers (B2C), and 46 percent provide services to other businesses (B2B).

Some examples of these typical CPA firm clients are:

- B2C – Auto Service, Artists, Church, Construction, Hair Salons, Landscaping, Legal, Mfg
- B2B – Advertising, Design, Information Tech, Internet, Legal, Mfg Reps, Consulting, Property Mgt, Wholesale

Some surprises we found among the businesses who have employees:

- 90 percent Have Internal Bookkeepers
- 70 percent hire external bookkeepers (other than the CPA)
- On average, they assign 1.26 employees to bookkeeping tasks and 0.71 contractors.

When we asked these businesses about their current accounting system, it was no surprise to find out that overwhelmingly, they are QuickBooks Desktop users with an inhouse bookkeeper, about half of whom prepare their own payroll. Over 70 percent of them use QuickBooks on local hardware in their offices.

In a nutshell, these businesses are living in the "old world" of desktop software, running within their own offices, and they are only using cloud services if their desktop systems have add-ons that connect to the cloud. For example if they use merchant services, online banking, or Bill.com for managing AR/AP and cash management.

We asked about how satisfied these SMBs were with their current accounting firm, and found the following:

- **Overall Satisfaction**: SMBs are satisfied to highly satisfied with their "external accounting firm"
- **50 percent have switched firms at some point**, but we don't think we can conclude that this means they were unhappy. Perhaps they just had new needs that were not served by their previous firm.
- **Accountant NetPromoter** score is 26 – This is high-average compared with other service businesses as measured by SatMetrix.com.

When we asked questions about who SMBs seek out for strategic advice, we sought to understand the expectations from SMBs about how much involvement they want from their CPA as far as "strategic technology advice" compared with "strategic business planning advice." The idea was to get the SMB to differentiate between an obvious match (business and financial planning) as compared to the technology planning area.

It was no surprise that when it comes to seeking strategic financial advice, accountants score at the top of the list.

But more interesting to us was that we discovered SMBs have a *desire for help with technology planning*, but at the same time, they perceive their accountant as either *not able, or not willing* to provide technology related planning and consulting services.

This leads us to conclude that there is a significant opportunity for firms to differentiate themselves in the market by providing technology related services, and to market themselves as being experts in technology.

Most SMBs WANT their accountant to be proactive helping them plan and implement technology changes… But nearly the same number say their CPA does NOT WANT to proactively help them.

We also thought it was important to understand SMB's opinion on how "up to date" their accountant is with regard to adoption of new technologies.

We found that only 15 percent said their accountant is ahead of the curve as far as technology usage inside their firm, and 65 percent said their accountant is either behind or current in their technology use.

This may help to explain the earlier results that indicate SMBs don't think their accountant can or wants to provide technology planning advice.

Since we often help software companies figure out how to engage and partner with the accounting profession, we also asked about what SMBs want as far as recommendations about technology solutions. In particular, we sought to understand how SMBs feel about the accountant being involved in the sale (i.e. commissions) when they make recommendations for technology solutions.

What we found is that SMBs either do not want technology recommendations at all, or when they do want the recommendations, they don't want their accountant to be involved in the sale.

These results didn't surprise us, but it may surprise many software companies. As logical as it may seem to turn accountants into resellers, SMBs would rather their accountant be "solution agnostic" when making recommendations.

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Mr. Sleeter is the founder of The Sleeter Group, a national group of accounting software consultants who serve small and medium-sized businesses. He is the host of the Accounting Solutions Conference and the author of several books including the QuickBooks Consultant's Reference Guide, and the leading market college textbooks "QuickBooks Fundamentals and QuickBooks Complete." For more information, call 888-484-5484 or visit www.sleeter.com. Doug can also be reached at Doug.Sleeter@CPAPracticeAdvisor.com.

By Brian Tankersley, CPA.CITP, Technology Editor

Mobile Scanning Options for Accounting and Tax Professionals

Many accountants need or want to capture documents outside of the office. Whether you have an audit team working in the field or you just need to capture an image of a W-2, there are many hardware and software tools which can be used to create PDF versions of paper documents.

Although there are few, if any substitutes for a traditional duplex workgroup scanner with image enhancement and file optimization, tools like smartphone scanning apps and portable scanners can help you efficiently gather and store information while on the go.

Brian Tankersley is a Knoxville, Tennessee CPA and consultant whose practice is focused on technology consulting and training for accountants. Brian is a nationally recognized speaker with K2 Enterprises (k2e.com), and blogs on accounting technology at CPATechBlog.com. Comments, suggestions, and errata are always welcome, and should be e-mailed to brian.tankersley@CPAPracticeAdvisor.com.

Mobile Camera Apps

The easiest way to capture documents is to simply take a picture of each page. Most smart phones have a camera with sufficient resolution to capture a readable image of a document. These unmodified high resolution color images create very large document files, which at 1 megabyte (MB) or more per page, are suitable for occasional reading.

There are a number of apps like Genius Scan (iOS, Android, Windows Phone) and PDF Scanner (Android) which can be used to capture images and assemble them into PDF files.

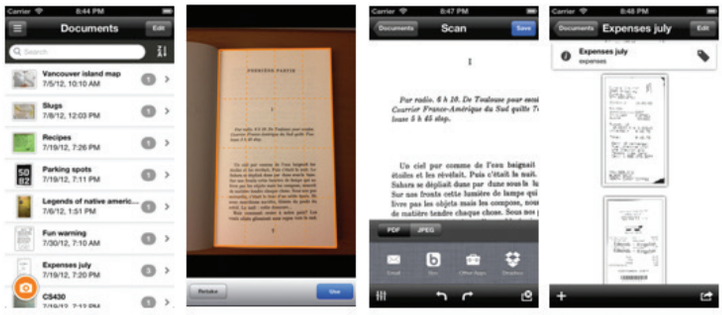
While these tools require no additional hardware, they also frequently create burry or poorly lighted images. Many of these applications do not have tools for image correction or enhancement, and it is very difficult (if not impossible) to optimize the quality of scans for different types of documents.

Transferring the images securely to a computer generally requires the user to plug the phone into a computer, as the methods which are traditionally used for transmitting photos (e-mail, upload to personal clouds like DropBox or SkyDrive) generally do not meet the compliance requirements applicable to many kinds of confidential information.

Portable Scanners

While portable scanners are another device and set of cables which must be carried on the go, these devices are designed to create optimized high quality images of documents. The smallest and lightest devices have less capable feature sets than the larger, bulkier models.

For example, the Fujitsu ScanSnap S1100 is the smallest scanner I own (12 oz). It performs well, but does not feature duplex (two-sided) scanning and an automatic document feed tray. Larger devices like the ScanSnap S1300i and Canon P-215 Scan-tini scan much faster and have these missing features, but these devices are larger and heavier. (For example, Fujitsu's ScanSnap S1300i weighs around 3.5 lbs with the required cables and power adapter.)



Mobile camera apps like Genius Scan for iOS (shown) let users take pictures on a cell phone and use them to create pdf documents.

Although some portable scanners are available for $100 or less, this is not an area where users should be cheap, and users may need to pay as much as $300-$500 depending on the required features. Most people who have used or supported these devices for a long period of time recognize the value of a scanner which engineered for efficiency, and avoid no-name devices.

Some models which receive good reviews from mobile accountants are the Fujitsu ScanSnap line (S1100, S1300i, and iX500) as well as the Canon imageFORMULA P-215 Scan-tini personal scanner.

Other Solutions

There are other options for imaging documents when away from the office. Some virtual fax providers like Protus and eFax can be operated in a HIPAA compliant fashion, where the resulting PDF documents are stored securely (not e-mailed) and retrieved from a portal.

Users can also recommend free PDF printers like the Bullzip PDF Printer (www.bullzip.com) to those they are communicating with so they can send the document in a standard digital format.

By Jim Boomer, CPA.CITP

Great Leaders Make Themselves Replaceable!

What would happen if you suddenly and unexpectedly could not work? What would happen to your firm? Would things run smoothly, or would it be utter chaos?

We often discuss the need to start planning for the next wave of leaders at the top of the firm, but what about all the other critical functional areas of the firm beyond the partner group?

Technology, human resources, training & learning, marketing and the list goes on. Is proper attention being paid to developing the next wave of leadership in these areas as well?

Jim Boomer is a shareholder and the CIO for Boomer Consulting, Inc. He is the director of the Boomer Technology Circles™ and an expert on managing technology within an accounting firm. He also serves as a strategic planning and technology consultant and firm adviser in the areas of performance and risk management. In addition, Jim is leading a new program, The Producer Circle, in collaboration with CPA2BIZ and the AICPA.

The 6-Month Sabbatical

This topic of discussion came up at both of our CIO Advantage group meetings earlier this year. The question was posed to the groups, "You have 30 days to prepare to leave for a six-month sabbatical, what would you need to do to hand off your job duties?"

This obviously requires a little more thought than your standard week-long vacation where you get all your ducks in a row to make sure things are covered until you get back.

In this scenario, you really have to assess your current skillset and job duties. Evaluate your vulnerabilities and look at the documentation of the firm's systems and recovery processes should one of those vulnerabilities become exploited. Further, you have to think through all your relationships – both internally and externally with vendors and partners.

Could those be handed off seamlessly? Then there are those projects you're currently leading and the budget you're in the middle of finalizing. Who is capable of managing those in your absence?

No One Else Knows/ Does That

At first glance, this seems too daunting to take on and many people simply say they don't have anyone on their team who could do what they do. We all like to think we are irreplaceable, but the truth is we arrived where we are in life through opportunities to learn and advance that were afforded to us by others in our past.

Are you offering your team members those same opportunities? If we are true leaders, it is our obligation to our team and our firm.

One of the CIOs in the group shared his philosophy to constantly develop his team members for promotion, even if there wasn't an open spot for them. This sometimes meant they would leave the firm for other opportunities and he would actually help them find those opportunities to continue on their development path.

Why would he do this? He believes these people will remember this in the future, and the loyalty he created will pay him back when he has an attractive position open. He also aspires to move up to other endeavors in his own career and is looking for his successor in the future. He is constantly developing a list of capable and willing candidates along the way by investing in all his people.

The Multiplier Effect

In Liz Wiseman's book, *Multipliers: How The Best Leaders Make Everyone Smarter*, she distinguishes between multipliers and diminishers. Multipliers are leaders who look beyond their own genius and focus energy on extracting and extending the genius of others, thus getting more from their entire team.

Diminishers, on the other hand, appear to believe really intelligent people are a rare breed and they are one of the few smart people. They then conclude other people will never figure things out without them. I think this concept plays in perfectly with what we all need to be doing within our roles and organizations to prepare for the future.

We need to stop acting like diminishers and start becoming multipliers – treat people like the intelligent people they are and give them challenging tasks that develop the skills that will prepare them to eventually replace us. This will ultimately create the human redundancy necessary to allow us to take that six -month sabbatical, without causing chaos.

Where to Start

There is no time like now to get started. Take yourself through this mental exercise. What if you had 30 days to prepare for an extended absence? What would you need to do to prepare? Start by developing your list of items that no one else in the firm can do.

Then look for opportunities to challenge others to take on responsibilities in those areas so that you can train and coach them up. By adopting the multiplier mindset in your role as a leader within the firm, everyone will benefit. The firm. Your team. And, most importantly you.

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2013-0102-1A