

# CPA Practice Advisor

FEBRUARY 2019

VOLUME 29  
NUMBER 1

Today's Technology for Tomorrow's Firm

*The Evolution of*

# EXPENSE MANAGEMENT



YEAR IN THE LIFE OF A  
**PAYROLL ACCOUNTANT:**  
Top Issues for Employers  
in 2019

THE MILLENNIAL **ADVISOR:**  
Job-Hopping Millennials

FROM THE **TRENCHES:**  
Do Your Best Client Management

**PRODUCT REVIEWS:**  
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**GAIL PERRY, CPA**  
Editor-in-Chief

[gail.perry@cpapracticeadvisor.com](mailto:gail.perry@cpapracticeadvisor.com)  
[@gperrycpa](https://www.linkedin.com/in/gperrycpa)

## An Alternate Universe for Accounting Professionals

JOURNALISTS DON'T NEED to do a lot of crystal ball gazing, which is nice – reporting on the past is not nearly as nerve racking as speculating about the future. But every now and then, we have occasion to take a step back, or perhaps a step aside is a better visualization, and peek at what *might* happen instead of that which has already passed.

And that's exactly what occurred last month at the AICPA and CPA.com's annual Executive Roundtable, a technology-centric event held in New York City at the AICPA headquarters (and more often than not an excuse for Mother Nature to dump unheard of nasties from the sky on the collected leaders, pundits, and tech-gurus, all of whom carry some sort of torch for the accounting profession).

Not only were we confronted with the usual array of descriptions and conversations surrounding the way in which accountants do their jobs and could be doing them better, a cornucopia, if you will, of enviable solutions – if only all accountants had all the time available to them to examine, experience, learn, and select the very best collection of tools and treasures with which to do their jobs in the most efficient, effective, and economic way possible – but we were also delighted by the presentation of one Pascal Finette, a self-described *enfant terrible* (that's right, get out your French dictionary), who opened new doors of discovery for us all.

Finette is co-founder of a management consultancy called Radical Ventures, an organization specializing in cultural change, disruptive innovation, and exponential thinking, and he is also the chair for entrepreneurship and open innovation at Singularity University, an organization dedicated to providing educational programs designed to help individuals and businesses “understand cutting-edge technologies and how to use these technologies to positively impact billions of people.” No small task.

Finette took us on a mind journey, promising to change the way we look at the world around us in the mere 75 minutes in which he held our attention. And indeed he delivered on that promise. “Where is the Amazon in your business?” he challenged us, as he described his methodology for pinpointing the place of disruption in, well, anything – business, relationships, buying our groceries, putting a roof over our heads – it didn't matter what topic we chose, the method was the same.

Find the disrupter (he gave us tools for this) and remember that in most cases, for every negative there is a positive. Move outward from the disruption to see the ripples, the consequences, the impact of the disruption, looking many layers outward, and remembering to check for both positives and negatives. I was even looking at turkey sandwiches differently by the end of the day.

To step aside just a bit, as I described in my introduction, I was happy to read Randy Johnston's column this month, in which he describes a similar process developed by Jerome Glenn of MindTools. Johnston applies Glenn's Futures Wheel to everyday client interactions and comes away with a checklist that can change the way you observe and interact with clients from this day forward. In much the same way that Finette searches for the ripples that emanate from disruption, Johnston explains how you can take the information you gather and actually incorporate that into a workable system that can permeate your client engagements and provide a ripple effect that will alter and improve the way you work.

Get ready to expand your mind. ■

— Gail Perry, Editor-in-Chief

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

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

Published by Endeavor Business Media, LLC

PO Box 803 | 1233 Janesville Ave. | Fort Atkinson, WI 53538 | 920-563-6388 | 800-547-7377

VOLUME 29, NUMBER 1



**Publisher:** Barry Strobel  
**Editor-in-Chief:** Gail Perry, CPA  
**Managing Editor:** Isaac M. O'Bannon  
**National Sales Manager:** Lou Meszoros  
**Contributors:** Ken Berry, JD  
Doug Sleeter  
Jim Boomer, CPA, CITP  
Kristy Short  
Randy Johnston  
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**Subscription Customer Service**  
877-382-9187; 847-559-7598  
Circ.CPA@omeda.com  
PO Box 3257, Northbrook, IL 60065-3257

**Article reprints:** Brett Petillo  
Wright's Media 877-652-5295, ext. 118  
[bpetillo@wrightsmedia.com](mailto:bpetillo@wrightsmedia.com)

**List Rentals:** Elizabeth Jackson  
email: [ejackson@meritdirect.com](mailto:ejackson@meritdirect.com)  
phone: 847-492-1350 ext. 18  
fax: 847-492-0085



Practice Advisor (USPS 017-576), (ISSN 2160-8725 print; ISSN 2160-8733 online) is published four times per year (April, June, August and December) by Endeavor Business Media LLC incorporating two editions known as CPA Practice Advisor and NSA Practice Advisor. Periodicals postage paid at Fort Atkinson, WI 53538 and additional mailing offices. POSTMASTER: Send address changes to Practice Advisor, PO Box 3257, Northbrook, IL 60065-3257, Canada Post PM40612608. Return undeliverable Canadian addresses to: Practice Advisor, PO Box 25542, London, ON N6C 6B2.

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**RANDY JOHNSTON**

EVP & Partner  
K2 Enterprises &  
CEO of Network Management Group, Inc.  
randy.johnston@cpapracticeadvisor.com  
@RPJohnston

## Do Your Best Client Management

THE CULTURE OF most CPA firms supports excellent client service. While we can't do everything perfectly, partners and team members routinely provide services that have value to the client. Determining your client needs is not something you can read about or be told about by someone else, but you can learn how to discover client needs. You may belong to an association or have peers that are providing services to their clients that can spark ideas in you. While there are many organizations and associations that provide guidance, ideas and methodologies, only YOU understand your current and future client base. What is your value proposition? What client benefits are you providing? Are you a compliance advisor, a business advisor or both? Are you leveraging your contacts, technology and knowledge to provide the most value? Are you providing innovative services as well as traditional services? What works in your market and what services are not provided?

Your firm likely has a strategic and tactical plan in place with many action items. If not, it should. But when was the last time you looked at your offerings? Last year's partner retreat? A partner update meeting this past month? Have you considered client's problems by having discovery meetings and asking them about the issues they would like to have solved?

### SO, HOW DO I DISCOVER CLIENT NEEDS AND APPLY MY KNOWLEDGE TO MY CONTACTS?

At the risk of oversimplification, ask them! While firms have many different programs and methods of business development, there are a few methods that produce unique results. Further, the firms applying either one of these techniques seem to be market leaders and create new programs that other firms eventually adopt. Consider the following:

#### 1. DISCOVERY APPOINTMENTS

■ The concept of a discovery appointment is that you meet with a current client or a prospective client as an information gathering exercise. We prefer meetings at the client office,

but believe that a breakfast, lunch or dinner appointment can work as well. The goal is to learn more about the client or prospect's business. During the initial meeting, no attempt should be made to promote any services or the firm. You should leave behind one professionally prepared item, as noted in the agenda below. The goals are:

- Learn about the client or prospect's business
  - Refer others who might be helpful
  - Ask for referrals to other businesses to learn more
  - Listen! **Empathy in listening is the key to trust and how to become a true "trusted advisor"**. You can learn more about empathetic listening from Eric Maddox and other sources. This might be the most important skill for discovery appointments and for your practice in general.
- While this might sound like an ineffective use of time, there are several things that can and should happen. You should:
- Build and extend your referral network
  - Learn of opportunities for your firm's existing services
  - Discover client needs where you don't have offerings
  - Promote your professional network and referral sources

- Become better at business development with frequent practice
- Agenda – Ask for a maximum of 45 minutes. Spend 15-30 minutes preparing with web and social media research. Schedule one or two discovery meetings per week maximum.
- Short introduction. Ask for the client/prospect to give their introduction first
  - Provide some information on yourself, but keep this to a minimum
  - Explain your purpose (which you may communicate in advance on a phone call or email and repeat now in the meeting) is that you want to gather information and:
    - Understand the business
    - Learn why they are successful
    - Learn techniques used by successful owners/managers
    - Learn and not sell any service or promote your firm during your time together
    - Learn their "most important thing" so you can introduce a good network of business professionals in the community and like to introduce good, successful people to each other
  - Ask if you can take notes to remind yourself of the advice given. If you expect to provide a summary of the information, tell the client/prospect

that you will send a summary of your notes as a follow-up in email

- Ask for background on the business  
When was it started?
- Who were the founders?
- Where do they have operations?
- Why are they successful?
- What did they see as the opportunity?
- How do they develop new offerings?
- How do they grow their operations?  
What are their service offerings?
- How do they find clients – what have they found effective?
- Who has been most helpful to their business?
- When do they discover issues?
- Where do they find good team members?
- Why do issues occur?
- What would be most helpful to their business? (This is where you'll learn of the needs and opportunities!)
- Name the most important thing you have learned about running this business
- What is one thing you would fix if you could?
- What is the best business tip you have ever learned?
- Thank them for their time
- Name one to three items you learned in the conversation
- Leave a business card (people tend not to do this now, so it sticks out more)
- Leave a one-page description of your firm's services (have this in a PDF, too, so it can be emailed as needed)
- Identify the follow-up steps you committed to do during the conversation
- Thank them personally

- Tell them you will follow-up with an email
- **Debrief:** when you return to the office (typically less than 30 minutes)
  - Do the clerical work
  - Summarize your notes
  - Get the thank you email out
  - A short email saying thank you the same day is best
  - If you need more time to prepare a summary of your next steps/notes simply say that in the initial thank you email and then send your follow-up email within the week, no later than Friday, since many business owners/managers catch up over the weekend
  - Send any requested content and make any introductions that you committed during the meeting
- Calendar the follow-up items
- Extract the key ideas learned, put these in a planning document
- Extract key contact information, put these in your CRM
  - Usually, you'll see opportunities within two to three discovery meetings, and you should have plenty of ideas within six to ten appointments. Don't stop using the technique! You now have a business development prospecting technique that you can teach everyone in the firm. Benefits will include:
    - New opportunities from businesses you wouldn't normally find
    - Deeper relationships with your referral network
    - Expanded expertise in a niche as well as greater recognition within your community
    - Leadership opportunities in your firm
    - And many more

## 2. FUTURES WHEEL BY JEROME GLENN

- **Step 1: Identify the Change** - Write the change (service) that you need to consider in the center of a piece of paper or on a flipchart. This could be an event, trend, problem, or possible solution. You can use a technology tool like WriteMapper but the technology is not required to be successful.

■ **Step 2: Identify Direct, First-Order Consequences** - Brainstorm possible direct consequences of that change. Write each consequence in a circle and connect it from the central idea with an arrow. These are "first-order" consequences.

■ **Step 3: Identify Indirect, Second-Order Consequences** - You now need to brainstorm all the possible "second-order" consequences of each of the first-order (direct) consequences that you wrote down in Step 2 and add them to your diagram in the same way. Repeat this by identifying the third-order consequences, fourth-order consequences, and so on. You'll find your most interesting opportunities and solutions in the third and fourth order consequences.

■ **Step 4: Analyze Implications** - Once you've completed all the levels of the Futures Wheel, you'll have a clear picture of the possible direct and indirect consequences resulting from the change. List these.

■ **Step 5: Identify Actions** - Where the possible consequences that you've identified are negative, think about how you'll manage them. Where consequences are positive, think about what you'll do to take full advantage of them.

We have discussed other mapping and discovery techniques in prior columns as well as the two techniques for developing the service offerings. The outcome of any of these techniques should be one or more service offerings.

Yes, you can use traditional sources of ideas: your peers, your association, and conferences, but by the time presentations are being made, the ideas may be several years old. You might be thinking that letting someone else work out all the details and kinks of an idea is a wonderfully risk-averse approach.

Further, this will prove that the idea works, and you can have them provide tips and ideas on what works

and what doesn't. Consider the Chinese proverb: Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime. You can be happy receiving fish, but your firm will never be hungry if most people in the firm know how to fish.

It is best to manage your actions in a system. This can be handled in some practice management solutions: CCH Axxess Practice, APS, STAR, Practice Engine, TPS, Office Tools and similar products. More likely you'll need to manage this in some sort of CRM: Zoho CRM, Results CRM, Salesforce, Levitate, Sage CRM, Highrise, Junxure, Infusionsoft, SugarCRM and HubSpot would be common choices for CPA firms. You can do the entire development process with no technology automation, but when you start making appointments and building your referral list, a simple CRM like Zoho CRM (for one to three users, it is free!) or Levitate will serve this process much better.

### THAT'S IT?

Yes, that's it. The techniques are simple, effective ways to generate new service offerings. We recommend that you specify the various attributes of your new offering, determine pricing that you believe is fair, and put the offering into a draft format that is like descriptions used for other offerings in your firm. If you have used the discovery appointment approach, contact one or more of your past appointments, ask for 15 minutes to get feedback on an idea, present the service offering and ask for the feedback on how to improve the idea. Don't try to close the service offering at the time unless the client/prospect insists.

If you used the Futures Wheel or some other approach discussed in prior columns, consider which clients in your existing base are candidates for the service. Set an appointment to present the service to ask for feedback.

You may not want to put your very best client at risk, but a good, cooperative client can be a great help. If the client wants to participate in the offering, ask if they will provide feedback as an early adopter. You'll want to have four to six early adopters before you promote the service widely. We recommend some adopters from your client base, and some new prospective clients to get feedback.

You'll discover that clients who trust your firm give different feedback than non-clients who are new to you and your firm. Set up standard processes to deliver the offering effectively. Add these processes to your workflow system. If you don't have a workflow system, you can consider products like XCM, CCH Axxess Workstream or Doc-It to control the business processes. We have written about process mapping and workflow in prior columns.

Finally, revise your offering, set your pricing policy, and promote to both your client base and to outside prospects using your normal marketing methods. What you'll discover is that you have found a technique to build market leading, highly profitable services that few or no competitors are offering.

It is likely that other firms will have to figure out how you are growing your client base so effectively, and why you don't seem to be working as hard and making more profits. You can smile and remain quiet or you can become the "expert" teaching others in your associations or peer group how you discovered that next big thing that became a profession leading offering. You can do this! ■

# Sales Tax Changes Businesses Need to Know for 2019

By Gail Cole

2018 WAS AN exciting year for sales tax. 2019 promises to be the same.

Sales tax wonks will remember 2018 as the year the Supreme Court of the United States overruled the physical presence rule that for decades kept states from taxing remote sales. The court's decision in *South Dakota v. Wayfair, Inc.* (June 21, 2018) allows states to require a remote seller with "economic and virtual contacts" in the state (economic nexus) to collect and remit sales tax, even if it has no physical presence in the state.

This is huge, and it will take months if not years for the full ramifications of the decision to play out.

## FALLOUT FROM WAYFAIR

As of the end of 2018, more than 30 states and Washington, D.C. have adopted economic nexus policies, including two giants, California and Texas. Fallout from the Wayfair decision is sure to continue in 2019.

Several states have already filed economic nexus legislation for consideration in 2019, including Arkansas, Missouri, and Virginia. Meanwhile, sales tax simplification measures are

under consideration in Texas because the Lone Star State has more than 1,500 local taxing jurisdictions.

Although the Wayfair case was triggered by an economic nexus law, the decision doesn't prevent states from pursuing remote sales tax revenue via different routes; all it does is put an end to the physical presence rule. Thus, states could pursue a variety of remote seller sales tax laws in 2019, including affiliate nexus, click-through nexus, or cookie or software nexus.

Furthermore, more states will likely require marketplace facilitators to collect and remit sales tax on behalf of their third-party sellers. What will this mean for businesses that sell through multiple channels? There's a good chance we'll find out in 2019.

## AN ACT OF CONGRESS?

Will the rapid growth of economic nexus and other remote seller sales tax laws inspire Congress to take up the issue? Perhaps. It could never agree to expand state tax authority to remote

sales, but it might come together to limit it. A handful of bills seeking to do just that have already been introduced.

There's more to sales tax than remote sales

States' newfound freedom to tax remote sales isn't the only sales tax news making headlines. Expect to see the following in 2019:

- **More states apply economic nexus to other taxes.** Texas is already looking at how economic nexus affects franchise tax. Expect other states to move in that direction.
- **More taxes on streaming services.** As more people stream their entertainment, more states will look to tax those services.
- **More taxes on sins.** Some states will change the way they tax products like alcohol and tobacco; others could start to tax newly legal products such as marijuana.
- **More product taxability changes.** In 2019, more states may exempt certain products like tampons because they're essential. Others may subject products like soda to a higher rate because they pose a health risk. And some states may exempt newish products and services simply because they've never been taxed before.
- **Rate changes:** There are sure to be many.

There are many uncertainties in life, and with sales tax. But one thing is certain: 2019 will bring many sales tax changes. Attend our 2019 Sales Tax Changes webinar on January 15 to learn more. ■

*Gail Cole is a guest blogger for Percipient on behalf of Avalara. She began researching and writing about sales tax in 2012.*



# What Does It Mean to **Register for Sales Tax Collection?**

By Shane Ratigan

**NEW SALES TAX obligations for many companies and organizations are revealing themselves post-Wayfair. When a company or organization (“seller”) determines it is in its best interest to begin complying with a state’s sales tax rules, tax experts and novices tend to employ shorthand to describe what comes next: it’s time to get “registered for sales tax.”**

When a seller registers for sales tax in a state or locality, the company is obtaining permission to collect sales taxes on sales it makes in the state or locality. After all, collecting sales taxes prior to obtaining a sales tax permit via registration can result in potential civil or criminal sanctions. On the other hand, once a seller obtains a sales tax permit, it has revealed itself to tax authorities and is obligated to comply with that state’s sales tax rules.

In many states, a seller cannot register for a sales tax permit until it registers as a business entity. In addition to involving revenue authorities, this step can involve state agencies – the secretary of state or a business division, for example. It can also invoke obligations unrelated to sales tax collection, such as the identification of a place of service within the state. It may even require entity formation information.

Given this scenario, what do you need to know to help guide your clients?

**Information.** Be prepared for fairly predictable information requests that will likely include the legal business name, business address, federal EIN, state business license number, entity type and ownership information. Keep in mind that the statements and facts submitted in an application are subject to criminal or civil liability for perjury if those statements or facts are false or misleading.

**Declarations.** Sales tax permit registration applications often require the signor to declare certain facts regarding a seller’s operations. For example, information on estimated in-state sales volumes helps a state set a seller’s initial filing frequency and may provide the state some basis on which to predict future reported sales volumes.

One common required declaration requests

the date on which a business began operations in a given state. Usually posed in terms such as “the date your company started doing business in our state,” these questions relate to the moment a seller triggered nexus for sales tax purposes. Recall that in the sales tax world, nexus is the connection between a state and a seller that allows the state to legally compel the seller to comply with its sales tax rules to calculate and collect taxes, or maintain proper exemption documentation.

Before Wayfair, a seller’s physical presence in a given state triggered a seller’s obligation to comply with the sales tax rules. Today, a physical presence still triggers nexus post-Wayfair, but so does meeting a minimum volume of sales in a growing number of states. When a state sales tax permit application asks when a seller began doing business in a state, the question might be more appropriately phrased as “when did your company first trigger sales tax nexus in our state?”

Suffice it to say that this is a very important piece of data that can lead to very serious consequences if it is stated inaccurately! Fallout includes sanctions for misstatements, or serious consequences if it is stated accurately but falls some time in the past. For example, a registered seller can no longer take advantage of voluntary disclosure agreements that limit a seller’s past obligations.

**Local Registration.** For sales tax purposes, a few states allow local jurisdictions to administer their own sales tax regime. In Colorado, Alabama, Louisiana and a few locations in Arizona, many local governments require separate permit registrations for each locality, as well as separate reporting forms from the state versions.

**Streamlined Sales Tax Project.** The Stream-

lined Sales Tax Project (SSTP) is a voluntary organization of several state revenue authorities. One important function provided by the SSTP is a central registration portal for 23 member states. The one-stop method can be a real time-saver, but note that the SSTP registration process simultaneously registers a seller in all of the SSTP states. The SSTP registration process will not re-register a seller in states it is already registered for, but a seller cannot pick and choose whether to register in SSTP states where it is not currently registered.

## TAKEAWAY FOR SELLERS

“Register for sales tax.” This simple sounding step should not be taken lightly or without some forethought. The act of registering for sales tax collection and reporting obligates a registrant to comply with sales tax rules in a given state or locality, indefinitely.

Identifying your business or your client’s business via a sales tax permit registration is a critically important moment that incurs serious obligations, risks and lost opportunities for mitigating past period exposure. On the other hand, a sales tax registration is obviously required before compliance can occur. In addition, a registration can provide protections for registrants in limiting look-back periods for future audits and the ability to issue exemption documentation for exempt purchases.

You and your clients should carefully assess the desire, need and proper approach in registering for permission to collect and remit sales taxes. Consider talking with someone who has sales tax experience before sealing that envelope or hitting “send” on a registration document. A sales tax permit registration is one arrow that is almost impossible to put back in the quiver. ■

*Shane Ratigan, JD, LLM (Tax) is senior tax manager, State and Local Tax, with Clark Nuber in Bellevue, Wash. Contact him at [sratigan@clarknuber.com](mailto:sratigan@clarknuber.com).*

## Containing Expenses...There is a Better Way!

IN AN EFFORT to keep things both fresh and informative for our readers, we're exploring new ways to complete our reviews. As you know, for years, we have provided our readers with software reviews for a variety of products, looking at the features and functionality found in these products in order to help guide your efforts when you were ready to purchase or upgrade your current technology solution.

But like anything, people's needs change over time, so we are also changing; exploring new ways to make our product reviews as useful and informative as possible. While we continue to perfect this process, and plan to roll it out soon, we are also excited to present our first product review of 2019. The Expense Management products included in this review are as follows:

- Certify
- Chrome River
- ExpensAble
- Expensify
- Rydoo
- SAP Concur

- SpringAhead
- SutiExpense
- Tallie
- Zoho Expense

We looked a variety of features and functionality in each of the products reviewed and include pricing details when available. Many of the products offer a demo that can be easily downloaded to try out prior to purchasing, which is one of the best ways to determine if a particular program fits your needs.

As for expense management, it's always been important, but today, with travel and entertainment budgets reaching epic proportions,

many businesses, large and small, are beginning to look for ways to maintain employee productivity while also containing expenses. We all remember the traditional way of handling expense management, which often found both staff and managers bogged down with the elusive details, while staff accountants were buried under a pile of reports at month end as employees waited weeks for their reimbursements. If only there was a better way...

The good news is that there is a better way, even though only a fraction of small and mid-sized businesses currently utilize it. The solution: expense management software applications.

Expense management systems can streamline the entire expense report process, offering easy receipt capture, automatic report creation and routing to the correct approver(s), and reimbursements paid in days, not weeks.

If you were to ask staff members what their biggest pet peeve is when traveling, it would likely be keeping track of their receipts. Not surprising,

that's also the biggest pet peeve for employers as well. Many an expense report has been delayed for weeks as the accounting department waits for an employee to hunt down a missing receipt. Other issues often experienced when using manual systems are the time-consuming audits of submitted reports, as managers and accountants both sift through page upon page of data to determine if company rules have been followed, or if expenses submitted are authorized, or even real.

Yes, there is a better way, and the products included in this review prove that. If you're tired of piles of receipts and cumbersome spreadsheets, consider making the leap to expense management software. Our Expense Management reviews will help guide you through the process. ■

*Mary Girsch-Bock is a freelance writer specializing in business and technology issues and is the author of her first book, several HR handbooks, training manuals, and other in-house publications. She can be reached at [mary.girschbock@cpapracticadvisor.com](mailto:mary.girschbock@cpapracticadvisor.com)*

|                             | ONLINE/MOBILE ACCESSIBILITY | RECEIPT CAPTURING & UPLOADING | MULTIPLE PRODUCT ACCESS LEVELS | MULTI-CURRENCY | TRACKS MILEAGE & TIME | TRAVEL MANAGEMENT | AUTOMATED CREDIT CARD FEED | MULTI-LEVEL APPROVAL PROCESS | AUTO-REIMBURSEMENT | SPENDING CONTROLS | AUTOMATED EXPENSE REPORT CREATION | USAGE REPORTING | INTEGRATION WITH OTHER APPLICATIONS | GOOD HELP & SUPPORT OPTIONS | FREE TRIAL |
|-----------------------------|-----------------------------|-------------------------------|--------------------------------|----------------|-----------------------|-------------------|----------------------------|------------------------------|--------------------|-------------------|-----------------------------------|-----------------|-------------------------------------|-----------------------------|------------|
| CERTIFY                     | X                           | X                             | X                              | X              | X                     | X                 | X                          | X                            | X                  | X                 | X                                 | X               | X                                   | X                           | X          |
| CHROME RIVER                | X                           | X                             | X                              | X              | X                     | X                 | X                          | X                            | X                  | X                 | X                                 | X               | X                                   | X                           | X          |
| EXPENSABLE                  | X                           | X                             | X                              | X              | X                     | X                 | X                          | X                            | X                  | X                 | X                                 | X               | X                                   | X                           | X          |
| EXPENSIFY                   | X                           | X                             | X                              | X              | X                     | X                 | X                          | X                            | X                  | X                 | X                                 | X               | X                                   | X                           | X          |
| RYDOO (FORMERLY XPENDITURE) | X                           | X                             | X                              | X              | X                     | X                 | X                          | X                            | X                  | X                 | X                                 | X               | X                                   | X                           | X          |
| SAP CONCUR                  | X                           | X                             | X                              | X              | X                     | X                 | X                          | X                            | X                  | X                 | X                                 | X               | X                                   | X                           | X          |
| SPRINGAHEAD                 | X                           |                               | X                              | X              | X                     |                   | X                          | X                            |                    | X                 |                                   | X               | X                                   | X                           |            |
| SUTIEXPENSE                 | X                           | X                             | X                              | X              |                       | X                 | X                          | X                            |                    | X                 | X                                 | X               | X                                   | X                           | X          |
| TALLIE                      | X                           | X                             | X                              | X              | X                     |                   | X                          | X                            |                    | X                 | X                                 | X               | X                                   | X                           | X          |
| ZOHO EXPENSE                | X                           | X                             | X                              | X              | X                     |                   | X                          | X                            |                    | X                 |                                   | X               | X                                   | X                           | X          |

# EXPENSE MANAGEMENT SYSTEMS: REVIEW

## Certify Travel & Expense Management

[www.certify.com](http://www.certify.com)

Certify Travel & Expense Management from Certify is well suited to businesses of any size. Certify is scalable, with three product levels available, and all plans offering seamless integration with both QuickBooks and QuickBooks Online.

Certify currently offers three plans:

Certify Now!, which is designed for 1-25 users, and runs \$8.00 per user, per month; the Professional Plan, which is designed for 25-200 employees and is billed monthly as a service fee; and the Enterprise Plan, which is for businesses with more than 200 employees. Those interested in the product can also download a free trial of Certify Now!

Along with the standard features available in Certify Now!, additional features such as AP feeds, credit card integration, receipt back up and more robust integration options are available in both the Professional and Enterprise plans. Certify also offers a variety of add-on applications that integrate with Certify Travel and Expense, including

★ **5** 2019  
OVERALL  
RATING

Certify Invoice, and Certify ACH Payments, with all add-on applications billed separately.

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441350](http://www.CPAPracticeAdvisor.com/12441350)

## Chrome River EXPENSE

[www.chromeriver.com](http://www.chromeriver.com)

Chrome River EXPENSE is a cloud-based web application designed for businesses of just about any size, though the product will work best in mid-sized to large corporations. Designed to manage both travel and other related expenses, Chrome River also offers additional applications

such as Invoice, Audit, and Analytics applications that integrate with the expense management application.

Chrome River EXPENSE is best suited for mid-sized or larger corporations, particularly those with a global presence. Initial system configuration and implementation is typically completed by Chrome River personnel,

though users can add additional configurations as needed. While system setup can be time-consuming, Chrome River EXPENSE offers just about any feature and function needed, no matter where the expense is incurred. Those interested can request a demo from Chrome River, with pricing available upon request as well.

★ **5** 2019  
OVERALL  
RATING

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441351](http://www.CPAPracticeAdvisor.com/12441351)

## ExpensAble

[www.expensable.com](http://www.expensable.com)

ExpensAble Expense Management is a travel and expense management application well suited for small to mid-sized businesses. ExpensAble is currently offered in two editions: Express, for businesses with less than 20 employees filing an expense report, and Corporate which is for larger

businesses that have more than 20 employees typically filing an expense report.

ExpensAble is a good fit for small to mid-sized businesses. The product offers two versions: an Express edition, designed for smaller businesses, that runs \$5.00 per user per month, and the Corporate edition, which offers more

features and functionality, making it a good solution for larger businesses that have more extensive needs. Those interested in ExpensAble can try the Express edition for free for 45 days, or obtain a pricing quote for the Corporate edition directly from ExpensAble.

★ **4.75** 2019  
OVERALL  
RATING

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441349](http://www.CPAPracticeAdvisor.com/12441349)

## Expensify

[Use.expensify.com](http://Use.expensify.com)

Expensify is a scalable travel and expense management application that is well suited for businesses of just about any size. Expensify is currently available in four editions: Track, Submit, Collect, and Control. Both the Collect and the Control editions offer good integration with third party

applications and all editions offer mobile capability as well.

Expensify is a scalable travel and expense management application that is best suited for very small to mid-sized businesses. Expensify is available in four editions: Track, which is for individuals, Submit, which is for small businesses, Collect, which is

for businesses that need automated receipt collection, and Control, which offers complete expense management capability along with integration with a variety of third-party applications. Both Track and Submit offer a free version, with the standard cost running \$4.99 per month. Collect runs \$5.00 per user per month, and Control is \$9.00

★ **4.75** 2019  
OVERALL  
RATING

per user per month. All versions offer a free trial.

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441342](http://www.CPAPracticeAdvisor.com/12441342)

Read all reviews for EXPENSE MANAGEMENT SYSTEMS online at: [www.CPAPracticeAdvisor.com/12441265](http://www.CPAPracticeAdvisor.com/12441265)

# REVIEW: EXPENSE MANAGEMENT SYSTEMS

## Rydo

[www.rydoo.com](http://www.rydoo.com)

Formerly known as Xpenditure, the product was rebranded as Rydo in May of 2018. Created from three former startup applications: Xpenditure, iAlbatros and Sodexo, Rydo was designed to save time by streamlining travel and expense management for businesses of all sizes.

Rydo offers an easily navigated,

scalable application that is well suited for businesses of any size. Rydo Expense is available in three pricing levels: Team, which is \$7.00 per user per month and includes OCR Scanning, Mileage Tracking, and Approval Flow; Growth, which is \$9.00 per user per month, and offers Team features along with a Controlling Module, Expense Policy Rules; and Per Diems,

and Enterprise, which includes all features from the other versions along with Direct Bank Transactions Fee, ERP Integrations, and API Access, with pricing available on request. Rydo Travel is purchased separately, with the Team version currently being offered at no cost for a limited time. Growth and Enterprise levels are also available, offering advanced configuration and

★ **4.75** 2019  
OVERALL  
RATING

the ability to incorporate company rules, with pricing available upon request.

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441347](http://www.CPAPracticeAdvisor.com/12441347)

## SAP Concur Expense

[www.concur.com](http://www.concur.com)

Concur Expense, from SAP Concur is well suited for businesses of any size, with two versions of the product available; the Standard edition, which works best for smaller businesses, and the Professional edition, which offers more advanced functionality and more extensive integration options.

Some of the latest features found in Concur include the addition of Concur

Budget, which allows managers to better manage and track expenses, and Concur Drive, which allows users to automatically use GPS to track travel distance on their mobile app. Added recently, the Invisible Spend Details report tracks invisible spend at the employee level, using Airfare, Car Rental, Lodging, and Train spend categories. Also new is the Missing Receipt Declaration, which allows users to

attach a missing receipt declaration to any expense report.

Two product versions are currently available, Standard, which is best suited for smaller businesses, and Professional, which offers advanced expense policies, advanced approval workflows, and more integration options. The Standard edition typically runs around \$8.00 per expense report processed, while those interested in the

★ **5** 2019  
OVERALL  
RATING

Professional version can obtain a pricing quote directly from Concur. Those interested can request a free trial from Concur to try out prior to purchasing.

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441339](http://www.CPAPracticeAdvisor.com/12441339)

## SpringAhead Expense Management

[www.springahead.com](http://www.springahead.com)

SpringAhead is a time and expense tracking system that also includes expense report creation. SpringAhead is well-suited for mid-sized businesses, particularly those that need to track time and expenses for employees.

SpringAhead is a web-based application that can be used on multiple platforms. While the application offers solid expense report creation,

its true strength is in time tracking. SpringAhead offers easy navigation, with the user interface resembling an expense report. Unfortunately, the product does not offer the ability to snap a photo of a receipt to upload, but users can scan or fax receipts directly to the application, where they will be stored in the receipt archive to be accessed when creating an expense report. All uploaded receipts are later

matched with the correct accounting transaction using SmartVault, which integrates with SpringAhead. Annotations can be added to each transaction, and users can easily split and itemize transactions as needed.

While the expense report capability is solid, SpringAhead's true focus is on employee/contractor time tracking. For mid-sized businesses that need to track time and expenses, SpringAhead

★ **4.25** 2019  
OVERALL  
RATING

can be a good solution. SpringAhead is currently priced at \$50.00 per month for the first 10 licenses, with each additional license running \$5.00 each.

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441336](http://www.CPAPracticeAdvisor.com/12441336)

**SAVE  
THE  
DATE:  
December  
12, 2019**



# EXPENSE MANAGEMENT SYSTEMS: REVIEW

## SutiExpense

[www.sutisoft.com](http://www.sutisoft.com)

SutiExpense from SutiSoft is an online travel and expense management application that is designed to track corporate travel and related expenses. SutiExpense is well-suited for businesses of all sizes, and the product contains a mobile app that works with smart phones and tablets.

SutiExpense is a scalable application, offering three versions, with

each version offering an increasing amount of functionality. There are a variety of new features available in the latest version of SutiExpense, including the addition of an auditor role, better integration with NetSuite, including the ability to categorize transactions automatically, the ability for employees to choose approvers to route their expense reports to, enhanced QuickBooks integration using Web

Connector, and the ability to restrict employees from adding line item expenses manually in order to reduce the incidence of fraud.

The Professional edition runs \$7.00 per user per month, and offers basic expense functions. The Premium and Enterprise editions offer more in-depth features and functionality, including the ability to integrate travel booking as well as the ability to import corpo-

★ **4.75** 2019  
OVERALL  
RATING

rate credit card transactions. Pricing for both the Premium and Enterprise edition is available upon request from SutiExpense, and a free demo is available for those interested in the product.

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441338](http://www.CPAPracticeAdvisor.com/12441338)

## Tallie Expense Management

[www.tallie.com](http://www.tallie.com)

Tallie is an online expense report software application that is well suited for businesses of all sizes. Tallie is available in two versions and can be used on any platform, including desktop and laptop computers, as well as iOS and Android smartphones and tablets.

Tallie offers a mobile app that allows users to snap a photo of a receipt and upload the receipt directly into the application. The product uses

Optical Character Recognition (OCR) algorithms to easily identify information on the receipts, eliminating the need to enter data manually. For users not using a mobile device, receipts can be emailed to Tallie for processing. Receipts can also be forwarded directly from merchants to Tallie for automatic processing. Once users categorize the first receipts uploaded, Tallie will use the information to automatically assign expense categories for all

future receipts and bank transactions entered, though this information can be reviewed and edited if necessary.

Tallie is a good fit for just about any size business and offers two editions. Business costs \$9.00 per active user per month, with a \$50.00 billing minimum required. The Business edition supports an unlimited number of system users, and includes iOS and Android Apps, direct integration with popular third-party applications, and automatic

★ **5** 2019  
OVERALL  
RATING

credit card feeds. The Enterprise Plan is best suited larger organizations and offers fixed fee pricing billed on a yearly contract, with pricing available from Tallie. A 14-day trial is also offered, with all features available during the trial.

Read the full review  
for this product online at:  
[www.CPAPracticeAdvisor.com/  
12441348](http://www.CPAPracticeAdvisor.com/12441348)

## Zoho Expense

[www.zoho.com](http://www.zoho.com)

Zoho Expense is part of Zoho One, a comprehensive suite of applications that are designed for small to mid-sized businesses. Zoho Expense is part of the Zoho One Finance Suite and is available in two editions: the Free Plan, which is suitable for up to three users, and the Premium plan, which offers more

storage space, making it better suited for mid-sized businesses.

An online application, all Zoho One apps can be used on a variety of devices, with the product offering mobile apps for iOS, Android, and Windows smartphones and tablets. Users can choose to use only Zoho Expense, or utilize multiple Zoho One

apps under a single account.

Zoho Expense's Free Plan is best suited for smaller businesses and includes up to three users and 5GB of storage space. The Premium Plan is available for businesses that have a minimum of 10 users, and runs \$2.50 per user per month. Those interested can sign up for the free plan or try the

★ **4.5** 2019  
OVERALL  
RATING

Premium Plan for a limited time.

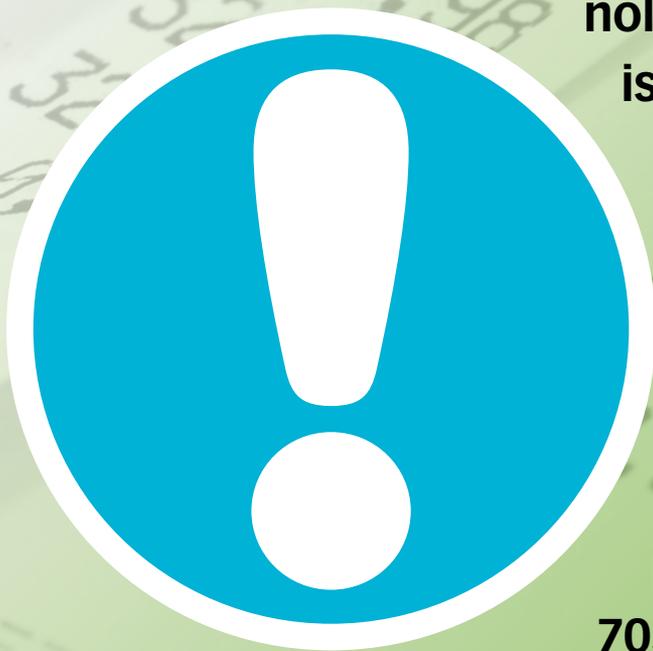
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[www.CPAPracticeAdvisor.com/  
12441343](http://www.CPAPracticeAdvisor.com/12441343)

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# *The Evolution of* **EXPENSE MANAGEMENT**

*By Mary Girsch-Bock*



**EVEN WITH** the latest and greatest technology, travel and expense management is one area that remains ripe for fraud. While most employees would never dream of stealing from their employer, there are those who seem to lose their moral fortitude when completing an expense report. Though slightly reminiscent of employees stealing pens and other office supplies in the 70s and 80s, fraudulent receipts cost companies much more than the occasional missing pen or ream of paper ever did.

In a report completed in April of 2018 ([www.acfe.com/report-to-the-nations/2018](http://www.acfe.com/report-to-the-nations/2018)), the Association of Certified Fraud Examiners reviewed more than 2,500 cases of fraud over a 20-month period that ultimately resulted in company losses totaling more than \$7 billion. The anti-fraud organization further states that travel and expense fraud can account for almost 15 percent of employee fraud in any business. To help stem that loss, an increasing number of businesses are looking to implement cloud-based expense management systems.

**See our reviews of Expense Management systems on page 8.**

Oddly enough, the transition from manual expense management to a smarter system has been neither smooth nor as enthusiastic as one may think. As promising as the future of automated expense management applications may look, it appears that not everyone views these applications as a viable solution for their business. In a survey conducted by Nexonia, a provider of web and mobile expense solutions, more than 46 percent of small and mid-sized businesses still use spreadsheets for recording and managing business and travel expenses, though that number drops to 16 percent for enterprise level businesses.

But fraud can be an issue for any business of any size and should be adequately addressed. And with the availability of numerous expense management applications that vary in size and scope, including price points that can work for even the smallest business, it remains something of a mystery why so many small and mid-sized businesses continue to use a manual expense management system. This is particularly puzzling since both

business owners and employees seem to be on the same page when it comes to expense management applications, with both groups wanting an easier, more efficient way to handle the tedious task of accounting for and reporting travel and other expenses.

Because of current cloud technology, businesses have been able to transition the slow, painful process of filling out an expense report to a matter of snapping a photo of a receipt and uploading that photo to expense management software, where technology will extract data from the receipt and place it into the appropriate category. This same technology will prompt you to complete your report and send it to the authorized approver, thus eliminating pain points often cited by employers such as lost receipts, reports submitted without receipts and late (or no) report submitted. Quicker processing also means a quicker turnaround time on reimbursements, with employees typically being paid in days, not weeks. Yet usage rates in both the small and mid-sized business sector remain slow, making this perhaps the biggest challenge that expense management application providers face today: How to help these businesses overcome their reticence about adopting this new technology.

Slow adoption hasn't slowed down expense management application providers, as they continue to up their game by building on the technology used in today's applications. Features such as Optical Character Recognition (OCR), which offers easy data extraction from scanned or uploaded receipts directly into an expense report will become mainstream, while the ability to expand on business rules will work to further reduce fraud, particularly when paired with travel applications. Automatic alerts for non-compliance will help

to alert management to potential trouble, and a mileage tracker will help keep employees honest when tracking business mileage.

As automated as the expense management process is today, the next ten years will bring even more extended technology to the forefront, including full featured expense management systems available for mobile devices. This will be particularly important as Gen Z enters the workforce; the first generation to grow up alongside smart phones and other smart technology. No longer will mobile apps be a watered-down version of the full program, but will likely offer complete program functionality. Better integration with reservation systems will likely follow, so employees will be able to handle air, hotel, and car rental through their expense management application, making their travel selections using the rules established by the company. Artificial intelligence (AI) will also play a much larger role in expense management systems of the future, working to spot and flag potential fraud while helping to reduce that \$7 billion-dollar fraud number.

Remember, these systems cannot eliminate all fraud, and as technology gets smarter, it's likely that those intending to commit fraud will find another way to do so. But they will work to keep spending in check and keep most employees both organized and honest.

If you're looking for an expense management application for the first time, here are a few of the features and functionality that will benefit you and your business the most:

- **CLOUD-BASED TECHNOLOGY.**

While there are a number of solid expense management applications on the market today that are deployed on a desktop, the trend is really shifting towards cloud-based technology. After all, both employers and employees are looking for a

system that offers immediacy that an on-premise application currently lacks. When you're at the airport having breakfast, would you rather scan and upload your receipts minutes after your order is placed, or would you rather carry the receipt around for the next five days, hoping that it doesn't get misplaced or lost? I think the answer is pretty clear.

- **THE EXPANDED USE OF WORK-PLACE RULES.** This is one of the areas that offers the most potential for changing the expense management system in the next few years. This expansion means that businesses can build and implement their own set of rules regarding allowed employee expenses. This can be as simple as disallowing anything over a specified amount for everything from airline tickets to meals. Implementing these rules will make it much harder to fudge totals on an expense reports, while staff accountants will rejoice as they will no longer need to chase down employees for receipts, nor get approval for excess expenditures.

- **THE ABILITY TO SEE THE BIG PICTURE.** Expense management systems work to simplify the entire expense process, but they do something else as well. They give management an intimate view of spending trends such as who is spending more, who consistently violates policy, or what department always exceeds their travel budget. These trends can be invaluable when determining company rules and enforcement.

You may not want to throw away that receipt yet, but chances are, they will soon take their place along with other relics of the past. ■

*Mary Girsch-Bock is a freelance writer specializing in business and technology issues and is the author of books, several HR handbooks, training manuals, and other in-house publications. She can be reached at [mary.girschbock@cpapractictheadvisor.com](mailto:mary.girschbock@cpapractictheadvisor.com)*

# Charitable Giving

IT'S A NEW year and we're wondering if people are going to approach charitable donations in a new way as a result of the changes in the tax law. Since many will no longer be able to take a charitable donation as an itemized deduction, the mindset of giving might undergo a change toward instant gratification for the actual donation instead of the carrot of a tax benefit in the future. That said, we're kicking off the new year with an Apps We Love column that make donating easy and maybe even fun. We have connected with members of the *CPA Practice Advisor* community who have offered some suggestions, and we have added a few of our own.

"My favorite donation app is **Charity Miles**," said **Cindy Schroeder**, owner of Bright Bookkeeping. "They make donations based on how many miles you walk/run. You can make a difference by working out. It is super encouraging to get up and exercise when you know that it also helps your favorite charity."

**Anne-Lise Dorry**, senior director, corporate finance products at Thomson Reuters, agrees. "I like the Charity Miles app. It allows me to give back just by recording the runs (or walks) I do anyway. You download the app, choose which charity you want to run for, and get moving. You earn money for your charity of choice for each mile you log. It is both motivating and good for the community. It is literally allowing me to go the extra mile for both my health and a cause I care about."

"A friend recently introduced me to the **Be My Eyes** app," said **Karen Abramson**, CEO, Wolters Kluwer Tax and Accounting. "This app connects seeing people with people who cannot see and need immediate help with day to day things, like reading recipes, advising if a tie and shirt match, advising if a manicure was painted the right color. It's a wonderful way to help someone with a quick answer they really need and it takes only a couple of minutes of your time. It's a great example of technology connecting people and making life a little easier!"

**GIVE** was voted the best app last year at the APP Showdown at the QuickBooks Connect conference in San Jose. **Geni Whitehouse**, CPA.CITP, countless of communication at Brotemarkle, Davis & Co., said, "It enables small business employers

to support employee giving in an easy and very impactful way."

**Clayton Oates**, founder and chief solutions officer at QB Business, agrees. "It's an innovative solution that calculates and automates donations to nominated charities. The things I love is that you can establish rules (such as a % of monthly sales) and GIVE will calculate the pledge and flag it for approval based on your calculating criteria."

"I like eating and I like charity, so I was happy to learn that **Grubhub** has a new feature where you can automatically round up your purchase and donate the change to support No Kid Hungry, a national campaign to end childhood hunger in America," said **Blake Oliver**, CPA, accounting technologist at FloQast.

**Elizabeth Pittelkow**, CPA.CITP, CGMA, DTM, controller at Litera Microsystems, recommends **ShareTheMeal**. "You can pick a place of need and donate money for food. It is easy and rewarding to use! The app is funded by a grant from the United Nations World Food Programme (WFP) and donations from businesses and individual philanthropists. Keep giving! It is important!"

Have you noticed that certain grocery stores and other retail merchants and even Amazon give you an opportunity to link your purchases to a charitable cause? You choose the charity and the merchant agrees to donate a small percent of your purchases (**Amazon Smile** donates 5% of eligible purchases) at no additional cost to you. Another way to donate as you make purchases is through the **iGive** app. When you sign up for iGive, you can connect to over 2,000 stores through the app. Choose a charity from



over 28,000 organizations, and a portion of your purchase (it's up to the stores, but on average, the donation is 3%) goes to the charity. If a charity you support isn't among those listed, you can request that it be added. *Consumer Reports* notes that shoppers should do their due diligence to make sure any retailer that supports a charity is offering the best price for the merchandise and not hiking their prices to cover the donations.

Even small donations can make a big difference. **GiveTide** is an app that you link to your bank account. You can make small donations to the charity of your choice by rounding up your transactions to the next dollar.

The **Givers App** offered by **Continue to Give** allows participants to set up recurring gifts and choose from various causes. Charitable organizations can set up fundraising options through Continue to Give. "I love the ability with Continue to Give to create recurring donations to multiple charitable organizations and it allows me to manage my donations via their website or mobile app if I want to change my recurring donation dollar amount or give a one-time donation," said **Caleb Jenkins**, EA, CQP, of RLJ Financial. "I can also search on their website for a charitable organization if I want to give to a new organization."

Another option for organizations trying to set up fundraising for their causes is **CommitChange**. **Kevin Bong**, co-founder and COO of AuditFile, said "They handle the entire donation process for not-for-profits, it's pretty neat!" According to the company website, "CommitChange makes life as easy as possible for fundraising teams because your mission is important, and you need software that gets you to your goals faster." ■



**BRIAN F. TANKERSLEY**  
CPA, CITP, CGMA (@BFTCPA, CPATechBlog.com)  
K2 Enterprises  
brian.tankersley@cpapracticeadvisor.com

## Process Improvement and Working With Clients Digitally

WHILE MOST OF our firms have transitioned away from paper-based records, many of us still struggle to digitize the business processes in our firms. As I write this, we are in the late stages of conducting the 6<sup>th</sup> Annual CPA Firm Operations and Technology Survey, a groundbreaking survey of practitioners which I've worked on since 2013. The results this year show that technology, security, and processes are on the minds of the executives who participated this year, and that includes how your firm interacts with its clients.

When asked to identify the biggest technology challenge these practitioners face managing their practices in the next one to three years, our surveyed practitioners responded with their concerns about security and business processes, as shown in the table below.

report on the work.

If your firm's processes look anything like what you did back when you kept your client documentation on paper, you have some work to do. The way accounting firms use technology in 2019 should be very different from how you did the same things in the

how you interact with your clients, and how you use technology to automate the work process. Some of the tools in use by leading edge firms include the following:

■ **WORKFLOW MANAGEMENT** –

These tools facilitate status tracking, follow up, and communication between the firm and its clients. Leaders in this segment have integrations into scheduling tools, business intelligence applications, and have tools programmers can use to create custom interfaces called "APIs". Some of the more popular solutions in this segment include XCM Workflow, CCH Axxess Workstream, Thomson Reuters FirmFlow, Doc-IT DM, OfficeTools Workspace, Pascal Workflow, and Karbon.

■ **AUTOMATED DOCUMENT GATHERING** –

Apps in this segment will retrieve transactions, statements, and other data automatically from sources online. Examples include Hubdoc, Drake's GruntWorx Gather, SurePrep TaxCaddy, Intuit Link, Receipt Bank Fetch, FileThis Fetch, AccountantsWorld's integration with Entryless, and CCH Axxess My1040Data.

■ **DATA EXTRACTION** –

These tools recognize information in scanned and downloaded documents like receipts, invoices, and statements, and then convert this unstructured data into structured data so it can be analyzed and imported into other

If you're not looking for ways to improve your processes and customer experiences every day, you're sitting still or falling further behind.

applications. Popular tools in this area include Receipt Bank, SurePrep 1040Scan, CCH ProSystem fx Scan, Concur, CCH Audit Accelerator, Expensify, and Zoho Expense.

■ **PORTALS** – These tools provide a digital interface for your clients to use when they are interacting with your people and can track the status of schedules requested to be prepared by your clients ("the PBC lists"). Widely used solutions include Citrix ShareFile, Thomson Reuters NetClient CS, CCH Axxess Portal, Doc.IT Portal, Karbon, and XCM Portal.

If you're not looking for ways to improve your processes and customer experiences every day, you're sitting still or falling further behind. Digital transformation isn't just something for Fortune 500 companies - it's a goal for everyone. I hope you are experimenting with new and inventive ways to automate more and more of the data entry and other busy work in your firm. ■

| RANK    | CHALLENGE  | %     |
|---------|--|-------|
| 1 (tie) | Security   | 21.9% |
| 1 (tie) | Workflow and efficiency  | 21.9% |
| 3       | Getting your clients onboard working with the firm in a more digital way | 16.8% |
| 4       | Creating and implementing an effective technology strategy               | 10.2% |
| 5-12    | Eight other answers (none above 6.7%)                                    | 29.2% |

*Source: Preliminary data from the 6<sup>th</sup> Annual Accounting Firm Operations and Technology Survey*

As I analyze these results, it strikes me as important that over 60% of the respondents selected one of the top three answers (security, workflow and efficiency, and getting your clients onboard working with the firm in a digital way). The top three responses relate directly to the internal operating processes in a firm, which are very difficult to manage and make consistent throughout the organization, and are directly related to how a firm uses technology to standardize, automate, track, and

20<sup>th</sup> century; for client documentation, paper has given way to portals; signatures have gone digital; faxes and memos have mostly given way to encrypted e-mail; workflow tracking systems have replaced paper logs and routing slips; organizers have morphed into portals; and more frequent video meetings have replaced time-consuming face-to-face meetings for many routine interactions.

While you don't have to change every one of your processes now, it's important that you think first about

## 6 Ways Real Estate Pros Can Track and Separate Business and Personal Expenses

By Ben Sutton

AS A REAL estate agent or realtor, it's easy to get your personal and business finances tangled up. Keeping your finances separate will make it easier to find deductions during tax season, grow your business and stay organized.

Here are 6 ways to keep your personal and business finances separate as a real estate agent or realtor:

### 1. SET UP SEPARATE BANK ACCOUNTS.

If you haven't done this yet, it's never too late. Set up a business account then, when tax time comes, you'll only have to review one account for deductions and expenses. It may be hard to differentiate between business and personal purchases made through your personal account. This can be especially difficult months after

the fact. Not only is having separate accounts tax smart, it improves overall organization of your business life.

### 2. GET A BUSINESS CREDIT CARD.

Much like a separate bank account, a business credit card provides records of purchases. If you were to be audited you will have proof of business purchases. You shouldn't maintain a balance on your business credit card. However, if you do, the interest rate is deductible as a business expense. Building up a line of credit for your

real estate business that is separate from your personal credit is an added benefit.

### 3. KEEP METICULOUS TRACK OF SHARED EXPENSES.

If you're working from your car or home office, as many realtors and real estate agents do, you might have an overlap in expenses. For example, you can claim a home office - a portion of your mortgage payment, electric bill, and other utilities - as a tax deduction. You can also claim the business portion of your cell phone bill as a tax deduction. While it might be better financially to have a separate business phone, it's not always feasible for a real estate agent. In instances like

Each month we explore the advantages and intricacies of developing and growing a niche practice. This month we're examining what it takes to serve the niche of real estate professionals.

#### RESOURCES FOR THE REAL ESTATE ACCOUNTANT

- What is a Real Estate Chart of Accounts? <https://bit.ly/2Uw95kO>
- Top Accounting Apps for Real Estate Agents. <https://bit.ly/2Sg8Wog>
- QuickBooks for New Real Estate Brokerages. <https://bit.ly/2CSvRfm>
- How to Report Commission Income. <https://bit.ly/2RtlIKu>
- Top 10 Tax Deductions for Realtors & Real Estate Agents <https://bit.ly/2GaZVXN>

Building Your Niche Practice is sponsored by Intuit QuickBooks.



## 7 Marketing Tips to Attract Real Estate Pros and Brokers

By Becky Livingston

WHEN IT COMES to marketing to real estate agent clients, it can be tough. They are on the move constantly.

Here are some tips you can use to not only draw interest toward your brand, but to also increase leads on a one-on-one basis.

- Speak with large and small real estate office managers and offer free or fee-based seminars to their associates. Address some of their common pain points, such as time management, database maintenance, transaction management, investment and taxes, and more. Consider making rounds with these office managers to offer timely tips once or twice per year.
- Create downloadable content they can use. Then, share it on social media platforms where they hang out. See the example below.
- Podcasts are a great way to reach people who spend a lot of time

traveling or who are away from a computer. In addition to or instead of writing content, consider a podcast series that you update three to four times a month.

- Join a local business group, such as the Chamber of Commerce, Small Business Association, or S.C.O.R.E. Attend networking events and ensure your pitch is real-estate focused. Offer to speak at these associations for free offering timely tips for agents, agency owners, and brokers.
- For social media, focus efforts on specifics versus general posts. For example, on Twitter, create a Real Estate list of influencers and share your content with that list. On Facebook, rather than just using the business page, leverage a group and ask ques-

tions groups members are likely to engage with, such as "As a real estate agent, what home or rental investing questions do you have?" Instagram is a different type of platform that offers only one link to your site; so, connect it to your blog or podcast page. Share posts that represent your firm's culture, history in the industry, tips, and topics associated with real estate, such as foreclosure tips, investing, rental properties, zoning, and more.

- Website preparation is key. Headlines, keywords, image tags, content, and more are the crux of agents finding you online. Seek out an SEO expert to help you get your website in good shape for organic search.
- Online search advertising is also a good way to keep your brand in the forefront when agents or brokers are seeking help. Use keywords in your ads, like "Real estate is a cornerstone

these, keep all bills and receipts and be diligent in tracking these overlapping expenses. Highlight business expenses on your receipts or separate portions of transactions onto two separate debit cards. Keeping track along the way will help you get the most bang for your buck during tax season. You can calculate what percentage of these bills exactly is deductible when you prepare your taxes, but you need a record to go off of.

## 4. UNDERSTAND WHAT IS A BUSINESS EXPENSE AND WHAT ISN'T.

Having separate bank accounts and credit cards for your personal and business expenses makes this step infinitely easier. You may be less tempted to make a business purchase if you have to actually put the item on a business credit card. You may think twice about what qualifies as a “business lunch”

or “business travel” as well. Don’t plan to put a business purchase on your personal card and reimburse yourself later.

Note also that 50% of business related food and beverages are deductible if the expense is not lavish or extravagant and the taxpayer (or employee of the taxpayer) is present.

## 5. SET YOUR SALARY AND STICK TO IT.

If you own your own real estate business and maintain separate business and personal accounts, you’ll probably want to pay yourself a salary or draw to keep things organized. You’ll find it easier to stay on budget if you write yourself a check from your business to your personal account for the same amount each month.

## 6. CONSULT A PROFESSIONAL.

If you have questions about what qualifies as a business expense or what portion of a bill for your home office is tax deductible, contact a professional accountant to help you clarify. An accountant will also be able to help you keep your expenses separate and organized all year long.

Maintaining an organized small business bookkeeping system as a real estate agent can save you a lot of time and money during tax season. Keep your business organized and professional by streamlining this process or hiring a professional to help you out. ■

*Ben Sutton is the owner of Mazuma USA. This article first appeared on [www.mazumausa.com](http://www.mazumausa.com).*



service from [insert your firm’s name].” Spending a little each month on search marketing can go a long way.

**BONUS TIP:** Think local. If you’re sharing information on social media, use a local hashtag that identifies your area, such as #Philly, #Boston, #Denver, etc.

### EXAMPLE – DOWNLOADABLE CONTENT

It’s tough for real estate professionals to focus on the business when they are spending a good portion of their time on the road, speaking with buyers and sellers, reviewing listings, and more. When you’re creating content to share with them, keep that in mind.

Here is a simple content plan

you can use to create one piece of content that may be downloaded, made into a podcast, text messaged, or shared on social media.

First, create a tip sheet that becomes a blog post on your website. Include 3-5 accounting tips that address their needs, such as keeping corporate records, expense automation, deduction receipts, and hardware and software apps they can use.

Second, once the piece is written and posted on your website, also make it into a podcast (or several) easily with your computer—Mac’s Garageband and PC’s Audacity are both free and good quality. Consider a good microphone/headset combination to help reduce background noise. Speak the blog that you just

wrote as conversationally as possible. Once you’re satisfied, post that file (MP3 or 4) on your website. Remember to keep the podcast between 1 – 15 minutes—perfect for short car rides. You can find additional podcast tips on Wiki-How at <http://www.wikihow.com/Start-Your-Own-Podcast>.

Third, share the blog and podcast separately on social media and messaging sites. Social media sites could include Facebook, Instagram, and Twitter. Messaging services provide a one-on-one connection with your leads to share important tips with them. Tools such as Facebook Messenger, Snapchat, and WhatsApp are popular. Remember to use popular hashtags when posting content. See the sample posts below:

**Blog / Podcast Title:** How to Win Buyers and Influence Sales - Real Estate Accounting Tips

**Social Media Post - Twitter:** Do

you want to win buyers + influence sales? Use these 3 #RealEstate #accounting tips!

#### Social Media Post - Facebook:

Real Estate Agents - Do you want to win buyers and influence sales? Here are three accounting tips to help you accomplish your goals. Listen to the podcast today! #RealEstate #Accounting

#### Social Media Post – Instagram:

How to Win Buyers and Influence Sales - Real Estate Accounting Tips #RealEstate #Accounting #RealEstateInvestor #RealEstatePro #RealEstateAgent

With these tips, you are armed with the tools needed to draw in new clients. The hard part is making and executing the plan. What steps will you take to engage with the agents and brokers in your area?

*Becky Livingston is the CEO of Penheel Marketing, [www.penheel.com](http://www.penheel.com).*



**RICHARD D. ALANIZ**

Senior Partner  
Alaniz Schraeder Linker Faris Mayes, L.L.P.  
[ralaniz@alaniz-schraeder.com](mailto:ralaniz@alaniz-schraeder.com)

## Job Descriptions – *An Essential Tool*

IS THERE ANY aspect of the employment relationship that is more mundane than a job description? There was a day when they were commonplace in virtually every employment setting. They were used in the ubiquitous “Help Wanted” ads in the newspaper and in other similar advertisements. For some unknown reason, perhaps the technological revolution, they became less and less prevalent. In some industries today, it is only the unusual employer that has job descriptions in place. However, they are slowly coming to the fore again. Ultimately, mundane or not, they can play a critical role in today’s workplace in a variety of issues.

### THE LAW ON JOB DESCRIPTIONS

There is no federal or state law, rule, or regulation that mandates job descriptions. However, well-written job descriptions that clearly set out the “essential functions” of each job can help avoid or at least help successfully defend some legal claims, as well as contribute to the operational success of the company. They can obviously play a significant role in decisions regarding hiring, promotions, and evaluation of job performance.

### JOB DESCRIPTIONS AND THE AMERICANS WITH DISABILITIES ACT

A well-written job description provides guidance for the interview questions used in the selection of the best candidate for hiring or promotion. The “essential job functions” serve as objective criteria for arriving at a decision. Job descriptions are used to monitor performance after the person is hired. They also provide the basis for determining whether a person with limitations due to a disability can be reasonably accommodated in that position as required under the Americans with Disabilities Act, as amended (ADAAA). A person who cannot perform the “essential functions” and where no reasonable accommodations is available, can be denied employment as an unqualified individual. Similarly, a well-drafted job description can serve to support employer decisions to not promote or to terminate that are challenged as

discriminatory or unfair. Thus, job descriptions can be crucial tools in making decisions from recruiting on and through the many aspects of the employment relationship.

### THE BASICS OF JOB DESCRIPTIONS

The typical job description has four areas of primary focus: 1) A brief description or overview of the job; 2) A listing of job requirements such as experience needed, educational requirements and similar information; 3) A list of the “essential functions” or duties of the position, and 4) Job-related information such as hours, physical requirements and general working conditions, such as hot/cold environment. The essential functions are the job duties – the core elements of the job at issue and by far, the most critical aspect of any job description. These are the specific duties of the position and those that a disabled employee must be able to perform with or without reasonable accommodation. If a person disabled or not, is unable to perform an essential function and no reasonable accommodation is available, they are deemed not qualified for the job.

Often overlooked in listing the essential functions of a job is the ability to work overtime if overtime is regularly or even occasionally needed at that position. Both federal and state courts have ruled that overtime can be an essential function, often pointing to the job description as a basis for so ruling. In addition, some courts

have agreed with employers that regular attendance is also an essential function of the job.

Some job descriptions also include nonessential functions. These are peripheral duties or functions that if removed would not change the fundamental aspects of the job. For example, a peripheral duty or function of a job could be assigned to another employee to perform as a reasonable accommodation without affecting how the essential functions of the job are performed. Similarly, a peripheral function could be completely eliminated without impacting the performance of the job.

### JOB DESCRIPTIONS AND EXEMPTIONS FROM OVERTIME

In addition to the critical role that the essential functions play in hiring, promotions, performance evaluations, as well as under the ADA, they also serve as the gatekeeper for supporting the “white collar” exemptions under the Fair Labor Standards Act (FLSA). Under the FLSA, executive, administrative, professional, and outside sales positions are exempt from the requirement that working beyond 40 hours in a workweek be paid at the overtime rate of time-and-one-half. In addition to the current requisite salary, \$23,660 per year except for outside sales, the specific job duties are the primary bases upon which the exemption is premised. The job description is the first line of defense when exempt status is challenged.

Those challenges frequently question whether persons classified exempt as “executive” or “administrative” are in fact performing non-exempt duties more often than permitted. While still relevant under some state wage and hour laws, the percentage of time spent on “exempt” and “non-exempt” duties is largely irrelevant. As long as the primary duty of a person exempt as “executive” is management of the employer or a recognized sub-division thereof, he/she may perform some non-exempt work.

There is no limit under federal law, but as noted, some state wage and hour laws limit the non-exempt work to no more than 50 percent of the time. In the case of the “administrative” exemption, the primary duties must involve the exercise of independent judgement with respect to business matters of the employer. Some non-exempt work may be performed, but the essential duties must relate to management decisions requiring the exercise of independent judgement. The job description should list a range of the required duties that demonstrate the use of independent judgment to assure that the exemption is supported by the specific job duties.

### CONCLUSION

Taking the time to update your job descriptions, or to create them if you have not already done so, will serve you well in making day-to-day workplace decisions. Equally important, they may be critical in defending a failure to accommodate claim under the ADAAA as well as a challenge to exempt status. ■

# Help Your Clients Make Their Profits Soar With New Features in QBO Projects

By Scott Cytron

INTUIT IS INTRODUCING major new improvements to Projects in QuickBooks Online in order to better serve small businesses. Coming later this month, project-based businesses will be able to see at a glance how their time and labor costs affect their projects' profitability. "In the past, users could create a project, track income and expenses, and run reports inside Projects, but what was missing was the real picture of their job's profitability," said Pawandeep Singh, senior product manager for QuickBooks Online. "Labor and payroll costs are the biggest expenses for many small businesses, but breaking down these costs by project is also really time-consuming and difficult. As a result, owners were flying blind on how their expenditures were affecting a specific job's profitability."

As Singh mentioned, updating these costs inside spreadsheets can be error-prone and tedious. But with the power of the QuickBooks ecosystem behind them, small businesses will have a seamless, integrated experience connecting QuickBooks Online, QuickBooks Payroll and TSheets by QuickBooks. With this integration, accountants can now give their small business clients an end-to-end view of a job's income compared to labor and other costs to ensure their pricing is appropriate and they're maximizing profitability.

Job costing can be a complex process especially when businesses are juggling multiple projects. Intuit is making it simple and easy for businesses to track and see how their projects are doing at any point. While

Projects integrates tightly with payroll and time tracking, Intuit is also aware that not all customers use QuickBooks Payroll and/or TSheets – so if that's the case for your clients, no worries; QuickBooks can still show your job's profitability by giving customers the ability to enter cost rates for their team. Projects generates the job's profitability view by using these cost rates to calculate time costs. Bottom line: they can still track and view their project's profitability in QuickBooks Online.

Often businesses have indirect costs or overhead costs that may go beyond traditional payroll expenses. These can sometimes be big expenditures and if businesses focus only on payroll costs they can end up underestimating the costs toward

their projects. Cost rates within projects can help you capture and report these expenses for your clients.

The key benefits to accountants and their clients include the following:

- **More opportunities to provide advisory services.** You can create another touchpoint with your clients by advising them on how to use the Overview tab in Projects to analyze their information.

- **See where profit is trending and focus on areas that need more attention.** Your clients will know – before it's too late to make changes – whether they are losing or making money on a specific project or job. For example, if a caterer has an event coming up, would there still be profit if the event required one more server? The Project dashboard provides an at-a-glance view without rekeying information or comparing external, manual reports.

- **More detailed reports.** Links on the Project dashboard also provide deep dives into separate reports; you can help your clients produce, review, and use these reports regularly to know on a continuous basis what their profit would be at any given time.

- **Putting an end to spreadsheet madness.** No more populating 200 links with formulas and developing

your own calculations; Project Profitability automates the process and takes the heavy lifting off you and your clients by eliminating mistakes made by rekeying information inside spreadsheets.

Heidi Maghran, senior customer specialist on the team, says Project Profitability frees up Class Tracking in QuickBooks. Many accountants and their clients used Class Tracking to track jobs, but it wasn't as helpful for tracking projects.

"Unlike class tracking for jobs, viewing the profitability and status for any of your projects only takes one click, rather than up to 10 clicks to create a class report. Within payroll, employees are not just tied to one class, and their paychecks can easily be allocated to multiple projects," Maghran said. "Now you can use class tracking to understand broad areas of your business and determine which is most profitable: services, such as remodeling or new construction; various types of projects, like kitchen remodels vs. additions; or business divisions or departments."

These new updates will launch in late February to QuickBooks Online Plus and QuickBooks Online Advanced customers in the United States, the United Kingdom, Australia and Canada. ■

Scott H. Cytron is president of Cytron and Company, a public relations, marketing and communications firm that niches in accounting and finance. He is also editor of Intuit's Firm of the Future and QuickBooks Online blogs. Contact him at [scott@cytronandcompany.com](mailto:scott@cytronandcompany.com).

The ProAdvisor Spotlight is sponsored by Intuit QuickBooks.



| PROJECT / CUSTOMER   | PROFIT MARGIN | TIME  | ACTIONS |
|--|---------------|-------|---------|
| Alex's Wedding<br>Alex Parker                                  | 80.8%         | 18:00 | Options |
| Anniversary at Sals<br>Alex Parker                             | 41.8%         | 20:30 | Options |
| Corporate Catering<br>The Office                               | -200%         | 16:30 | Options |
| Sweet 16 Celebration<br>Caiti Carter                           | 34.3%         | 16:45 | Options |
| Wedding Anniversary Catering Run<br>International Market Store | 40%           | 18:00 | Options |



**PAUL McDONALD**

Senior Executive Director  
Robert Half

paul.mcdonald@cpapracticeadvisor.com

## Stop Wasting Time: *Do's and Don'ts of Effective Meetings*

MEETINGS ARE AN unavoidable yet fundamental part of life for businesses of all types, including accounting firms. In fact, they probably take up about a quarter of your workday, suggests a recent Accountemps survey.

Some meetings are useful, allowing employees to communicate, collaborate and solve business problems. But professionals know all too well that not all of them are productive. The finance leaders surveyed said 21 percent of time spent at meetings is wasted. Of the workers responding to the study, even more thought of them as a waste of time — 25 percent.

### WHY INEFFECTIVE MEETINGS ARE A PROBLEM

There are two main problems with poorly run meetings. One is what the survey pointed to: a waste of time. And time is money. Considering that, on average, workers spend 21 percent of their time in meetings and 25 percent of that is wasted, you're looking at about

two nonproductive hours per week. That's more than 100 hours a year per person.

When you multiply that by the number of employees in your firm and their salaries, the dollars quickly add up. Imagine the possibilities if staff could dedicate even a fraction of that time to revenue-generating activities.

The second problem could be even worse: Workers don't respect executives who run ineffective meetings. They think, "If my supervisor can't take charge in this area, they're likely weak in other aspects of firm management as well." When leaders run a tight ship but do so with empathy and generosity, however, they improve their standing among staff.

### TIPS FOR MORE EFFECTIVE MEETINGS

Ready to waste less time and get more done? Follow these do's and don'ts:

- **DO ask for advance preparation.** Send out the agenda ahead of time to give employees a chance to gather materials they need and points they want to make. Every meeting should have at least one clear goal, and this should be stated on the agenda or invitation. Every participant needs to understand why they've been asked to attend.
- **DO make sure the meeting is necessary.** Ask yourself two questions before issuing a meeting invitation: 1) Can the information be covered just as well in an email? 2) Can you wait to discuss the issue during another meeting with the same attendees? If the answer to either question is "yes," don't send the invite.
- **DO trim the attendees list.** Less is more when it comes to meetings. Unless you're planning an all-department or all-firm gathering, limit the participants to those who will benefit from and add value to the discussion.
- **DON'T tolerate latecomers.** They work at every organization — people who perpetually show up or dial in late to meetings. Keep the focus, though, on those who have joined on time and begin the discussion when planned. This shows you respect your team's time, don't play favorites and start your meetings on schedule.
- **DON'T get derailed.** While it's fine

to start with chitchat, discourage people from going off-topic once the meeting is underway. If a new topic is important, add it to the end of the agenda and discuss it if there's time. If not, call a follow-up meeting.

- **DON'T let it run long.** Drawn-out meetings are, at best, less than effective and, at worst, grueling for participants. A good rule of thumb is not to go beyond an hour. If you have many issues to discuss, consider breaking up a session into several shorter ones.
  - **DON'T rely on visuals.** Productive meetings are about dialogue. People want a chance to engage, ask questions and hear other perspectives. When used well, a short presentation can facilitate conversation and spur ideation. A definite no-no is filling the conversation with text-heavy slides that you read from. Remember, it's a meeting, not a lecture.
  - **DO reassess regular, longstanding meetings.** There should be a compelling reason to come together in person or by phone. For recurring meetings that do have value, evaluate whether you could shorten them or hold them less often.
- Meetings are essential in business. But it's undeniable that not all of them are called for or run well. You'll be a more effective manager — and improve employee relations and morale — when you take active steps to make sure each one is necessary, organized and productive. ■





**AMY VETTER, CPA, CITP, CGMA**  
Mindful Technologist &  
Keynote Speaker  
@AmyVetterCPA

## Staying Present During Stressful Times

WITH THE BUSY season upon us, it's easy to get swept up in work and forget to remain present. While I've always been a big proponent of tackling stress with mindfulness, it's easy to lose sight of the moment when to-do lists seem to keep growing, and as future unknowns and past anxieties creep into our thoughts.

Findings like the ones published in JAMA Internal Medicine show that being more mindful can help ease stress, and others suggest that mindfulness could be “associated with changes in gray matter concentration in brain regions involved in learning and memory processes, emotion regulation, self-referential processing and perspective taking.” Since practicing mindfulness could have the potential to literally transform our brains, using it as a way to stay present, even during the most stressful times, is good practice if the negative effects of stress could impact you finishing what you need to accomplish.

To stay present during stressful times, whether it be professionally or personally, I recommend

reframing the way you approach these situations and instead put the situation into a larger context.

Can you imagine a soldier, an airplane pilot, or a firefighter worrying about a future task as they perform the most crucial aspects of their job? Part of how people in these professions deal with the difficulty of their work is by applying focus and remaining present in the moment and by transforming stress into action. Rather than worrying about the past or the future, and creating scenarios that may never happen, to be as clear-headed as possible, it's important to bring your concentration back to the present moment.

Perhaps a more relatable example is that slightly overwhelmed feeling you get when you look at a jigsaw puzzle or even the crossword in the Sunday paper. Do you look at the pile of pieces or the blank boxes and begin to panic, or do you begin working on one section, little by little, until you either get stumped and move to the next section or solve it?

### ONE PIECE AT A TIME

When you apply this idea to stress, think about all that you have to accomplish in the coming days or weeks as an unfinished puzzle. Choose a section to begin working on — whichever comes first, easiest, or most naturally — and apply focus there.

You may have heard of “flow,” or the focused creative state that we experience when absorbed in a task or activity when we are not distracted. While in a flow, we experience the world more deeply, yet time passes quickly as you apply your focus to the present moment and the task at hand.

When you're working through particularly stressful times, why focus on the empty parts of the puzzle (i.e. everything else you need to accomplish) or fret about the parts you've already completed (all of your finished work)? Even when there is a lot going on, the importance to stay present much outweighs your ability to finish every single item on your list. You don't have to become so wrapped up and concerned with the bigger picture that you fail to stay laser-focused on the present.

Being present means focusing intently on what's in front of you — that tiny section of the puzzle, whether it be a short conversation with a colleague, finishing the first half of an upcoming presentation, or even something as simple as preparing a healthy breakfast.

### PRESENCE IN PRACTICE

Ready to try it out for yourself? Here are a few tricks I use to ensure I can stay present when the pressure is on. Work might be getting crazy this time of year, but that doesn't mean your mental and physical wellbeing

need to suffer.

- Focus on one thing at a time - Our brains are not wired to multi-task. Pick a section of your puzzle and get to work.
- When you notice you get distracted, in your thinking mind, practice taking your attention to your breath. Notice your inhales and exhales. Even if it is just for 5 seconds, you will feel a difference in your central nervous system.
- Cut out unnecessary distractions - It's the digital age, but you don't have to be connected at all times. Whenever possible, find a quiet space. Turn on "do not disturb" on your phone and computer when you don't want to be distracted by notifications and alerts.
- Work in increments. Your brain can stay focused on an activity for 52 minutes. So build in breaks, typically at least 17 minutes, so you can refresh and energize and be able to come back to your work and focus. You may get more done in fewer hours when you give your brain a break!
- Find time for fun in your day and collaboration with your co-workers, rather than being isolated. Take a walk for your meetings rather than stay in the office, or go out for a coffee. Take a break and listen to music, read a book, or close your eyes and turn on a guided meditation at your desk. ■



## Job Hopping Millennials

ONE OF THE biggest stereotypes for members of the millennial generation is that they are constant job hoppers, quickly hopping from one job to another and not committing to lifetime careers like prior generations. Gone are the days of accountants working 30 plus years for one firm, company or organization. For millennials in the accounting profession, that stereotype holds true. Millennials have worked for significantly more firms by the age of 40, than the generations that came before them combined. However, we can take solace in one fact this time of year. No one is switching jobs before the dust settles! At least you have one positive this time of the year.

While they are not getting a new job currently, research on job search history by AccountingFly, sheds some interesting light on what really happens inside the minds of these millennials this time of the year. From February 1st to April 15th, google searches for new jobs by millennials is at an annual high. They aren't going to make an immediate move, but they are actively looking. Now is the time when they feel the most pain and are compelled to start their search for a new job, firm, or career.

What this translates to, is that while these millennials may tend to switch firms in the fall, the start to this job hopping is actually occurring right now. If you want to change the trend and retain this illusive generation, it isn't about what you do in the fall, the difference starts right now. Before we dive into the three ways to break this trend and retain these millennials, let's first understand why they are so much more prone to switch jobs than generations before.

### UNDERSTANDING THE MILLENNIAL MIND

Like all generations, millennials are strongly influenced by those who came before them. Millennials as they grew up, watched first hand as their parents and grandparents went

to work day after day to jobs and careers that they did not enjoy. They watched as their parents came home unhappy day after day, week after week, year after year. They saw this pattern and as a result, millennials developed a strong desire, and dare I say need, to enjoy what they do in their careers.

This desire for enjoyment at work was magnified by the higher standard of living we are currently experiencing. In today's climate, we see an increase in job opportunities, career paths, and work situations. Remote work options are on the rise across the U.S. with no signs of slowing down, and new industries are arising from increased innovation. As a result, millennials need for fulfillment at their jobs is magnified by these increased opportunities. As a result, the deck is stacked against current organizations when it comes to retaining millennials, but while the deck may be stacked, we can buck this trend.

### BUCK THE TREND

You may be wondering at this point, what you can do this time of year to change their mind. Isn't this the busiest and most stressful time of the year that has always and will always drive people away? This may be our busiest time of the year, but it doesn't have to be our most miser-

able and, no, the solution is not going to be more happy hours. Use this time of the year to engage your millennials and get them hooked into the future of the firm by following these three steps.

Challenge them to come up with solutions to the problems they are currently facing. Let your millennials know that they are a part of the organization and are a part of the solution. Encourage them to dive into the root causes for the additional issues you are facing. Set up an environment where they are encouraged to identify problems and not just complain about them, but find solutions to them. It is okay to remind them that due to the high hours already worked this time of the year the organization cannot make fixes immediately, but use the time now to capture the issue and possible solutions. This small pivot can help millennials focus not on the negatively and the problem, but instead focus on what they can do to make the organization better.

Step number two takes place once your busy season ends, and you cannot say your busy season never ends. For most public accounting firms, this means early May. Have your millennials get together as a team and review all the problems and the solutions they created, then prioritize and refine them. Challenge



**GARRETT WAGNER, CPA**  
CEO/Founder, C3 Evolution Group  
garrett.wagner@cpapracticeadvisor.com

them to really think through each problem and solution. This will be outstanding practice for them to think outside the box and past their technical skills. The second half of step two is the hardest for any organization to accomplish. You must now act on these solutions which are presented. If a solution doesn't make sense, you need to explain it to the team of millennials, and challenge them to come up with another solution based on those objections.

For the great ideas, take action. Stop waiting and putting them off, these issues and problems are holding back your organization.

The final step is actually the easiest and most fun of all. When you make steps to fix a problem, drive change, and engage your millennials, celebrate it. Don't be afraid to celebrate your wins, both large and small. Not only can this make the workplace more enjoyable, but it helps to establish the organizations' desire and support for driving change, which will resonate with millennials.

If you want to buck the trend of having your millennials leave in the fall, the change starts right now. Follow these three steps to engage the millennial mind, break the cycle before it starts, and retain this job hopping generation. As an added bonus, you are also taking steps to improve your organization, while making your own job and career less stressful and more enjoyable. Isn't that what everyone wants regardless of their generation? ■



**BRIAN SWANSON**  
Chief SEO Strategist  
FlashPoint Marketing  
[www.flashpointmarketing.biz](http://www.flashpointmarketing.biz)  
Twitter: @bswan775

## Tips for Selecting the Right SEO Provider for Your Accounting Firm

TAKING THE FIRST steps into the world of search engine optimization (SEO) can be intimidating. If you have spent any time researching the topic online then you have likely seen the sheer number of articles, blog and videos giving advice on keyword selection, Google ads and content development. Much like the world of tax and accounting there is a rich lexicon of terms and concepts that are seemingly a foreign language to those outside the industry.

While it may seem overwhelming the good news is there are SEO providers and consultants who can guide your efforts and help achieve results (new business opportunities being the most common) with your website and other digital assets. When assessing the marketplace, it's important to know which questions to ask to help evaluate your options. Below is a list of considerations to make prior to starting the evaluation process. This will ensure you are in the best position possible when planning your program.

### ORGANIC VS. PAID SEARCH

Before giving tips on how to evaluate providers it's important to understand the difference between organic SEO and pay per click (PPC) advertising. It's easy to confuse them and they are not the same. As the name implies, PPC is a tactic used where an ad is purchased in Google and payment is made for each click received. When you pay your ad appears, but when you stop paying the ad disappears. This allows for quick results, but the long-term staying power is limited. Organic SEO is the exact opposite.

There is no payment so in one sense it's free. However, it takes time to earn Google's trust and move up in the rankings for targeted keyword terms. Both approaches have their place and can be effective. So be sure that you understand the difference and which service candidate providers are offering.

### KEY CONSIDERATIONS

Now that you know the difference between the most common tactics, below is a list of key considerations to make during the evaluation process, including:

- **EXPERIENCE** – It's often said that experience is the best teacher, and, in my opinion, this is accurate. As a result, it's important to work with a provider that has experience with CPA, accounting and book-keeping firms. While it's true the core concepts of SEO apply to all businesses, regardless of focus, there are efficiencies that can be realized by working with a vendor that has accounting experience. As an example, you will not have to explain the difference between an audit and a peer review and the differences in target audience. In other words, working with an experienced provider will prevent you from having to invest time educating them on the industry and key accounting concepts. It's better to work with someone that understands the business challenges unique to the industry.
- **FLEXIBILITY** – There are many

companies that will require you to adhere to their process and don't offer a lot of flexibility. While there are important steps that will make your efforts in SEO more successful, it's important that a program has flexibility in it to be adapted to your needs. More specifically, it's unrealistic to believe that any CPA or accountant is going to have a lot of time during tax season to focus on content development or program management. Be sure your candidates can accommodate these fluctuations and will not make unreasonable demands on your time. The more flexibility they can build into a program the better the relationship will be and more encouraged you (and others in the firm) will feel about participation.

- **REFERENCES** – It's common sense to ask for references but it's surprising to me how often they are simply neglected. The experience with current or past customers is going to provide insight into what the experience will look like for your firm. Be sure to ask about the amount of education offered by the candidate. SEO is a complex world with constantly changing rules (thanks Google) very similar to the changes cascading in state sales and use tax collection (thanks Wayfair v South Dakota). My point is that you are entitled to get an explanation on why a certain recommendation is being made. Unfortunately, these explanations all too often are not forthcoming and it can result in a

state of confusion. Spend time with references and peel back the layers to understand what the relationship will be like. The more information you have the better the decision you will make.

### ONE MORE THOUGHT

Please don't work with a provider that guarantees results. It sounds appealing but the truth is that SEO and Google are changing so often that no one can honestly guarantee any type of results. Of course, they can say we have experienced "X" results with others and expect the same with you. That's one thing. If they assert, they can have you on the first page of Google by tonight and keep you there for 6 months... well that's a dangerous fantasy. Remember that Google does offer certifications and has endorsed agencies, but no one knows how Google ranks sites because that information is proprietary.

### TAKING THE LEAP

It can be intimidating taking your first steps into the world of SEO. However, the more information you have the easier it will be to make decisions and evaluate which candidate offers the best value, flexibility and synergy to work with your firm. Good luck in your search. ■

*Brian Swanson is the Chief SEO Strategist at FlashPoint Marketing, where he helps accounting firms optimize their online strategy. [www.flashpointmarketing.biz](http://www.flashpointmarketing.biz). You can also follow him on twitter @bswan775.*





**ROMAN H. KEPczyk, CPA, CITP**  
 Director of Consulting  
 Xcentric, LLC.  
[roman.kepczyk@cpapracticeadvisor.com](mailto:roman.kepczyk@cpapracticeadvisor.com)

## 2019 CES Top Techs and Innovations (Boots on the Ground at CES)

EACH JANUARY OVER 180,000 electronics enthusiasts converge on Las Vegas for the International Consumer Electronics Show (CES) which is the largest technology event in the world. CES is the launchpad for thousands of new products ranging from home, health, and automotive technologies, to computers and office technology which could one day make their way into accounting firms. With 4,500 vendors spread over 2.5 million square feet of exhibit space it is a daunting task to cover in three days, but we did our best so we could share our top technology and innovation finds to give you a glimpse of the CPA firm products that are available today, as well as those that could be one day in the future.

### TECHNOLOGY UPDATES

Our first pass was to look at products that firms can utilize today, which more often than not were upgrades to reliable products that accountants already rely upon. Laptops: With Dell being the #1 computer brand utilized in accounting firms, we started off with finding updates to the iconic Latitude series. Dell announced their 14" 7400 2-in-1 hybrid (having both laptop and tablet capabilities) which firms are trending towards hybrids the past two years. In addition to

featuring a battery providing up to 24 hours use and Thunderbolt 3 connectivity, this is the first device to incorporate Dell's Express Sign-in which utilizes Intel's latest proximity sensor that knows when you are approaching your laptop and pre-starts the boot up process to get you working faster than ever. For ultimate mobility, we have been long time users of XPS-13 Ultrabooks which finally moved the annoying "nose-cam" video camera from the bottom left corner of the screen to

the top center with a 2.3mm video camera that retains their famous edge to edge display with minimum bezel. This brings us as close as ever to our vision of mobile laptop perfection, but the competition is not far behind. Lenovo's ThinkPad X1 Carbon which has long been a favorite of other respected technology pundits became the world's lightest 14" laptop at 2.5 pounds and even thinner at 14.95mm!

**SCANNERS:** Fujitsu ScanSnaps have long been a staple in the

accountant's arsenal and Fujitsu displayed its latest iX1500 model that increased the scanning speed from 25 scans per minute to 30 scans per minute in either monochrome or color mode. Fujitsu added an integrated touchscreen that can be customized for different users and locations, while concurrently cleaning up the image making it a great solution for small workgroups as well as satellite offices.

### PRODUCTIVITY FURNITURE:

While electronic standing desks have been around for a few years, Cemtrex SmartDesk raised the category to a whole new level as it integrates a high-end PC with the latest i7 Intel processor, 32GB of RAM and three touch displays for 72" of coverage with screens that also react to hand gestures. The desk integrates a keyboard, mouse, phones and even a camera to scan documents laying on the desktop for a truly all-in-one working platform. Another competitor featured at CES ShowStoppers was Humanscale that

has traditionally supplied reinforced display arms to the profession and is now building standing desks with smart capabilities.

**OFFICE HEADSETS:** The Plantronics Voyager UC was one of our favorite discoveries at CES a few years ago, which we continued to use as our primary headset today. This year Plantronics rolled out its updated version, the Voyager 8200 UC model which incorporates over-the-ear soft headphones with active noise-cancelling capabilities and eliminates the microphone boom with dual-paired microphones (which admittedly I have dipped the microphone boom into my coffee cup a few times). The Voyager still has the capability to quickly answer your cell phone or office “soft” phone and for audiophiles, allows users to listen to their favorite music in between, with the added advantage that it also can be utilized as a noise cancelling headset for airplane flights. For accountants looking for a more streamlined noise cancelling neck-band headset; which I was informed was “more suitable for millennials,” we also heard of a preference for the Voyager 6200 model which utilizes ear buds and a yoke that rests around the user’s neck.

## FUTURE TECHS

CES wouldn’t be the same without show-casing some “bleeding edge” technologies. Our second pass is for those over the top products that give us a look into the future and could someday have an impact on the way that accountants will work with clients and their information.

**FOLDABLE SMART PHONE:** The first “bleeding edge” product we had the opportunity to demo was Royole FlexPai; the first commercially available “foldable” smart phone that incorporates a super thin flexible display. This device consists of two smartphones with a shared screen that can open to be a 7.6” tablet or



closed similar to a wallet. While it is a bit clunky (like the Apple Newton or Compaq Luggable) it creates the next category of mobile devices that we may be using one day, and a visit to the booth found that the ultrathin and bendable display could be incorporated into numerous form factors including hats and purses!

**PERSONAL ROBOT:** Robotics and AI were everywhere at CES 2019 with an interesting product called Temi being featured at the PepCom Digital Experience. If you can imagine Amazon’s Echo Show built on an autonomous robot that can navigate around your house and act as your personal assistant, you get the idea. While originally built as a tele-presence assistant for the elderly, the addition of Amazon Alexa’s capabilities has expanded its capabilities immensely and we can see one following a partner around the office in the future and updating the status of projects with voice commands!

**FUTURISTIC MOUSE:** I’ll admit I was an early pioneer of touchpads as I used one with a desktop more than two decade ago and have only used them on laptops since, but one of the CES ShowStopper LaunchIT

presenters, Padrone, demonstrated its variation called Ring, that lets your index finger work the same way, but on any surface, with tap and double tap working similarly. So.... what’s the big deal compared to using the touchpad on my laptop? It also can work with a smartphone, along with a laptop virtually and could be the precursor to accountants working in a virtual or augmented reality environment of the future but is definitely on the bleeding edge today.

**AUGMENTED REALITY:** In a perfect world, accountants would be able to meet with clients anywhere and be able to access information (tax returns, financial KPIs, etc.) privately in their glasses instead of looking at a laptop, tablet or smartphone screen. First generation products such as Google Glass and Microsoft Halo created augmented reality devices that could project information on the user’s glasses, but they were kludgy to work with. The next generation of augmented reality glasses were touted by multiple vendors at CES 2019 including Innovation Award Winner Vuzix Blade. The Blade has a right eye monacle (480x480 resolution) that can display data while you are talking with a client

and move around with hand gestures or head motions and gets my vote for the most bleeding edge technology that I want to happen in the future. While this is still a few years away from being able to intuitively scroll through multiple columns of financial data at a high enough resolution or as efficiently as with an oversized monitor and mouse, it gives us hope that it will be in our future.

Technology and the associated products are evolving faster than ever and the International CES allows a unique opportunity to experience what is actually available today as well as peak into the tools that could someday find their way into our firms. With that, we want to sign off and wish you a wonderful busy season! ■

*Roman H. Kepczyk is the Director of Firm Technology Strategy for Right Networks and consults exclusively with accounting firms throughout North America to implement today’s digital best practices and technologies. In addition to being a CPA, CIFT, he is a Lean Six Sigma Black Belt and incorporates Lean Six Sigma methodologies to help firm’s optimize their production workflows.*

# Top 10 Issues for Employers in 2019

By Isaac M. O'Bannon,  
Managing Editor

WHAT ARE THE biggest issues employers will face in 2019 when it comes to HR, payroll, benefits and taxes? The experts at Paychex, Inc. have identified the top 10 regulatory issues they say businesses need to keep an eye on.

"This new year brings with it a new class of legislators and a set of issues – both new and old – that these legislators will focus on at the federal, state, and local levels," said Martin Mucci, president and CEO of Paychex. "It can be challenging for business owners and HR managers to keep up with the constantly evolving legislative and regulatory landscape. Our annual summary of the year's most important developments is designed to give an overview of the items expected to be most impactful in 2019."

Here are the top 10 regulatory issues for 2019:

## #1 Sexual Harassment Prevention.

The #MeToo movement resulted in an increase in workplace sexual harassment prevention enforcement and legislation across the country in 2018, and is expected to continue in 2019. The Equal Employment Opportunity Commission reported significantly increased activity around sexual discrimination during the past fiscal year, launching 50 percent more sexual harassment lawsuits than the previous year. State and city legislatures, including California, New York State, Delaware, and New York City, responded with the passage of new legislation and regulations including provisions to implement or expand workplace sexual harassment prevention training requirements.

#2 Paid Leave. Currently, more than 40 state and local jurisdictions have implemented paid leave

laws and several more are scheduled to implement leave policies in early 2019. Although paid sick leave laws are more prevalent, paid family leave laws are generally more onerous for employers. Many family leave laws are funded by employee and/or employer contributions and might also require the periodic reporting of several elements including payroll deductions, employee hours worked, and employee wages.

## #3 Federal Support for Retirement Savings.

In August 2018, President Trump issued an executive order directing the Departments of Labor and Treasury to propose regulations that ease the burdens small businesses face in offering retirement savings plans. Some key legislation that was not passed before the end of the year despite bipartisan support, includes:

- Retirement Enhancement and Savings Act (RESA)
- Family Savings Act
- Retirement, Savings and Other Tax Relief Act of 2018
- Taxpayer First Act of 2018

Prospects for successful new legislation, which will include components of prior proposals, are promising, potentially enhanced by Rep. Richard Neal (D-MA) as incoming Chairman of the House Ways & Means Committee, who intends to make retirement legislation a priority.

## #4 Faster Payments and the Gig Economy.

Faster payments, including immediate payments for gig workers, will continue to dominate the payments landscape in 2019. As business owners make decisions on how and when their company will participate in the faster payments arena, fraud prevention should be top of mind to ensure payments are safe

and secure in a 24/7/365 environment.

#5 Privacy/Security. There's news of breach attempts as well as successful breaches almost daily. With cyberattacks being so pervasive, it is important to understand that security and privacy is everyone's responsibility. To help mitigate risk:

- Log out of all browsers when leaving your desk.
- Resist using a Social Security number (SSN) as an identifier.
- Utilize secure email when sending emails containing personally identifiable information (SSN, bank account or credit card numbers, etc.).
- Discard confidential or proprietary information in a secure fashion (such as shredding).

## #6 Form W-4 Changes.

Due to the 2017 tax reform law, extensive changes are required to the Form W-4. But due to the complexity of these changes, the release has been pushed back another year and the 2019 W-4 is similar to the current 2018 version. Many state tax agencies are waiting on the IRS to release the federal W-4 to determine if they will modify their withholding processes based on the federal changes.

## #7 State Healthcare Reform.

Recent changes to federal regulations and guidance which may affect health insurance markets and relate to Association Health Plan (AHPs), Short-term Limited Duration Insurance (STLDI), Health Reimbursement Arrangements (HRAs), and Section 1332 state innovation waivers might lead to changes affecting employers' support of health insurance. These changes, combined with the removal of the federal individual mandate penalty, have encouraged states again to reexamine how they will support their

health insurance markets in response to the new federal rules.

## #8 IRS Enforcement of Employer Shared Responsibility (ESR).

The IRS is continuing its ESR enforcement efforts, sending out 226J letters with the preliminary calculations for ESR payments. Applicable large employers should ensure they complete the returns accurately, as the process of responding to 226J letters and follow-up IRS correspondence is time-consuming and onerous, requiring review of complex data gathered across multiple departments including payroll, human resources, and benefits.

## #9 Impactful Rulemaking from the Department of Labor.

The U.S. Department of Labor's fall 2018 regulatory agenda indicated the Wage and Hour Division expects to release Notices of Proposed Rulemaking on several regulations impactful to employers of all sizes. The proposal to revise the overtime regulations (projected for March 2019) is the most-anticipated event, but the agency is also expected to release proposals to clarify, update, and define regular rate of pay. All of this might spur potential changes at the state level.

## #10 National Labor Relations Board to set Joint Employer Standard through Rulemaking.

Employers utilizing temporary agencies might not have to wait much longer for a final rule from the NLRB to restore its pre-Browning-Ferris, Inc. standard for defining joint employer status under the National Labor Relations Act. The agency released its proposed rulemaking in early 2018. The NLRB has changed its official position on the standard for joint employment three times in the past three years. ■

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# 11 Things to Include in Employee Handbooks *By Mike Kappel*

EVERY BUSINESS SHOULD follow a set of rules and procedures to keep operations running smoothly. As your small business grows, you will need a strong employee handbook to set expectations for employees. Knowing what to include in an employee handbook can help you better enforce your business's rules and policies.

## WHAT SHOULD YOU INCLUDE IN AN EMPLOYEE HANDBOOK?

Creating an employee handbook, or employee manual, allows you to reinforce workplace policies and employee guidelines. Your employee handbook should be simple and straightforward about expectations and employee rules. Outline policies and procedures that are relevant to your employees and business. Tweak your handbook to make it your own. Your employee handbook should specifically represent your business's expectations. Consider covering the following while creating your employee handbook.

**WELCOME SECTION:** Your welcome section should give a brief introduction to your business and set the tone for the handbook. Your introduction may include your business's history, core principles, and mission statement. Although this section is not required, it's a good way to introduce your employee to your company.

**CODE OF CONDUCT:** The code of conduct section is a guideline on how your employees should behave, dress, and represent your business. A code of conduct may include a variety of things such as a code of ethics, dress code, and workplace safety. Spell out what you expect from employees. For example, you may require professional business attire. List your dress code in your code of conduct section to inform employees on what is acceptable to wear to work.

**EMPLOYMENT LAWS:** Include a section on federal, state, and local laws that your business follows. You should cover your equal employment opportunity responsibilities as well as harassment, drug, and alcohol policies.

**EMPLOYEE CLASSIFICATION:** There are two different types of employees: exempt and nonexempt. Your employee handbook should explain the difference between an exempt vs. nonexempt employee. Consider also explaining the difference between full-time vs. part-time employees.

**PAY POLICIES:** Employees will want to know how often they are paid. Clarify how frequently you pay employees (e.g., biweekly) and how many pay periods there are per year. Be sure to mention your pay grade structure and state your overtime policy as well. You may also want to include your payment methods (e.g., check vs. direct deposit) and how employees receive their pay stubs.

**ATTENDANCE:** Including a section about your time and

attendance policy is essential. Employees must know different rules on rest breaks, holidays, and unexcused absences.

**TIME OFF POLICY:** Your time off policy section should go hand in hand with your attendance section. Include a paid time off (PTO) or vacation time policy in your handbook. Discuss how much PTO or vacation time is earned, PTO accrual policies, and how employees can schedule time off. Your time off policy should cover paid and unpaid time off. Include rules about other types of leave like bereavement leave, sick leave, USERRA Military Leave, and FMLA rules.

**BENEFITS POLICY:** Providing benefits can improve engagement and employee retention. List small business employee benefits in your handbook so employees know and understand what benefits are available to them. You might include information about health care, retirement funds, workers' compensation, disability insurance, or employee discounts.

**DISCIPLINE:** You should have rules in place to fairly discipline employees. Outline how you will discipline employees by listing your different tiers of discipline. For example, the first time an employee is late for work, you may give them a warning. However, if an employee is late to work three times in one week, you may give them a strike on their record. Mention what behaviors result in certain disciplinary actions. Include behaviors that lead to termination (e.g., employee theft).

**NEW HIRE AND SEPARATION:** Cover the basic terms on employment in a new hire and separation section. This section tells employees what to expect when they are hired or if they are terminated. Include information like waiting periods for benefits, how much notice you require if an employee quits, and termination procedures.

**ACKNOWLEDGMENT:** You should require employees to sign an acknowledgment to be sure they understand everything in your handbook. After your employee reads the handbook, have them sign the acknowledgment and return it to you. Have two copies of the acknowledgment: one for the employee and one for you. The signed acknowledgment will help you if there is ever a legal dispute. ■

*Mike Kappel is the CEO of Patriot Software. This article first appeared on the Patriot Payroll blog. <https://www.patriotsoftware.com/payroll/training/blog>*

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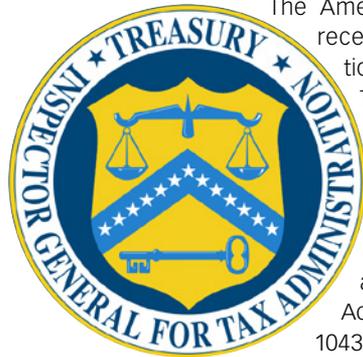
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## AICPA Recommends Treasury and IRS Change GILTI Regulations



The American Institute of CPAs (AICPA) recently submitted recommendations to the U.S. Department of the Treasury and the Internal Revenue Service (IRS) regarding proposed regulations to implement Internal Revenue Code section 951A, commonly referred to as Global Intangible Low Tax Income (GILTI), as enacted by the Tax Cuts and Jobs Act. The proposed regulations (REG-104390-18) would affect U.S. shareholders of controlled foreign corporations (CFCs).

The recommendations focused on carryforward of net tested losses, several proposed anti-abuse provisions and the interaction with the section 245A dividends received deduction.

Specifically, the AICPA recommended that the Treasury Department and the IRS:

- Draft regulations allowing a U.S. shareholder of CFCs with a “net tested loss” in any tax year the ability to carryforward the amount of the net tested loss to offset net CFC income of that U.S. shareholder in future tax years. A “net tested loss” is when the total tested losses exceeds total tested income.
- Modify the pro-rata share anti-abuse rule in Prop. Reg. 1.951-1(e) (6) as follows: Provide for a specific and narrow application of the rule that will apply only in cases where abuse is clearly intended, such as non-economic transactions designed to minimize the tax under this provision.
- Provide an explicit exclusion for transactions conducted with unrelated parties within the meaning of sections 267(b) and 707(b).
- Provide an explicit exclusion for transactions conducted with related parties located in the same country of tax residence as the relevant CFC.
- Provide a small business exception to the provision for U.S. shareholders with worldwide gross receipts under \$25 million as determined under section 448(e).
- Modify the proposed anti-abuse rule for temporarily held property to exclude assets acquired or disposed to/from unrelated parties (within the meaning of sections 267(b) and 707(b)) provided that the taxpayer can reasonably establish that the transaction occurred in the ordinary course of a trade or business.
- Allow a CFC the section 245A dividends received deduction in calculating its subpart F income in the final regulations. ■

## 20 COLLEGE FRESHMEN RECEIVE ACCOUNTING SCHOLARSHIPS

Twenty students have received the second annual American Institute of CPAs (AICPA) Foundation High School Scholarship, for incoming college freshmen who plan to pursue careers in the accounting profession. Each was awarded \$2,000 to be put toward their undergraduate degree for the 2018-2019 academic year. Funding for the awards was provided by the AICPA Foundation.

To be eligible for the award, students must have completed AICPA’s Accounting Program for Building the Profession: Advanced High School Accounting course (APBP). The course is part of an AICPA program that trains high school educators to teach higher-level accounting curricula in an effort to encourage more engagement with real-world accounting practices at the high school level. The program has trained over 1,300 teachers in 42 states to date.

“The AICPA is always exploring new ways to draw talented and motivated students into the accounting profession,” said Dr. Yvonne Hinson, CPA, CGMA Association of International Certified Professional Accountant’s Academic in Residence. “This scholarship rewards students who have demonstrated promise by completing the APBP course and are on their way to majoring in accounting. These students are examples of how the course serves as a bridge between studying accounting in high school and pursuing an accounting degree in college.”

AICPA High School Scholarship Award recipients must share proof of full-time enrollment to a two- or four-year accredited college or university and maintain a GPA of at least 3.0. Educators, counselors, or current AICPA members may nominate students for the award. More information and registration for nominees is available at AICPA’s Start Here, Go Places website for high school teachers and students.

This year’s recipients are listed below, with the high school where they completed the Advanced High School Accounting course and the college they’re attending:

- Riley Adams, V. R. Eaton High School, Oklahoma State University
- Richard Coleman, Milton Hershey School, Arizona State University
- Melanie Conroy, Newfield High School, University at Buffalo
- Katelyn Daniluk, Midlothian High School, University of Virginia
- Darius Goodwin, Robert S. Rogers High School, University of Toledo
- Terisha Grant, Farragut High School, University of Tennessee at Chattanooga
- Christian Hansen, Blue Valley High School, University of North Carolina-Chapel Hill
- Trenton Koontz, West Albany High School, Oregon State University
- Michael Kovar, Manhattan High School, University of Nebraska-Lincoln
- Nick Marsh, Warsaw Community High School, Indiana University
- Natalie McBride, Mohawk Jr./Sr. High School, Washington and Jefferson College
- R. Hans Meganck, Waunakee High School, University of Wisconsin
- Juddson Miller, Malakoff High School, Trinity Valley Community College
- Lindsey Parrett, Central Hardin High School, Eastern Kentucky University
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- Madison Prince, Farragut High School, University of Oklahoma
- Kelsey Roe, Hayfield High School, Buena Vista University
- Kendall Smith, Manhattan High School, Kansas State University
- Michael Treadwell, Waunakee Community High School, University of Wisconsin-Madison
- Thomas Zezyus, Kiski Area High School, University of Pittsburgh at Greensburg

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**JIM BOOMER, CPA, CITP**  
CEO, Boomer Consulting, Inc.  
Director, Boomer Technology Circle™  
jim.boomer@cpapracticeadvisor.com

## Mindset is the Differentiator

WHEN YOU EMBARK on a new technology initiative, you may focus on choosing the right software or working with the right consultant. These things are essential, but what really makes or breaks a project occurs before any of these decisions are made. The outcome of your initiative is primarily determined by your mindset.

“Whether you think you can, or you think you can’t – you’re right.” – Henry Ford

As the famous quote above emphasizes, mindset is a powerful thing. It determines the success or failure of any project you take on, and technology initiatives are no exception.

### MINDSET STARTS AT THE TOP

If you’ve ever had a naysayer on your team, you know that mindset can be contagious. A negative attitude spreads like a disease, infecting your organization from the top down.

Fortunately, positive attitudes also trickle down from leaders. That’s why it’s so important to get buy-in from leadership on technology initiatives. When firm leaders share their passion for new solutions and new processes, the simple act of getting involved and being positive

about the coming changes can help your team stay the course through the inevitable challenges.

### ACHIEVING BUY-IN

So how do you get buy-in and adopt the mindset required for success? Here are a few strategies we’ve seen firms use.

- **Focus on alignment.** Does your firm have a technology plan that is aligned with your firm’s vision and strategic plan? Your chances for success significantly increase when you have an overall firm strategy and an integrated IT plan.
- **Technology steering committee.** Firms that successfully leverage IT as a strategic asset recognize there is no such thing as an IT project – only firm projects led by leaders with the support of IT. A technology steering

committee with cross-functional representation can help ensure technology initiative are aligned with firm strategy and assign tasks to people who can successfully execute the plan.

- **Envision a better future.** You’re probably familiar with the phrase, “If you don’t know where you’re going, any road will take you there.” Most people would agree that it’s critical for leaders to know where the firm is going, but it’s just as important for the team around you to be aware of the firm’s strategic plan. Everyone responds better to a clear vision of the end goal. Develop your vision for how technology will bring your firm into a better future and share it throughout the firm.
- **Features tell, but benefits sell.** IT people tend to get caught up in the features of a new technology solution, but features don’t always resonate with the average end-user. Pitch your new initiatives by showing how users will benefit from the project rather than merely listing all of the cool things the new technology can do.
- **Tap into the power of a peer group.** There is tremendous power in learning from others who have “been there, done that.” A peer group can provide outside perspectives, new ideas and confirmation you’re on the right path. All of these will increase the comfort level of your team and ultimately buy-in throughout the firm.

our consultants hear countless stories about technology initiatives from members. Often, our members are working on the same efforts and with the same vendors, but their results are very different. Whether we’re talking about migrating from legacy file systems to a cloud platform, leveraging data through dashboards and business analytics, or tapping into new talent resources through virtual workers and the gig economy, mindset is the differentiator.

In every situation, there are a handful of solutions in the market that essentially do the same thing, yet one firm will talk about an abysmal failure while another firm sings its praises. We’ve discovered that when successful firms enter these projects, they view tools from the perspective of progress, not perfection. They’re open to changing their processes and training their people to make it work.

On the flip side, firms that fail tend to look at all the shortcomings and abandon the project after (or sometimes during) the first year. In any initiative, technology is only the enabler. Mindset and a willingness to work through any challenge are what really determines whether these projects succeed.

Before you embark on your next technology initiative, ask yourself whether you are fully committed to success. The right mindset can make all the difference in ensuring that your belief in a successful outcome is a self-fulfilling prophecy. ■

### MINDSET IS THE DIFFERENTIATOR

In our peer group communities,

**BENEFITS!**

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- FEB. 15: FORM 10099-MISC COPY B
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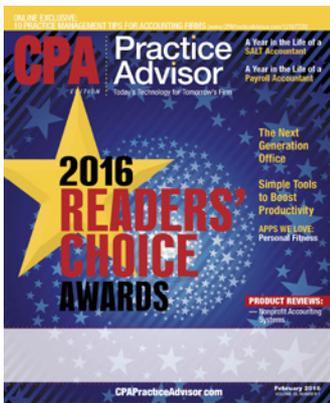
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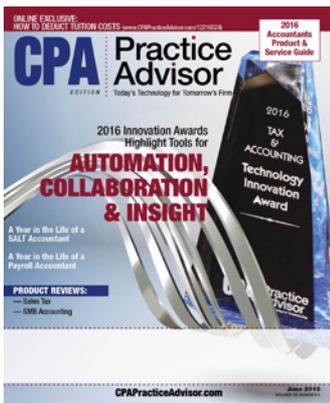
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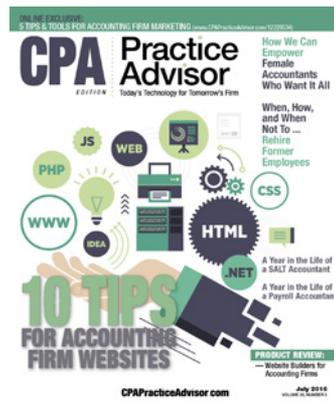
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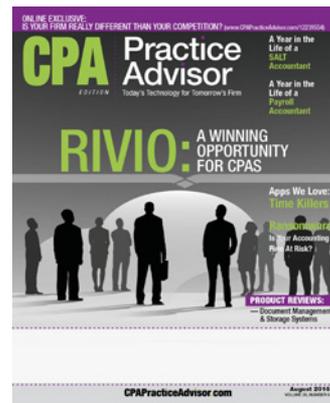
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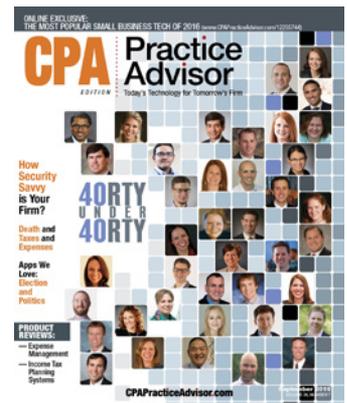
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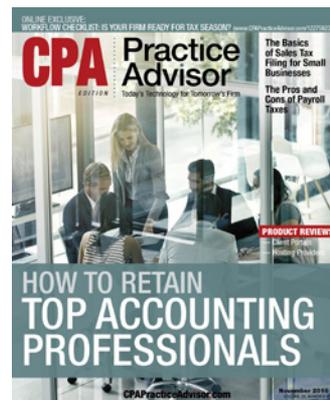
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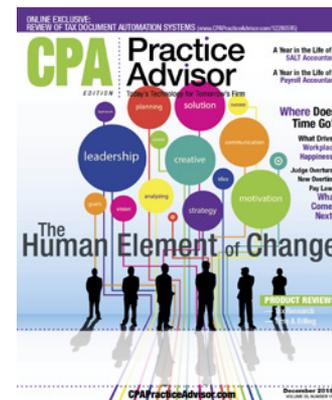
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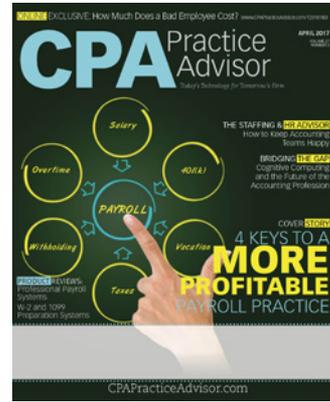
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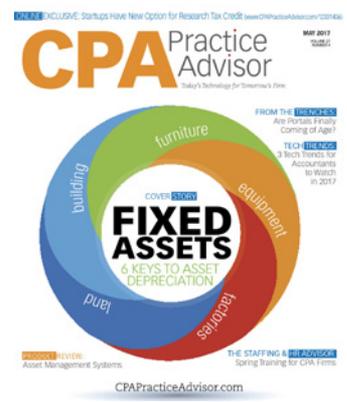
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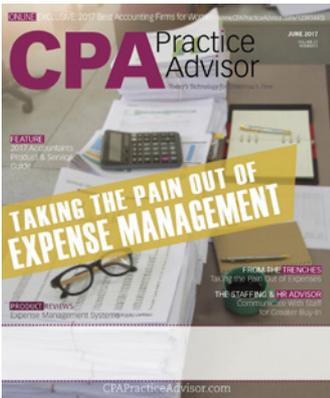
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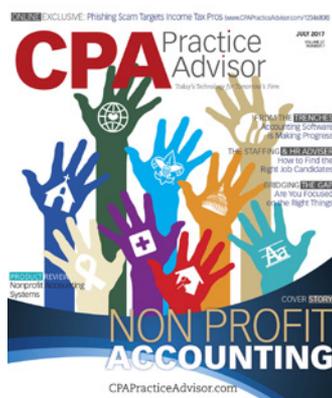
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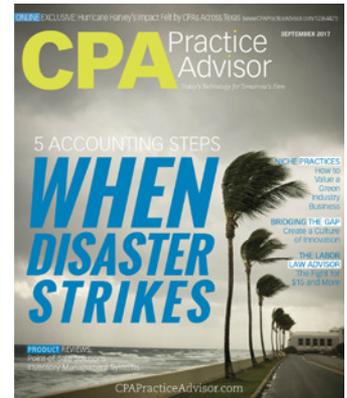
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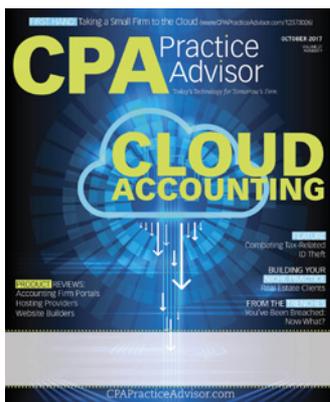
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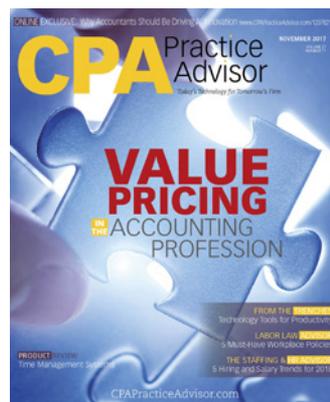
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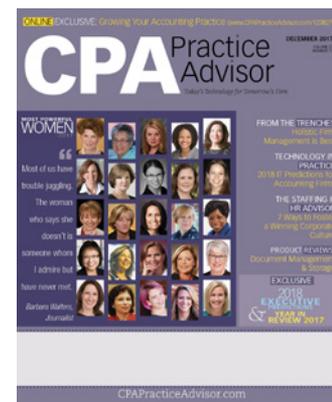
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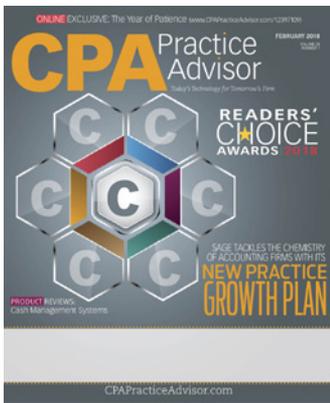


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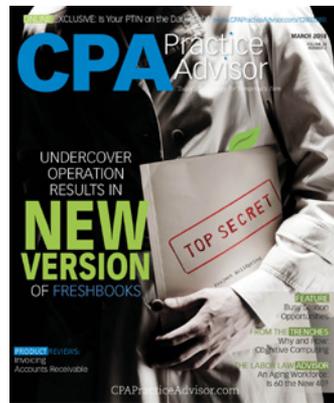
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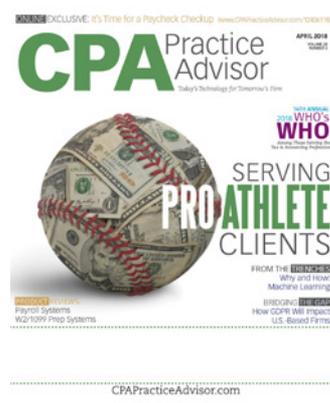
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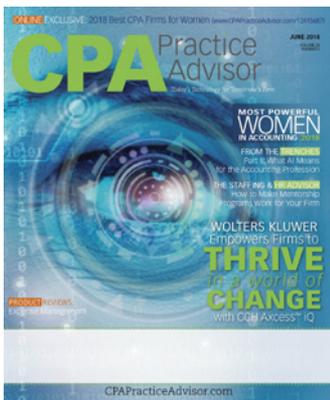
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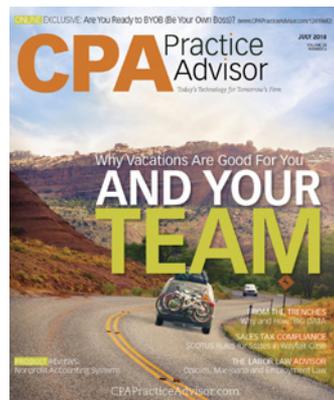
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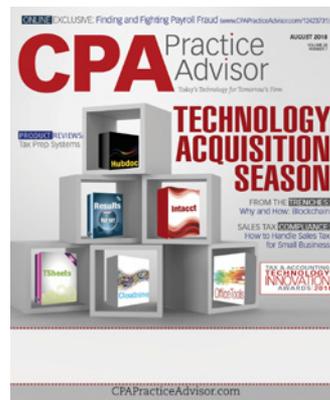
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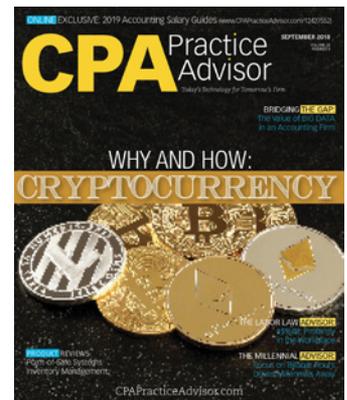
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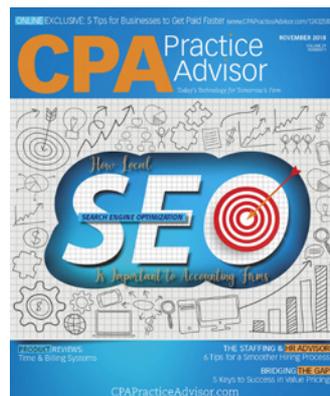
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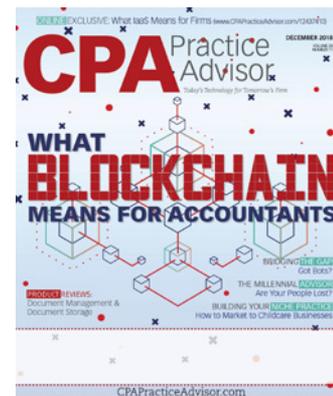
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