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— Virtual CFO Platforms

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Growing Your Firm: The Value of Building a Connected Brand

A decade ago, having a strong brand was all about unity. As long as your firm's visual identity and communications were cohesive, your brand was considered effective. Fast forward to today's digital economy and a unified brand presence is simply not enough—brands need to be connected. A firm with a connected brand not only serves clients—but also engages and builds loyal relationships with them, differentiating itself in the process.

Developing a “connected” brand for your firm is more than a passing fad. It is a strategy that addresses the



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changes that our economy has undergone over the past several years—and, in a few short years it will separate the firms that grow and succeed from those that don't. Consider the following statistics about how the explosive growth of online and mobile platforms is influencing how people access and use information:

- Nielsen market research shows that 95 percent of mobile users use their devices for local search.
- According to marketing guru Jay Baer, B2B decision makers only contact a company's sales representative after 60 percent of their purchase decision has been made using online sources such as the company's website (and those of its competitors).

The take away here is that the quality of your web presence is likely to be the first impression that a prospective client has of your firm, which, in turn, is likely to be formed as they look at your site on their smart phone or tablet. It's an environment where your existing clients are looking to find the same level of convenience and utility from your firm as they get from the “big” brands like Starbucks and Fidelity—i.e. they would prefer to receive your services 24/7 online on your website or even better, through a mobile app.

So how does an accounting firm

create a connected brand strategy? From my perspective, there are three building blocks to consider: an effective website, a mobile-optimized website, and a mobile application. Although they must be part of an integrated brand unit, let's look at them discretely to avoid confusion about how they can benefit your firm:

An Effective Website—There is a difference between having a website and having an *effective* website. An effective website is truly an extension of your firm's overall brand and a place to do business. Your firm's website should create a valuable experience for your clients with dynamic, useful content and convenient access to the services your firm offers, rather than being just an online brochure. It needs to offer the functionality your clients need such as being able to log in directly to QuickBooks, QuickBooks Online, Bill.com, and their client portal, for example.

A Mobile-Optimized Website—Once you have an effective website, the next step is to make sure that it provides a quality experience not only to those accessing it using a desktop or laptop computer, but to the millions of smart phone and tablet users as well. A mobile website is similar to a traditional website, the key difference is that it is designed to display and function on smaller, touch-screen mobile devices. In addition to standard web content, a mobile-optimized site can offer features such as click-to-call (to dial a phone number) and location-based mapping.

A Mobile Application—It seems like there is an app for everything. The question is—should there be one for your firm? ●

Read the rest of Darren's column online at www.CPAPracticeAdvisor.com/11258638

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2014: The Year of Your Firm's Website

By Gail Perry, CPA, CPA Practice Advisor Editor-in-Chief

Each year, the Association for Accounting Marketing holds an awards ceremony at its annual conference, honoring outstanding achievements in the areas of accounting marketing and communications. I've attended some of these ceremonies and have always been intrigued with the awards for best accounting firm websites. I contacted the judges of the website competition and discussed the criteria used for determining the best sites. Whether you're creating a website for your firm for the first time, upgrading an existing website, adding new features, or trying to improve your search rankings, you'll find the judges' tips to be useful.

Answering some basic questions about your existing website or about your plan for a new website will help you start the process of creating or upgrading your site.

If you already have a website, ask yourself and your coworkers, what purpose does your website serve today? Some basic reasons for having a website include:

- Providing contact information about your firm
- Introducing your staff
- Branding
- Selling your services
- Selling products
- Attracting new business
- Providing a secure site for document exchange
- Demonstrating your expertise
- Establishing credentials
- Expanding your geographic reach
- Recruitment

Make a list and include all of the reasons that apply to your current site. In a separate column, list all of the things that you want to accomplish with your new website. This new list will give you a foundation for creating or upgrading your site. Check back with this list frequently to make sure you are meeting all of these goals as you plan and change your site. It can be useful to ask some of your clients about their experience with your site. Is the site easy to find? Is it easy to use? What do they find worthwhile about the site?

Remember the Basics

There are some basic features that should be included with any accounting firm website. Use this preliminary checklist to make sure you don't leave off any of these essential elements:

- Company name
- Address (consider including a map or a link to an external map)
- Names and titles of contacts
- Phone number(s), fax number, after hours number (if applicable)
- Email contact information
- Hours (if appropriate)
- Basic information about the services you provide

Navigation

Site navigation should be user-friendly, and the easiest way to judge this is to ask some of your clients or some friends who don't work for your company about their experience in navigating the site. Give them a checklist of items you'd like them to find on the site and then ask if they had difficulty in finding any of those items. Some important features to consider about navigation include:

- Menu should appear on every page
- Link to contact information should appear on every page
- Link to Home page should be easy to find
- Design should be consistent throughout site so these items appear in same place on every page

- Hyperlinks should be obvious (different color from text, and underlined)

- Include a search box

Regarding the search feature, you can write your own program, have one written for you, or use a third-party program. You can use a Perl search engine script or a PHP search engine script if your site is set up to run this type of search. Your webmaster will know the site capabilities. Having your own program is ideal because you can customize the search results and make sure site visitors are landing on exactly the right page. Alternatively, you can use a free third-party search program, however keep in mind that many free search services include some advertising and might limit the frequency with which your site can be re-indexed, thus the results might not always be the most current.

The most important thing to keep in mind regarding the search feature you use on your site is that you need to monitor the searches. Don't think of the search as just a tool for your site visitors. The information you can acquire from the search can be extremely useful. You'll find out what your site visitors want to know and can customize the site to fit those needs. Collect the search terms that visitors use on your site and try those searches yourself to make sure that your site visitors are getting the results that you want them to see.

Calls to Action

One way to keep visitors involved and engaged in your website is to provide calls to action. Give them a reason to be there, a reason to stay, a reason to use the tools you are providing, and a reason to recommend that others come to your site. Descriptions of why to execute the calls to action will help visitors understand your expectations. Here are some sample calls to



action that you could include on your website:

- Call us today for a free review of last year's tax return
- Email us if you would like more information about the types of services we offer
- Leave a message with questions, comments, or requests for more information
- Click here to download our year-end planning checklist
- Click here to download our whitepaper on tax rules for the home office
- Enter your email address to receive our free newsletter

Consider using live interaction on your site if you're trying to drum up business directly from Internet visitors. This could mean adding a pop-up live chat window or instructions for accessing a call center. If these options aren't available at all times, either remove them from the site when they are not being manned, or post the hours when your visitors can expect to receive an immediate response.

Document Sharing

If you are using your site as a secure portal for sharing information and documents with your clients, be sure to make the access to this portal easy to find. One of the AAM judges mentioned, "The most important thing on my accountant's site is the Client button." Include instructions so your clients know how to use the portal, and include reassuring language describing the security of the portal. ●

REVIEW SECTIONS

BASIC SYSTEM FUNCTION

- Installation Ease
- General Navigation & Ease of Use
- Industry-Specific Templates
- Industry-Specific Features
- Platform Support

CORE ACCOUNTING CAPABILITIES

- GL/AP/AR Functionality
- Sales Tax Functionality
- Payroll Functionality
- Audit Trail
- Multi-Currency
- Multiple Language Support
- Multi-Location Support
- Multiple Users

DAY-TO-DAY OPERATIONS

- Sales/Point of Sale/Shipping
- Customer/Vendor Employee Management
- Inventory/Purchasing
- e-Features
- Remote Access

MANAGEMENT FEATURES

- Dashboard Overviews
- Reporting
- Security Features
- Integration/Import/Export
- Data Transfer
- External Integration
- Online Accountant Transfer Tool

HELP/SUPPORT

- Built-in Support Features
- System Updates
- Support Website/Documentation
- U.S.-Based Support



Brian F. Tankersley,
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2014 Review of Virtual CFO Platforms (aka, Cloud Write-Up)

By Brian Tankersley, Technology Editor

The transition away from traditional, after-the-fact client write-up systems to collaborative, real-time financial reporting systems has taken many years, but we are starting to see the outline of the systems of the future. Cloud-based software will be used to help practitioners and clients work together on a business, and will yield results which are more timely and less compliance-oriented than traditional write up products.

These systems will also use direct import of transactions from financial institutions, and will work with other applications to create a customized solution for each business. For example, some businesses may use document management solutions like SmartVault or GoFileRoom from Thomson Reuters, while others may require Avalara's Sales Tax solutions or Bill.com's accounts payable and accounts receivable workflow support.

By using a flexible Virtual CFO platform, accounting firms can provide more meaningful, real time management information instead of late information from a platform which is designed to do little other than meet compliance reporting requirements three weeks after the end of a month.

CPA Practice Advisor reviewed four cloud-based accounting systems that include sides for small businesses to use

as well as multi-client management functionality for accounting firms to oversee and manage their clients' books.

For our initial foray into this category, we decided to do an in-depth analysis of four clear leaders with different approaches to cloud-based accountant-client collaboration. Products selected include:

Accounting Power (AccountantsWorld, Inc.) – Accounting

Power is one of the more under-appreciated products on the market. The solution is sold only to CPA firms, who then resell it to clients or otherwise include it in the cost of their ongoing services. Accounting Power is part of Accountants World's Power Practice Suite of applications, which also includes Payroll Relief, Practice Relief, Website Relief, Cloud Cabinet, and After-the-Fact Payroll. This integrated solution provides all of the tools needed to run their practices and serve small and medium sized clients with outsourced accounting functions. The product does not have direct bank data integration like QuickBooks Online and Xero, but does have robust import and export features and tight integration with the other Power Practice suite applications, which should reduce the required amount of data entry required with this product.

Accounting CS (Thomson Reuters Tax & Accounting) – Accounting CS is the modern update to the recently discontinued venerable Write Up CS application from Thomson Reuters. The software is designed to permit clients and accountants to simultaneously work on client financial records using a collaborative application which runs on modern Microsoft platforms (.NET and SQL Server). The application integrates with a wide range of other applications, including Accounting CS Payroll, UltraTax, Engagement CS, and the other applications in the Thomson Reuters CS Suite of applications for accounting and tax professionals. The product has some integration with Intuit's QuickBooks but not with other non-Thomson products. Like Accounting Power, Accounting CS lacks direct integration with financial institutions, but it makes up for this lack of front end integration with robust back end integration into the entire Thomson Reuters CS Suite of applications.

QuickBooks Online and QuickBooks Online for Accountants (Intuit, Inc.) – Fresh from an overhaul to make it more consistent with the on-premises version of QuickBooks, QuickBooks Online (QBO) and its free accountant toolkit, QuickBooks Online for Accountants (QBOA), are now available. The new competition in the cloud-based accounting application space from the US launch of Xero, FreshBooks, Wave Accounting, Kashoo, and Sage One, combined with the global rollout of QBO to 100 countries, has increased the number of companies using QuickBooks Online by approximately 40 percent year over year between September 2012 and September 2013. While Intuit was an early provider of online financial applications, it has struggled to market these solutions to accounting professionals, as many accounting professionals preferred the feature set in the on-premises version of the application. The changing view of online services by clients and accounting professionals, as well as the significant improvements to QBO and QBOA has made it a product to watch in the online accounting space.

Xero and Xero Partner Platform (Xero, Inc.) – Xero has breathed a significant amount of energy into the cloud-based accounting space with its US launch and significant investment in localizing and marketing its collaborative accounting software product to US customers and accountants. The company's use of direct integration and rule-based reconciliation of imported transactions from financial institutions has increased hope that the company will one day reach its goal of "zero data entry" into accounting records. Although the Xero's tools for accountants may seem limited compared to its more entrenched competitors, stay tuned, as the company's payroll solutions and workpaper prep solutions are very popular in its home base of New

REVIEWS: VIRTUAL CFO PLATFORMS

Zealand and Australia, and we expect to see many improvements to Xero's solutions in 2014. As of September 30, 2013, Xero boasted over 211,000 paying customers and the company experienced growth of over 60 percent in all of its geographic segments for the fiscal year then ended. During the same period, Xero's US presence increased by over 100 percent. More importantly, Xero added 25 of the Top 100 accounting firms to its partner channel, and the US partner program exceeded 1,000 accounting firms for the first time. The product has significant momentum as a tool for virtual accounting services performed in real time, and is definitely a product to watch in the coming months.

The real challenge for all of these applications is providing useful information on days other than that one day in the following month when the previous month's financial statements are released to the client. Collaborative accounting and consulting as a virtual CFO requires accountants to maintain the client's

books more frequently and to expand the amount of real-time information being presented to the client as more current data that doesn't require adjustments is available.

The real desire of all accountants is to have real time information without having to perform real time work to maintain it, and some of the applications deliver better on that promise than others. Xero and QuickBooks Online can display real time bank and credit card balance information obtained from financial institutions daily, as well as automatically download and import data on the related transactions. Accounting CS and AccountantsWorld offer accounting professionals a greater level of control by allowing the virtual CFO to limit the features, menu options, and reports which are accessible to the client and firm staff at a very detailed level.

Additionally, some applications have tighter integration with applications for professional accounting firms than others. While no application performs all

tasks exactly as every accountant and client would like, practitioners should select the application which will help them and their clients have the information which best meets their individual needs.

Some firms may end up running multiple applications to meet the needs of different clients – Xero or QuickBooks Online for startups, Accounting CS or Accounting Power for existing write-up clients, with add-on applications to help clients meet common needs like CRM, inventory management, and expense reporting. Just as accounting professionals like receiving personalized services, we do ourselves and our clients a disservice when we use tools which do not effectively meet the needs of both parties for timely, accurate information.

Additional Solutions for Accounting & Write-Up

We considered many other solutions for inclusion in this review. Since this review is really a successor to our his-

torical client write-up tool reviews, we have chosen to focus on cloud-based tools which are commonly used for client write-up, and have intentionally left out many of the on-premises tools we reviewed in the prior year. There are many other products which could be used for client accounting and collaborative client write-up, including:

- **FreshBooks**
- **CYMA 13: Financial Management Systems**
- **Micronetics Accounting Expert Enterprise Edition**
- **PC Software Client Write-Up**
- **Kashoo / Paychex Online Accounting**
- **Sage One**
- **QuickBooks Accountant Edition**
- **Intacct**
- **Sage 50 Quantum Accountants Edition**
- **Wave Accounting / Wave Apps**
- **NetSuite**

Xero Accounting and Xero Partner Platform

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/11294688

Xero Accounting, along with the Xero Partner Platform multi-client interface for accountants, is a cloud-based platform for those working with multiple clients. The product is best used by service-based organizations, is easy to use, and provides a platform for automating the classification of transactions.

STRENGTHS

Excellent ecosystem of add-ins created by startups or companies who have not traditionally had a presence in the US market, including third-party invoicing applications like Harvest which are sales and A/R subledgers designed to be operated by entrepreneurs instead of accountants.

Automatically imports transactions from thousands of US banks securely and can automatically classify these transactions according to user-defined rules or match them to existing transactions based on amount or vendor.

Xero is the only product included in this review which natively supports multiple currencies in its current US production version as of this writing (early December 2013).

User interface for classifying groups of imported bank and credit card transactions in batches is excellent, and minimizes the required data entry. Batch data entry screens are as good or better than any other product reviewed for focused, quick entry of large amounts of data.

Includes a "Xero to Xero" function which, when enabled, automatically takes invoices from the billing Xero company and imports them in as bills to be paid in the receiving company's Xero account.

POTENTIAL LIMITATIONS

Product is relatively new to the US market (less than three years old), and its first company-provided US payroll service was launched in early December. While the application has integrations with a wide range of add-on applications, its connections with professional tax and accounting applications are few, and those which exist require manual intervention to accomplish the desired tasks.

Many of the add-ons for this product are designed for smaller businesses and startups instead of larger mid-market organizations.

User interface is a forms-driven

interface designed for business owners and not accountants. As a result, accountants may require some time to adjust to the menu structure.

The current version of the reporting engine is not as mature and flexible as we might hope at this point. Functions like the ability to save filtering schemes on existing reports as a new "memorized" report are not present in the product at this time, although there are reportedly significant improvements to reporting coming in 2014.

Some Xero partner program benefits, including free use of the Practice Manager and the upcoming Workpapers application, require the organization to have 25 or more organizations (minimum of \$300/month in spending) to qualify. This may make Xero appear to be a better product for high volume write up and bookkeeping than it is for practitioners with a small number of high value virtual CFO clients.

SUMMARY AND PRICING

The Xero partner program and the introductory training is free, but not all benefits are available to new members. Some Xero partner program benefits,

including free use of the Practice Manager and the Workpapers application to be released in 2Q 2014, require the accounting firm to have 25 or more participating clients (minimum of \$300/month in spending) to qualify. Additionally, it costs \$249 per employee to take the online training required to become a Certified Advisor (\$399 for the same live training in a classroom). This may make Xero appear to be a better product for write-up and bookkeeping than it is for practitioners with a small number of high value virtual CFO clients.

Xero Business plans include an unlimited number of users, and are priced from \$9 per month for a starter plan with no employees up to \$180 per month for a Premium plan which supports multi-currency, payroll for up to 100 employees, direct deposit, and electronically paid and filed payroll taxes. Members of the Xero partner program are eligible for discounts based on volume, and gain access to marketing resources, management tools, and special Xero service plans for accounting professionals.

www.xeroaccounting.com

REVIEWS: VIRTUAL CFO PLATFORMS

AccountantsWorld - Accounting Power

Accounting Power is the new name for the collaborative bookkeeping and client write-up solution which is part of the AccountantsWorld Power Practice suite of applications.

STRENGTHS

- Solid solution for production write-up and collaborative accounting with clients, and tightly integrated with the other solutions in the PowerPractice Suite.
- The product is designed for heads-down data entry and high volume processing. Accounting Power has utilities for importing most kinds of standing data and transactions, including import from the PC and online versions of QuickBooks, as well as Sage 50 US (Peachtree).

- Puts the accountant in total control of the software, and user access can be set for each function and menu option.
- The product is only available for purchase from an accounting, bookkeeping, or tax professional, and no services are directly marketed to a firm's clients.
- The product includes many advanced features, such as multi-client dashboards, user-programmable alerts, advanced trial balance features, and job costing tools.
- The product includes features like job costing which are not natively present in any of the other products in this review, as well as a tightly integrated, robust payroll application (Payroll Relief), a practice management solution (Practice

Relief) and a web-based document management system and client portal (Cloud Cabinet).

POTENTIAL LIMITATIONS

- Does not have direct integration for automatic financial institution/credit card transactions, although data exported from a bank can be manually imported into the software.
- Like most other products in this review, Accounting Power does not support multiple currencies.
- Add-ons for specific business management needs, such as sales tax outsourcing, CRM, manufacturing, and inventory which integrate with the data in Accounting Power are not available.

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/11294680

- User interface is a somewhat boring traditional website menu structure, which may look dry for those accustomed to products with embedded interactive advertising or options for additional features.

SUMMARY AND PRICING

Accounting Power is priced at \$149/mo. (or \$1,495/yr. in advance) with unlimited client access for first year users. Renewal pricing is \$99/mo. (or \$995/yr. in advance), with client access priced at an additional \$20/mo. per client.

www.accountantsworld.com

Intuit QuickBooks Online & QuickBooks Online for Accountants

BEST FIT

QuickBooks Online will most likely prove to be successful for many service-based small businesses and their accountants, as well as those who need a robust ecosystem of available add-on applications. The QBO ecosystem has a number of limitations, however, and may not meet the needs of manufacturers, contractors, those who handle multiple currencies, and larger organizations who require more than a handful of profit centers.

STRENGTHS

- Extensive ecosystem of add-on applications through the apps.intuit.com platform, and tight bank/credit card integration for data import from financial institutions.
- Large base of users who are familiar with the desktop version of the application, including most paraprofessionals who took bookkeeping courses in the last 15 years.
- Includes tools for importing data from the desktop version of QuickBooks, as well as the import of standing data using preformatting spreadsheets.

- Cloud platform reliability has improved significantly over the last three years as Intuit migrated hosting to new data centers.
- Strong multi-client capabilities with the free QuickBooks Online for Accountants tool and an benchmarking tool called Trends, which compares financial metrics for the active QBO company against anonymized summary statistics for others in the same industry group.

POTENTIAL LIMITATIONS

- Some advanced features of the on-premises application are missing, including job costing and multiple currencies (US only). Most users who need inventory management will have to subscribe to the most expensive QuickBooks Online Plus plan (\$39.95/mo.)
- Many common business needs require users to subscribe to additional services (e.g. Mavenlink CRM, SOS Inventory, SmartVault, Exact Online, etc.)

- The user interfaces for both the desktop version of QuickBooks (Pro, Premier) and QBO have been changed to make the user interface for the two platforms more similar in 2013. The applications are developed and maintained by different product teams, resulting in different implementations of similar features.
- The product is due for some reporting enhancements in 2014, including a more robust report writer. The popular QuickBooks Statement Manager tool for creating financial statements in Excel does not work with QBO.
- Intuit's cloud-based suite of applications for accounting and tax professionals (e.g. Intuit Tax Online, QBO, QBO4A, Intuit Online Payroll) does not include a platform for making tax-only adjustments, a fixed asset and depreciation solution, a workpaper management tool, or a portal solution.

solutions for small businesses and the accounting professionals who serve them, but are not as robust as the related on-premises solutions in QuickBooks Accountant and other on-premises versions of the product.

Client fees for QuickBooks Online range from \$12.95/month per company for the limited Simple Start version to \$39.95/month per company for QuickBooks Online Plus. A wide range of payroll options are available from Intuit and many other providers. Integrated add-ons solutions are available online at apps.intuit.com, and are priced separately. The QuickBooks Online for Accountants application, as well as the QBO ProAdvisor Program are free for accountants with multiple paying customers, and the free membership includes training and a ProAdvisor certification exam for QBO. More information is available at the Intuit Accountants website, accountants.intuit.com.

SUMMARY AND PRICING

QuickBooks Online and QuickBooks Online for Accountants are respectable

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/11294678

www.intuit.com

REVIEWS: VIRTUAL CFO PLATFORMS

Thomson Reuters Accounting CS

The current write-up application for the Thomson Reuters CS Suite of applications for professional accounting firms is a relatively new product called Accounting CS.

STRENGTHS

- Used by thousands of practitioners around the US, and is the successor tool to the very successful (and discontinued) Creative Solutions Accounting application.
- Excellent solution for production write-up and collaborative accounting with clients, and integrated with the other solutions in the CS Suite.
- The product is designed for head-down data entry and high volume processing, and has an attractive user interface.
- Accounting CS puts the accountant in total control of the software, and

user access can be set for each function and menu option. The product is traditionally provided by an accounting, bookkeeping, or tax professional, and no services are directly marketed to a firm's clients.

POTENTIAL LIMITATIONS

- Does not have direct integration for automatic financial institution/credit card transactions, although data exported from a bank can be manually imported into the software.
- Like most products in this review, Accounting CS does not support multiple currencies.
- An ecosystem of add-ons for specific business management needs, such as CRM, manufacturing, and inventory which integrate with the data in Accounting CS is not available.
- Payroll is calculated in another

application, Accounting CS Payroll, or can be outsourced to Thomson Reuters (MyPay Solutions) or third-parties (ADP, Paychex, and others).

- Limited tools are available in the CS Suite for displaying non-financial metrics, benchmarking, and creating dashboard-style reports using Accounting CS data.
- Accounting CS can be purchased as part of Virtual Office CS, the Citrix-hosted version of the CS Suite applications, as part of their Software as a Service package, or can be purchased from Thomson Reuters for local installation. Pricing is available upon request from Thomson Reuters at 800-968-8900.

SUMMARY AND PRICING

The current write up application for the Thomson Reuters CS Suite of applications

for professional accounting firms is a relatively new product called Accounting CS. Although this application can be installed on a local computer for use by a virtual accounting department, this application can also be run using traditional remote hosting or web-based interfaces.

The product fits best for service-based companies and firms that have very tight accountant-client relationships and that need the accountant to have control of the general ledger and related security permissions. ACS is a collaborative accounting application which has been created in the image of a traditional write-up application.

Accounting CS is bundled with tools for after the fact payroll, and is priced starting at \$2,900. Other features such as client data access and live payroll are priced separately.

Read the full review and see expanded ratings for this product online at:
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Backup is Still Important - Options and Strategies

Data is king. Keeping it stored safely and securely is critical. Whether you are operating in the cloud, from an office, or from your home you need to be thoughtful about your data. In my professional life, strategies for keeping data safe have been mandatory for over 40 years. A consistent rule: to be able to recover, we have to have your data, no matter what. Further, the goal is to not lose any data on our watch.

If you have ultimate responsibility for the data in your office or home, you need to consider your strategies, your methods of backing up data and, ultimately, testing that you can restore from your data. This article will explain options, pitfalls and cautions on keeping your data safe. Further, you should comply with a written records retention policy. Backup copies, no matter where they are, need to be expired according to

policy. The potential liability in keeping old backup, such as tape or USB sticks, for an extended period of time without managing expiration is extremely risky. Cloud vendors used for backup may also keep backup copies beyond your retention policy, including copies after you leave their service. For example, Microsoft deletes your files within 30 days of leaving their Office 365 service, but other vendors keep your data permanently.

What Options are Available?

Recommendations for good backup vary based on your size, recovery time objective (RTO or amount of time to recover), recovery point objective (RPO-how much data you are willing to lose), and your fault tolerance level. The quicker you want to recover and the less data you are willing to lose, the more expensive the approach will be. However, relatively short RTO and RPO is possible by using backup appliances. Backup appliances combine software and hardware into a product that operates with relatively little intervention to back up your data frequently and securely.

Costs vary widely by the solution. Clearly for homes and small firms, USB drives and Network Attached

Storage (NAS) units are the low cost alternative, where a few terabytes of storage cost a few hundred dollars per month. Software frequently comes with a NAS for backup purposes. However a copy of your data needs to be in some off-site location, whether that is in the cloud or another home or office. Additionally USB and NAS alternatives typically don't backup open files, SQL databases or email files correctly. When off-site cloud storage is used, expect costs in the fifty cent to one dollar (per gigabyte per month) range, although non-professional home grade storage is typically less expensive. You should not use home grade storage for professional purposes because the data does not have adequate protection. We expect

providers to offer in excess of one terabyte of storage at no charge this year. Backup Appliances vary in price between \$3,000 and \$11,000. Two backup appliances can be used to backup from a primary location to a secondary location, eliminating the cloud storage costs, and potentially speeding the recovery process. If you contact me directly, I'd be pleased to review options with you directly, help you filter and select possible options, and obtain accurate pricing estimates for your situation. There would be no better use of my time than helping you or your firm prevent a loss of data.

The Backup Storage Options chart below illustrates some of the options available:

BACKUP STORAGE OPTIONS

APPROACH	BENEFITS
Run in the cloud with all Software as a Service applications or at a cloud hosting service	Agreements provide for backup so you can "not worry about it" OR you can do a reverse backup from the cloud and have copies of the data in the cloud and in your office
Tape drive	Long archival life
USB drive	Inexpensive
Network Attached Storage (NAS) drive	Inexpensive, faster than USB, may have provision for sharing in and out of the office
Web based backup	Simple, off-site, easy to restore single files, may be near continuous
Appliance based backup	Frequent copies of data made (typically every 15 minutes), rapid single file restore, multiple versions of data stored, can run as substitute virtual servers, can back up to the web or another backup appliance in a different location
Storage Area Network (SAN) replication	Can allow continuous operation even in the event of a catastrophic failure. High probability of losing little or no data. Replication of virtual machines possible with a product like VEEAM



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BACKUP PITFALLS AND CAUTIONS

SITUATION	POSSIBLE CAUSE	RESOLUTION OR OPTIONS
Primary production file corrupted	Power inconsistent, software error, mechanical failure	Restore from backup after issue is corrected
Bad file written over the top of a good file	User error made in application, then saved, commonly done in Excel	Attempt to restore a version from document management or computer file system, otherwise retrieve single file from backup
Hard drive (HD) or solid state drive (SSD) failure	Mechanical issue	Replace unit and restore all files from backup
USB thumb drive unreadable	Physical damage	Use new USB drive and restore from backup
Synchronized cloud storage missing files (SkyDrive, Dropbox)	User intentionally or accidentally deleted files	Check for hidden prior versions or restore from backup
New backup provider chosen	Better alternative found	Ensure that all files are deleted from old provider. Check on retention period to confirm files will be removed to minimize eDiscovery risk
Production or backup files stolen or compromised and were not encrypted	Error was made in setup by IT-all drives should be encrypted.	Execute security breach reporting plan. Requirements vary by state.
Catastrophic loss of office or home from fire, flood or other cause	Bad luck or not proactively repairing faulty equipment.	Find new location if necessary, purchase appropriate equipment, restore from backup
Volume of data is so large, restoring the backup will take too much time	Internet too slow, or inappropriate product was initially chosen	Ask vendor to ship an encrypted drive with your information for restore purposes
Want to leave a cloud vendor and you need your data	Vendor is not responding or taking a protracted amount of time	Review the contractual obligation (which should have also been done originally) and ask for compliance with contract
Data center is down	Various including operational error or mechanical failure	Largely beyond your control. Prepare in advance with a communication plan to your clients, and wait. Have manual procedures ready to execute
Backup won't restore	Backup probably wasn't tested on a regular basis	Try earlier versions of backups. Implement regular restore testing procedure (weekly/ monthly). May be contracted to a managed service provider.

POTENTIAL SHORTFALLS

- Data will not be available during outages, service provider may have catastrophic loss and not have an appropriate backup site or failover plan (not particularly likely)
- Long backup times possible, tapes prone to failure, manual rotation of backup media required, backup software has to be configured and updated, destruction of tapes needed for compliance with document retention policies, long restore times
- May not be secure, needs encryption, has to be carried off-site for additional safety, manual intervention to complete backup, prone to failure
- An off-site backup is still needed, perhaps a NAS in the office and a NAS in your home OR a NAS in your home and that of another family member OR a NAS in your office and home and a web based backup
- Large scale restores time consuming, pricing likely to increase when more data stored
- Need to purchase sufficient size drives and processors, possible to outgrow, have to be replaced every five years, off-site storage to the web fees increase with more storage, need to be tested on a regular basis (weekly, minimum monthly)
- Virus infection or deleted files are immediately replicated to the alternate site ...an archival backup is still needed. Communication speed and systems cost can be high. Consider using your older SAN (that has been used for five years) by moving it to your backup site and installing a new SAN in your primary site

Pitfalls and Cautions

Things can go wrong with your data and corrupt either production files or backups. Cloud hosting and SaaS applications minimize the amount of responsibility you have for protecting the data. However, some vendors “lock the data up” and prevent you from getting your data back easily.

If you keep your data locally in your firm or home, user error, mechanical failure, intentional internal or external maliciousness, or other intrusions like viruses can destroy all of your data. Data may be mechanically safer in the cloud, but the regulatory risks increase. For example, the Patriot Act Section 215 provides for access to data stored in any data center without subpoena or notification in the U.S. According to our research over 25,000 such requests have already been made with less than 20 of the requests denied. If you store client confidential data in the cloud, this data may be provided to governmental agencies without your knowledge. According to Time Magazine, November 11, 2013, page 31, there is approximately 19 terabytes of information stored on

the public web. There are another 7500 terabytes of information stored on the hidden or secret web that is used by government agencies and criminals alike.

Although not comprehensive, the Backup Pitfalls and Cautions chart above illustrates some of the issues for you to consider.

Key concerns with any backup data is the ability to restore, the protection of the data, the application of records retention policies, and the amount of time required to either backup or restore. With the 2013 disclosure of decryption technology held by governments around the world, my comfort level has dropped with cloud hosting, SaaS applications, and cloud-based backup. However, my caution primarily lies around risk mitigation and unexpected exposure of client confidential data. Make sure you have read the license agreement of any cloud storage provider before you use the service. Test your backups for reliability on a regular basis. And make sure you have ALL of your data backed up no matter what! ●

The Dark Side of Technology Predictions for 2014

It is hard to imagine a more disastrous year for technology than 2014 will be. Sure, there will be a few little bright spots in terms of falling costs for hardware and storage. But three significant trends are converging that will make things difficult at best for the tech side of the accounting profession:

• **Innovation will be sluggish.** This isn't just a function of the ongoing recession, which cut corporate R&D budgets. It is also a function of the budget woes in Washington, DC. Congress, as part of the "fiscal cliff" deal in January 2013, made the R&D tax credit retroactive for 2012 and extended it to the end of 2013 – but no further. In the current fiscal environment, extending the credit further for 2014 is uncertain at best. Also affecting innovation, though, is the fact that the tech industry has just come off of a sustained period of massive and amazing innovations.



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From smartphones and Facebook to tablets and Google Glass, we have staggered consumers and business users alike with the sheer breadth of innovation over the past decade. In 2014, we'll take a breather to catch up and evaluate where we are.

- **Government funding for technology will be scarce.** Between the scandals, the website catastrophe of the Affordable Care Act, and the fiscal woes, the government doesn't have the luxury to indulge in technology. There is an election coming. And while things like the National Broadband Plan and broadband stimulus took center stage in the first two years of the Obama Administration, technology will only be mentioned in 2014 in reference to failures of websites and security. Worse yet, the government research projects that drove such innovations as the optical digital recorder and the Internet are difficult to fund these days. And research grants across the board have dried up.
- **Hardware inventories are building.** Two factors are involved in this – the economy, and the failure of some core technologies that were supposed to be huge in 2013 but failed to materialize (as in touch screens). In the countries that make microprocessors,



memory, peripheral devices and other hardware, inventories are building. They have to be sold, or the companies will face bankruptcy sitting on huge inventories for which there is only lukewarm demand.

There are other factors as well. Steve Ballmer is out at Microsoft, and Steve Jobs has left this dimension. Major innovators are out as companies seek to shore up profits for their shareholders and recover from failed efforts to cash in on the smartphone/tablet/cloud computing trends.

Also, consumers are balking. After every major technology boom, there is a popular backlash – and we would be foolish indeed to think we will escape it this time. The innovations of the Twenties (automobiles, radio, airplanes) gave rise to the first of the science-based monster movies. Manned space travel gave way to fears of alien UFOs. And the current iPhone and tablet revolution will give way to... who knows. But there

is a consumer backlash that will ebb and wane in 2014.

Last year, we predicted with great confidence that 10 things would happen:

- Automobile technology would be an emerging trend.
- AOL would make a comeback.
- The desktop PC would face declining sales, but would not be dead.
- Tax preparation systems would stage a recovery to become more central to accounting practices.
- Computer security would begin to evolve.
- Touch screens would be a bust.
- Windows 8 would be... somewhat successful. But no more than that.
- Technology costs would soar, especially for cell phone data plans.
- PC Gaming would stage a comeback against "game consoles."
- App Stores would become a fading trend.

We won't handicap these predictions,



Guam and the US Virgin Islands ban text messaging for all drivers. The point of all of these laws is that users of smartphones won't be able to use them... without hands-free operations. The technology of speech-to-text and vice versa was once a sleepy little side-technology mostly being pushed by Nuance with its Dragon Naturally Speaking products. Now Microsoft and Google are in the fray, with Apple not far behind. Look for voice commands to become better and more useful in 2014.

- **Hardware costs will fall.** Look for virtually every kind of computer hardware except laptops to take a nosedive in 2014. Memory, drives, printers, monitors and motherboards will become cheap as manufacturers shed their high inventories and keep the factories running. Places to look for bargains include SD storage devices, RAM memory, solid-state drives, printers and monitors. This is likely the year to invest in dual monitors for tax and audit work, if the firm has not already done so. Also, an increase in RAM for office computers and an upgrade in laser printers will be good investments.
- **Identity theft will become a major issue.** Identity theft has changed dramatically in the past decade. While there are still hackers and phishers and insecure Wi-Fi to worry about, the bulk of the network intrusions that lead to identity theft don't happen when consumers visit the wrong websites. The name of the game today is to hack a major company that collects personal information, which includes virtually every company in the US. While some companies, like Amazon.com, take the security of this information seriously, many do not. Look for Congress to address this by finally holding companies financially responsible for not securing data from their customers. This won't happen in 2014, but it will include accounting firms when it does happen.
- **Cloud Computing adoption rates will continue to be slow.** Talk to software vendors who just happen to have cloud-based solutions they are hawked, and they will tell you that THIS IS THE YEAR for accountants

to adopt cloud computing. Many tax and accounting firms, however, stubbornly refuse to move to the cloud. It is not that they are technology Luddites, but rather that they have concerns that are not being addressed. While online accounting software is robust and successful, cloud storage of client data is not. Cloud storage systems suffer from a lack of automatic backup capabilities, lack of auto-synchronization without third-party software, and a general lack of reliability. While the worst offender is Microsoft's SkyDrive, others also have these shortcomings. Truth is, until cloud storage systems resolve these problems they will not see major adoption by accounting firms that value their clients' data.

- **Windows 9 will be rushed to market in 2014.** Microsoft is failing on so many fronts that the executive offices in Redmond must be in full panic. Instead of driving PC and laptop sales, Windows 8 has been such a disaster that the company is left teetering and vulnerable. Office 2013 is failing. Its cloud storage solution, SkyDrive, is not only failing, it faces a name change due to a court loss over its name. Windows 8, for all of its wonderful attributes, has a user interface that has left both consumers and business customers fleeing in panic. At this point, Microsoft needs to bury Windows 8 and fix Office 2013. Though most pundits think it will take until 2015 for Windows 9 to appear, I look for it to make its first appearance for public beta before the end of this year.
- **Microsoft will be challenged on the desktop.** Because Windows 8 has been such a massive failure on almost every platform, competitors are ramping up. Apple's iOS will not be a major competitor, simply because Microsoft has such heavy investments in Apple. But Google is under no such constraints, and is working hard to make its desktop solution real enough to challenge the Microsoft dominance of the desktop. And to make the game even more interesting, Mozilla (makers of the Firefox browser) has announced the Firefox OS for smartphones and tablets. A move to the desktop is only a matter of time, and for the first time in nearly 30 years Microsoft will face serious

except to note that the last one was only half true. While "app stores" flourish, both the number of apps available and their sales numbers are dismal at best. We'll cut short the discussion of which others held true to save space for the trends to come in 2014.

But I would be remiss not to note that this is the 20th consecutive year we have done this column, predicting technology trends. And that we are nearly always right.

PREDICTIONS: 2014 TECHNOLOGY TRENDS

- **GPS devices are going the way of the wrist watch.** And for the same reason – they are being supplanted by the cell phone. It is a major problem for companies like Magellan, Tom-Tom and Garmin that Google is offering its GPS navigation for free on cell phones. Smartphones feature a screen every bit as large as the best GPS navigation unit, but for free. The GPS mapping compa-

nies can't afford to lower their software prices from \$89.95 or more to just \$.99, and they can't add enough features to make their hardware more attractive than your average smartphone. The result will be a bloodbath, this year, with few survivors except Garmin left standing. Oh, and that will make 2014 a great time to buy a GPS unit for your auto due to free-falling prices.

- **Voice Command will become a major battleground.** Twelve states, the District of Columbia, Puerto Rico, Guam and the US Virgin Islands prohibit **all drivers** from using hand-held cell phones while driving. Beginning in October 2013, all laws were designated **primary enforcement**—an officer may cite a driver for using a hand-held cell phone without any other traffic offense taking place. Some 37 states and DC ban all cell phone use by **novice drivers**, and 20 states and DC prohibit it for **school bus drivers**. **In addition, 41 states** 41 states, DC, Puerto Rico,

challenges to its desktop supremacy. Even if the challenger is open-source UNIX-based.

- **Social Media will begin to wane.** It has been marketing dogma for more than a decade that companies must have a “social media strategy.” Never mind that the social media are declining across the board, with Facebook losing its core youth audience and Twitter under legal assault for libelous posts. Never mind that MindSpace is on life support, and new entries such as Pinterest are having trouble building the same mass audience as their predecessors. Never mind that Google’s entry, Google+, has not caught fire. Linked-In continues to build members for business purposes, but it still has no viable business plan other than selling the personal information of its members. The bottom line is that it is nearly impossible to track interest of sales back to a social media site. And if an accounting firm can’t build clients based on its social media strategy, why spend the money?
- **Tablets will continue to show strong sales.** At \$200 to \$400, tablet PCs offer flexibility that their higher-priced laptop cousins cannot – such as robust video, HDMI outputs, high-resolution cameras and 4G connectivity. In a year of recession and lower employment, which 2014 promises to be, tablets will continue to show strong sales growth. In the long run, once the recession has run its course, consumers will stop trying to pretend that their smartphone or their tablet will replace a decent desktop or laptop PC. But that will not be this year.
- **Data caps will falter, then fall.** Cell phone companies have major problems with smartphones. Having convinced Congress that 4G cellular could take the place of broadband, they now find that they can’t deliver the throughput without massive investments – which the government will not fund. So the major networks have caps on how much data you can download. The secondary networks pretend they don’t have data caps, but

FOR ACCOUNTING FIRMS, THIS MEANS THAT 2014 WILL BE A GOOD YEAR TO INVEST IN NEW HARDWARE; A GREAT TIME TO MOVE TO SAAS ACCOUNTING AND TAX SOFTWARE PROGRAMS; AND A NICE TIME TO CONSIDER INVESTMENTS IN NEW DATA STORAGE, WHETHER IN THE CLOUD OR ON THE DESKTOP.

in truth they do. The caps are just hidden in their subscriber agreements. The bottom line, though, is that streaming media is the future, and that the cellular companies can’t hope to compete while still enforcing data caps. That is particularly true now that Verizon has purchased Red Box, and AT&T has its Entertainment service. Those companies can’t make money from streaming video and at the same time enforce data caps.

The year 2014 will be one of the most sluggish and most stagnant years of the past decade in terms of technology innovation and new products. On the other hand, this will be an enormously important year in terms of refining technologies and deciding how best to use them.

For accounting firms, this means that 2014 will be a good year to invest in new hardware; a great time to move to SaaS accounting and tax software programs; and a nice time to consider investments in new data storage, whether in the cloud or on the desktop.

TOP WEB SITES OF 2014

A compendium of ideas, products, rants and raves from the viewpoint of the author. These are the seven top web sites we reported in 2013, reprinted for the consideration of our users at the beginning of 2014. Note that the author has no financial interests in any of the products mentioned. Feel free to disagree, or to share your ideas by sending them to dave.mcclure@cpapracticeadvisor.com.

The BelArc Advisor. For those maintaining a personal computer at home, this is a handy free utility that provides a complete audit of the hardware and systems of your computer.

Available at http://www.belarc.com/free_download.html, note that this is for personal and not business use. Still, it is worth using at home to keep a log of what you have in the system, including model numbers, BIOS numbers, etc.

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

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

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

maintenance simple.

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

Microsoft Windows Malicious Software Removal Tool (www.microsoft.com/en-us/download/details.aspx?id=16). The Microsoft Windows Malicious Software Removal Tool checks Windows Vista, Windows 7, Windows XP, Windows 2000, and Windows Server 2003 computers for and helps remove infections by specific, prevalent malicious software—including Blaster, Sasser, and Mydoom. When the detection and removal process is complete, the tool displays a report describing the outcome, including which, if any, malicious software was detected and removed. The free tool is updated each Tuesday by the Microsoft Updater and is a first line of defense if malicious software is discovered by an anti-virus program.

iProp (<http://www.amazon.com/Universal-Android-Windows-Tablets-eReaders/dp/B004W697ES>). I don’t spend a lot of time beta testing hardware these days, but this gadget has some strong appeal. It solves the problem of how to balance a tablet in those awkward places where the usual type of stand doesn’t work... like when you want to balance it on your knees. It’s marketed as an iPad device, but works well with any tablet. ●

Easy Marketing Tips for Firms During Tax Season

Quick ways to boost your marketing efforts even during the chaos of busy season.

Communicating with clients year-round is a necessity in order to keep your firm top-of-mind, cement your position as trusted advisor, and ensure that clients are consistently updated on timely matters. While this is a good rule to follow, most firms find it difficult, if not impossible, to maintain client communications through tax season. This is not an impossible task, especially if you follow a set-it-and-forget-it method and other smart tactics that will enable you to maintain a consistent communications program without a big time investment.

Here are a few easy tips to ensure your marketing efforts don't go cold during tax season:

- **Schedule Communications for Auto Launch**—With today's advanced

email marketing solutions, you can easily schedule all your client communications ahead of time ... and then *fa-getta-bout-it* as you move into busy season. Even better, tax season is the easiest time of year to determine needed communications. For example, schedule a Q1 marketing "package" and begin launching communications this month. Consider these ideas:

- **Client Newsletter**—Send a concise client newsletter with helpful tax season tips and tactics. You can write this piece yourself, or quickly sign up for one of the many newsletter services designed for the accounting profession.
- **Client Tax Organizer Email Reminder**—By February, you've most certainly communicated with clients about the availability of their current-year tax organizer. As such, February is a good time to send a reminder to ensure clients complete their organizer.
- **Portals Email**—Send an email or postcard (if you want to balance your Q1 communications program with print materials) that encourages your clients to use their client portal. Make

sure to express the convenience of using portals to upload source documents and exchange files during tax season. Portals certainly save your firm time and support a paperless process, so it's good to dedicate time to communicating this to clients.

- **'Get-Your-Source-Docs-In' Email**—Every firm has those procrastinator clients, so even into March it's critical to communicate with clients about getting in needed tax documentation. Set up an email on this subject to go out in February, March, and even the beginning of April. Just make sure to update your list each time to avoid bothering clients who have already submitted their source files.

tional and contains helpful, tax-season-related information for your readership. For those who don't have time to write blog posts, outsource this task to a contractor. There are plenty of them out there. These folks can also take on the task of posting blogs to your website for you.

- **Stock Up on Printed Collateral**—Don't miss a single opportunity to sell added services to clients during tax season. This is the one time of year that you know most clients will be in front of you. These face-to-face meetings present a grand opportunity to present new services and up-sell. That said, be sure to have current marketing material on hand to go over

MARKETING IS ALL ABOUT FREQUENCY AND CONSISTENCY

- **Advertisements**—If you want to continue prospect marketing during tax season as well as communicating with clients, plan to run an ad over the Q1 time period. This will keep your brand top-of-mind in the community while you are heads down with returns.
- **Focus on Client Marketing Only**—Save your aggressive prospect campaigns for after April 15th... when you have time to handle them. Remember, it's far more lucrative to maintain the clients you have than to bring in new leads; so make sure you continue to "touch" your existing clients with helpful communications.
- **Post Regularly to Your Blog**—During tax season, you can get away with posting just once a month... just make sure that each post is educa-

with your clients. Also make sure to send marketing material home with clients to review later. Again, if you don't have time to create new marketing collateral, outsource this to a contractor.

These are just a few sound tips to keep your marketing program rolling even during busy season. Marketing is all about frequency and consistency; that is, staying on the minds of your clients and the community as a whole. Tax season can certainly put many non-tax related tasks on the back burner, but just remember—if you are not staying in touch with your clients, someone else may be. Take a few minutes to implement a few of these ideas and keep your marketing engine revving. ●



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The role that technology plays in our everyday lives has increased dramatically over the last decade, and this publication and our Readers Choice Awards have chronicled many of these changes.

From integrated tax and workflow management processes, to digital documentation, client collaboration and even older terms such as the "paperless office," professionals must stay aware of potentially beneficial technologies and best workflow practices in order to stay competitive in the tax and public accounting space.

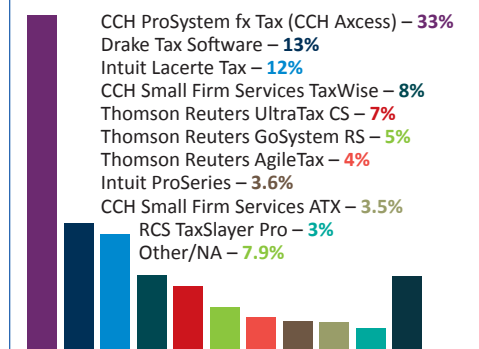
Among notable changes in this year's Awards are the broad adoption of cloud services for virtually every aspect of client services and firm management, continuing growth in the use of tablets and non-traditional mobile devices, and enhanced workflow management systems that help firms operate more efficiently and productively.

The Awards are the results of the votes of our readers, allowing them to shine a spotlight on the products and services they use in their firms, whether for direct client work or for firm management, as well as some of the personal and general technologies they use in their daily lives.

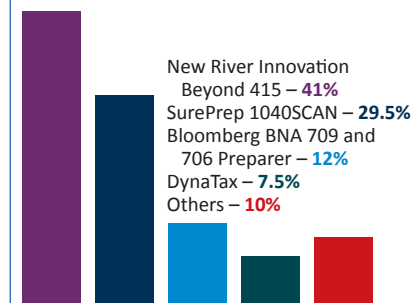
We would like to say thank you to the more than 4,000 tax and accounting professionals who voted in this year's Awards.

WHICH IN-FIRM TECHNOLOGIES DO YOU USE?

FEDERAL/STATE INCOME TAX COMPLIANCE



SPECIALTY SYSTEMS & TAX PREP TOOLS



Tax Planning Systems

1. Drake Tax Planner
2. CFS Tax Software – TaxTools
3. Intuit Lacerte Tax Planner

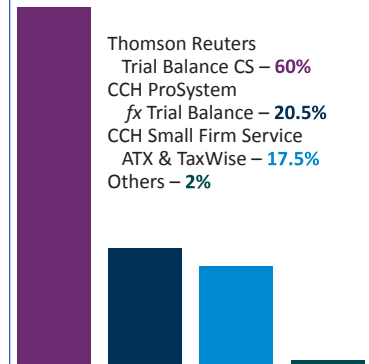
Estate Planning Systems

1. Thomson Reuters ONESOURCE
2. CCH ViewPlan Advanced
3. Bloomberg BNA Estate Planner & Gift Tax Planner

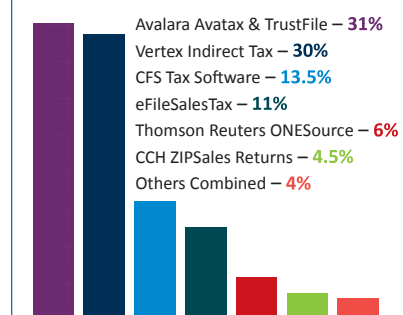
Write-Up

1. PCSAI Client Write-Up
2. Drake Client Write-Up
3. Intuit QuickBooks Accountant

TRIAL BALANCE



SALES & USE TAX



Sales & Use Tax Exemption Certificate Management

1. Avalara – AvaTax Certs
2. Thomson Reuters – ONESource Exemption Certificate Mgmt.
3. Vertex Inc. – Exemption Certificate Manager

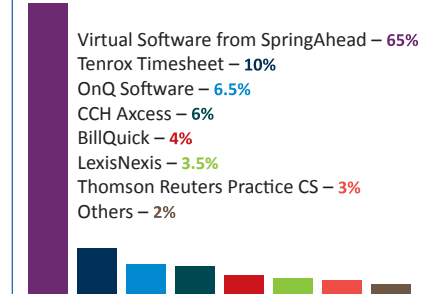
Audit/Engagement Tools

1. Thomson Reuters PPC SMART Audit Suite
2. CCH Knowledge-Based Audit tools/ Knowledge Coach
3. Capital Confirmation Confirmation.com

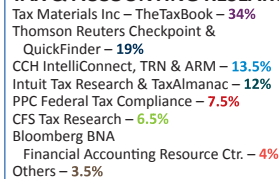
Budgeting/Forecasting & Business Intelligence Tools

1. SageWorks ProfitCents
2. Thomson Reuters Financial Analysis CS
3. CCH ProSystem fx Profit Driver

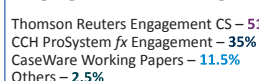
PRACTICE MANAGEMENT

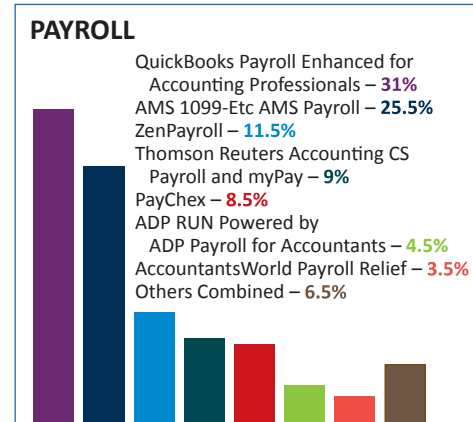
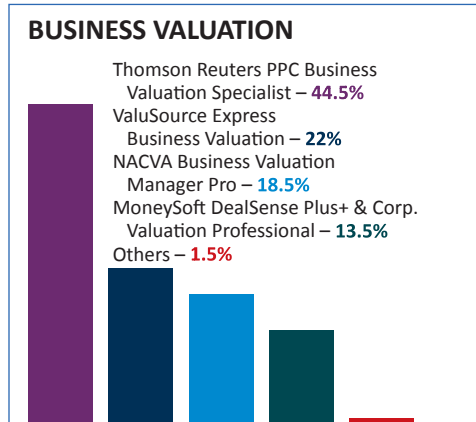
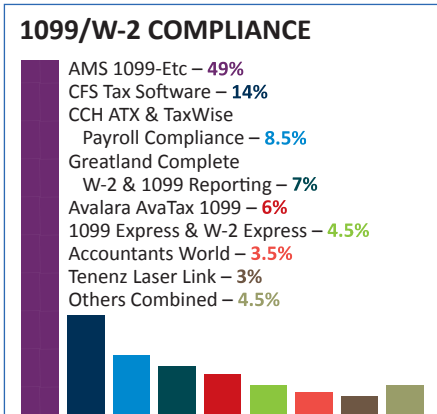


TAX & ACCOUNTING RESEARCH SYSTEMS



ENGAGEMENT MANAGEMENT





TIME & INVOICING

Client Portals

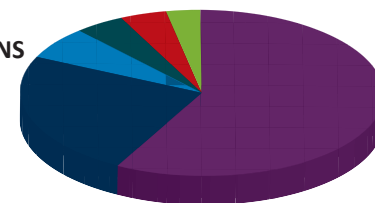
1. XCM Solutions
2. SmartVault
3. DocIT Web Client Portal

Tax Document Automation

1. Drake GruntWorx
2. Intuit Tax Import for Lacerte & ProSeries
3. CCH ProSystem fx Scan

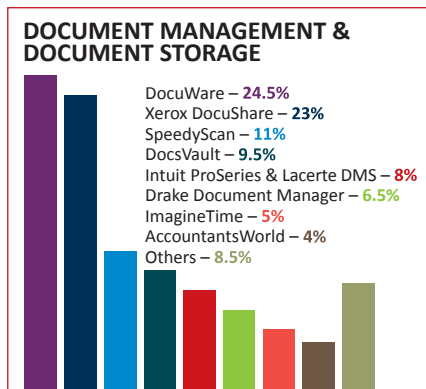
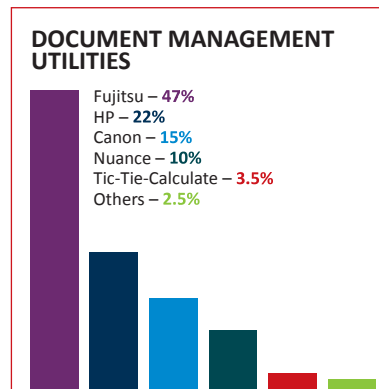
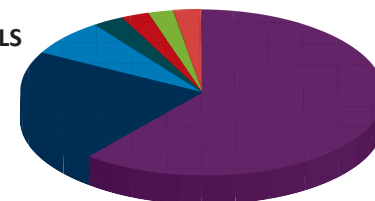
ONLINE INVOICING/ BILL PAYMENT SOLUTIONS

- | | |
|-------------------|------|
| Intuit Payments | 58% |
| Bill.com | 24% |
| Freshbooks | 6.5% |
| Xero | 4.5% |
| Sage Billing Boss | 4% |
| Others | 3% |

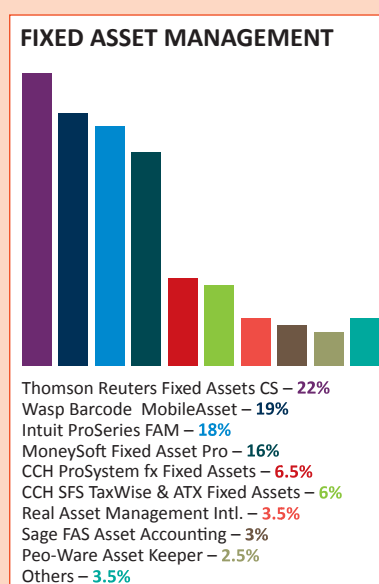


TIME TRACKING & TIME ATTENDANCE TOOLS

- | | |
|-------------------------|------|
| Wasp Barcode WaspTime | 61% |
| QuickBooks Time Tracker | 22% |
| CountMeIn | 7% |
| SwipeClock | 3% |
| BigTime | 2.5% |
| Chrometa | 2% |
| Others | 2.5% |



CLIENT-SIDE ACCOUNTING



Small Business Accounting - Installed Programs

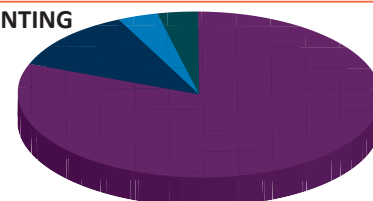
1. AccountEdge (formerly MYOB)
2. Intuit QuickBooks (any version)
3. Adagio Accounting

Small Business Accounting - Web-Based

1. QuickBooks Online
2. Intacct
3. Sage One

NOT-FOR-PROFIT ACCOUNTING

- | | |
|--|------|
| Intuit QuickBooks Premier: Nonprofit Edition | 81% |
| Sage Nonprofit Solutions | 12% |
| Blackbaud Financial Edge & FundWare | 3.5% |
| Others | 3.5% |

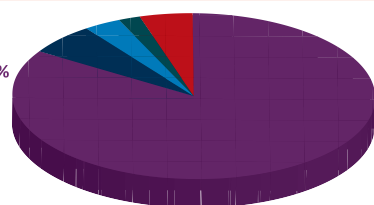


QuickBooks/ Small Business Paperless Add-Ons

1. SmartVault
2. Bill.com
3. Personable Inc.

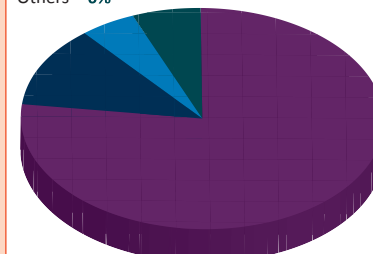
RETAIL ACCOUNTING/ POINT OF SALE

- | | |
|---------------------------------|------|
| Intuit QuickBooks Point-of-Sale | 84% |
| Sage POS & Payment Solutions | 6% |
| Microsoft Dynamics POS | 3.5% |
| AccuPOS Retail POS | 2% |
| Others | 4.5% |



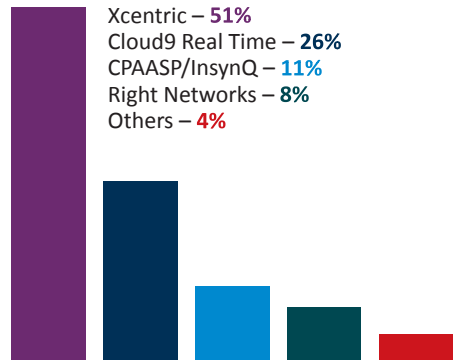
CONSTRUCTION/CONTRACTOR ACCOUNTING

- | | |
|--|-----|
| Intuit QuickBooks Premier Construction Edition | 77% |
| Sage Construction & Real Estate 50/100/300 | 12% |
| Microsoft Dynamics | 5% |
| Others | 6% |

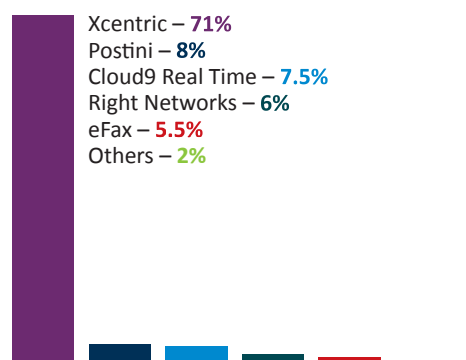


GENERAL BUSINESS TECHNOLOGIES

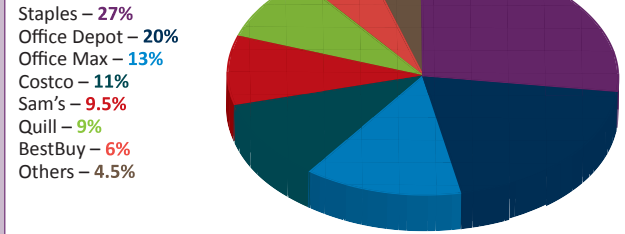
ASP/HOSTED SOLUTION PROVIDERS



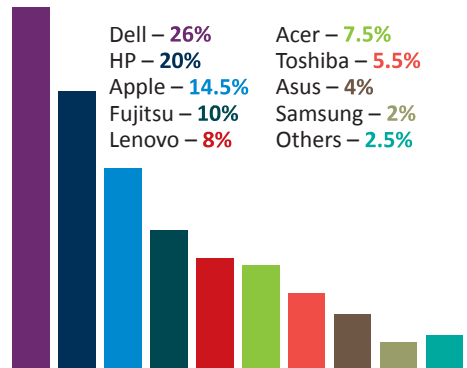
OUTSOURCED TECHNOLOGY SERVICES



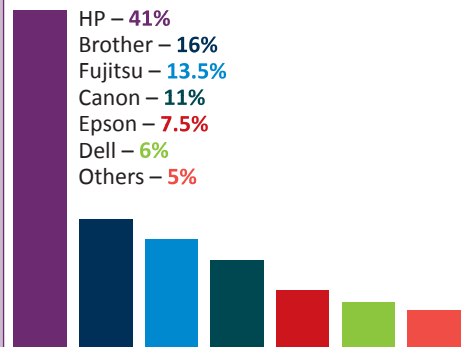
OFFICE SUPPLY STORE



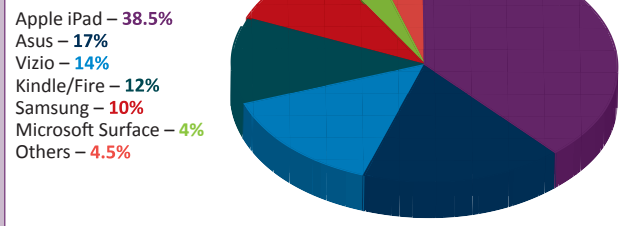
LAPTOP & DESKTOP COMPUTERS



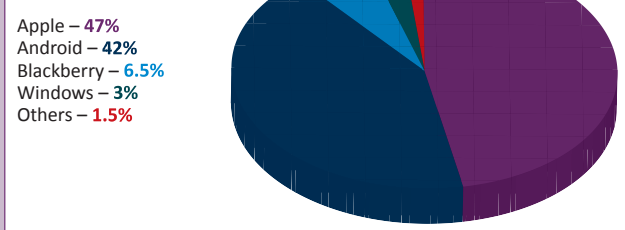
PRINTERS & SCANNERS



TABLET COMPUTERS/DEVICES

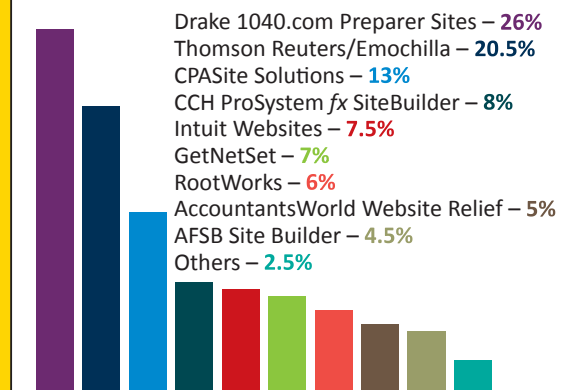


SMARTPHONE

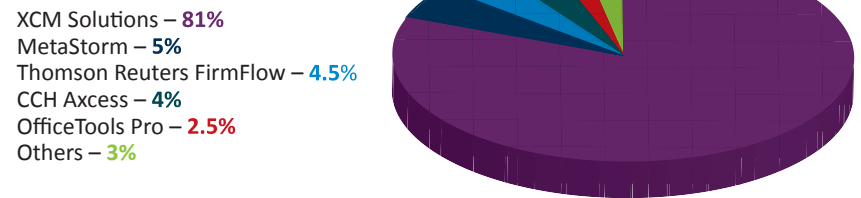


WORKFLOW MANAGEMENT SYSTEMS

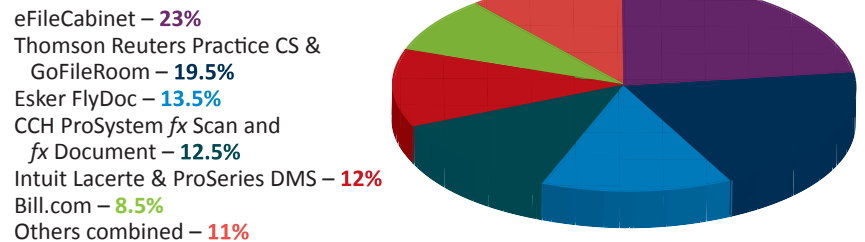
WEBSITE BUILDERS FOR ACCOUNTING FIRMS



WORKFLOW COMPREHENSIVE END-TO-END



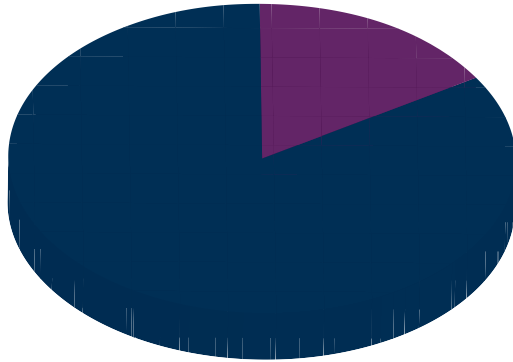
OTHER WORKFLOW TOOLS



NEW TECHNOLOGIES FOR PROFESSIONAL FIRMS

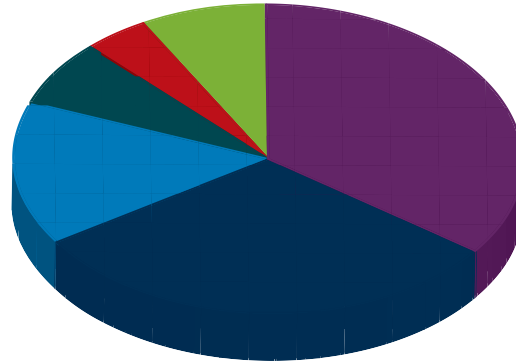
DO YOU USE SMARTPHONE OR TABLET APPS DESIGNED SPECIFICALLY FOR TAX AND ACCOUNTING PROFESSIONALS?

Yes – **16.29%**
No – **83.71%**



HOW MANY HOURS PER WEEK DO YOU WORK ON CLIENT ENGAGEMENTS OR FIRM BUSINESS WHILE AWAY FROM THE OFFICE (AT A CLIENT, AT HOME OR ANYWHERE ELSE)?

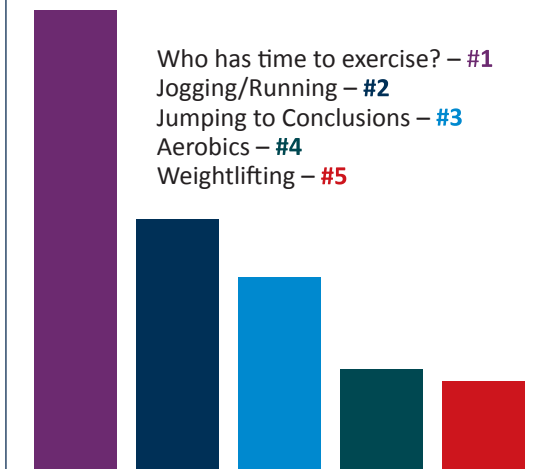
Less than 1 hour – **35%** Between 9-12 hours – **7%**
Between 1-4 hours – **31%** Between 13-16 hours – **4%**
Between 5-8 hours – **15%** More than 17 hours – **8%**



OUT-OF-OFFICE

EXERCISE PREFERENCE

Who has time to exercise? – **#1**
Jogging/Running – **#2**
Jumping to Conclusions – **#3**
Aerobics – **#4**
Weightlifting – **#5**



Technology is an integral part of the modern practice and the life of a tax or accounting professional, allowing greater productivity and helping many achieve a more balanced relationship between work and their personal life.

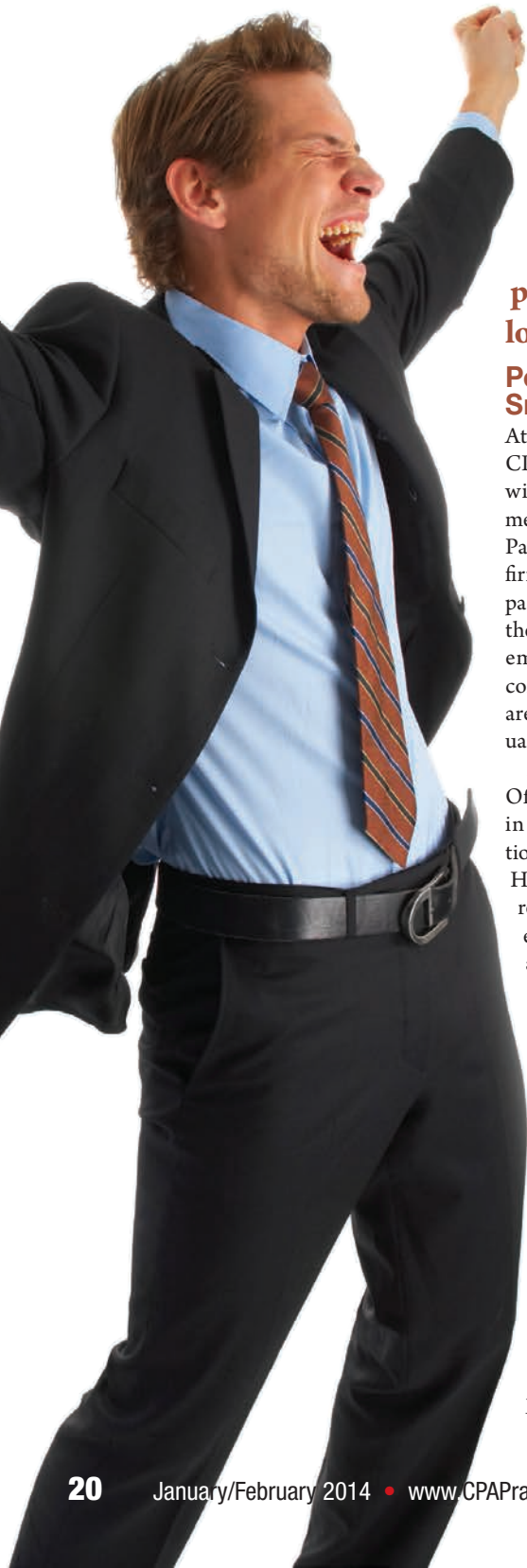
Thank you to the more than 4,000 voters who took the time to share their views in the 2014 Readers Choice Awards. As always, let us know if there are any additional programs or technologies you think would be a fit for the awards.

Here's to a successful year in 2014!

You can see more charts and results at
www.CPAPracticeAdvisor.com/11301326

Accounting Firms Keep Morale and Productivity High During Busy Season

By Gail Perry, CPA - Editor-in-Chief



Just like at the Kentucky Derby, the gates have sprung open and accountants are in the sprint for busy season. Alas, our busy time lasts much longer than two minutes. We've got a quarter of a year to wear ourselves out before we hit the finish line. *CPA Practice Advisor* checked in with some of your brethren to see how they're planning on maintaining productivity, wellness and office morale during the long, dark months ahead.

Pep Rallies and Healthy Snacks

At Buffalo, NY-based Freed Maxick CPAs, the firm kicks off busy season with its annual State-of-the-Firm meeting the second week in January. Part pep rally, part update about the firm's year-to-date performance, and part social gathering, this event sets the tone for busy season by boosting employee morale and providing context and focus for the effort that are expected from all staff from January through April.

According to Chief Marketing Officer Jennifer Hamberger, starting in December, prior to the "traditional" busy season, Freed Maxick's HR Department begins to send out regular memos about busy season expectations regarding hours, attire, security, and so on. The constant reinforcement ensures that employees are prepared to meet the company's expectations and also provides them with ample opportunity to ask questions or suggest ideas for improvement.

Working extra hours is a given so the firm provides a variety of healthy snacks (fruit, yogurt, breakfast bars) as well as special busy season lunches and Wednesday night dinners catered by local caterers.

In addition, the firm's Employee Assistance Program

(EPA) is available as an employee resource. This service provides free, confidential support for any issues pertaining to work/life balance/wellness – as well as additional counseling benefits.

Physical Activity and Remote Working

Robinson, IL-based Kemper CPA Group directs a lot of attention to employee wellness during busy season. The firm encourages short, group walking breaks, stretching, fitness events, and other exercises not just during busy season but year-round. In the spring, staff members keep the juices flowing by taking turns bringing in dishes for group lunches, and the firm provides breakfasts on Saturdays.

Tonya Dale, director of communications at Kemper CPA Group said the firm supports videoconferencing for meetings, rather than travel, which allow time for efficiency gains and helps prevent the need to make up travel time. Also workers are allowed to work remotely.

Nurturing, Fitness, and Date Nights

Letting the staff know the firm cares is important at Gross, Mendelsohn & Associates in Baltimore, MD. Linda Pietras, director of human resources, said the firm makes a point of scheduling semi-annual performance

reviews in January. Each staff person has an in-person meeting where goals and expectations for busy season are discussed. In addition, on the first Saturday of tax season, the firm hosts a Situational Awareness and Assailant Force Evasion Training (SAAFE-T) program to ensure that people who are working late are equipped with knowledge of avoiding and surviving unsafe situations.

All kitchens are stocked with healthy snacks and fruit, and a healthy option is included with lunch which the firm provides on Saturdays. Up to two Saturdays can be taken off during busy season. In addition, Gross Mendelsohn offers a fitness challenge which encourages everyone to stay active by walking and eating right. Pedometers are provided and teams challenge each other for the most steps. Also the firm has an agreement with Brick Bodies fitness centers which offer discounted club rates to staff members.

Morale stays high with an in-house happy hour on the first Friday of each month, and professional staff members receive Fandango gift certificates and are encouraged to schedule date nights with spouses and significant others to make up for some of the long hours. Everyone celebrates at an end of tax season party. ●

E-Signatures - *The New Normal*

By Mary Ellen Power

Business as usual, well, just is not usual anymore. With mobility at our fingertips, we are no longer tethered to a hardwired environment and the now-standard workplace stretches beyond an office or cubical. Let us not forget that you can forget working 9 to 5.

As part of the new normal, the expectation is that everything be digital. With mobile technology permeating every aspect of life, the speed of business has increased to a level where patience for delays generated by faxing, printing and shipping packages is next to none. For tax and accounting professionals and their clients, the same holds true – relying on pen and paper simply does not add up when it comes to completing documents quickly and efficiently. Internal and external clients are increasingly demanding a simple and secure way to complete paperwork and signatures anywhere and anytime on a PC, smart phone or tablet.

Electronic signatures are proving to be a technology that is secure, easy to use, and efficient for all parties. Once available to only those with the deepest pockets and biggest IT departments, now even the lone tax and accounting professionals can easily get started on any size project with the same security and reliability as an on-premise enterprise solution sitting behind a company firewall. According to Gartner analyst Gregg Kreizman, “The ease of implementation of the Software as a Service delivery model will continue to drive adoption of e-signatures and will establish SaaS as the predominant global e-signature delivery model.”

Maybe you have already realized e-signatures are a must. But how do you go about choosing a solution that will securely authenticate,

capture intent and gather, document and process evidence to keep your transactions safe, secure and compliant? Here are some tips:

- Emails should only be used as a means to take the signer to a secure site for signing.
- Online documents should be presented as they would be on paper, all in the correct order on any web browser, smart phone or tablet.
- Documents and data relevant to the signing process should be securely captured and stored.
- Signature audit trail information should be embedded in the e-signed document.
- Electronic evidence should be easily retrievable and presentable in an easy-to-view format.

Here is the thing – in order to choose the right e-signature solution, you need to know the difference between electronic signatures and digital signatures. An electronic signature, like a wet ink signature, is a legal concept, while the term “digital signature” refers to the encryption technology. Within an electronic signing application, digital signature encryption secures the e-signed data. If a document is modified or tampered with in any way, the digital signature technology will detect it and, as a result, the document will be invalidated.

But a digital signature on its own doesn’t capture a person’s intent to sign. For an e-signature to stand up in court, the solution must capture intent and consent and deliver secure, tamper-evident proof for the

signature. That’s something you can only get with an e-signature solution built on digital signature technology.

Just as with a traditional pen and paper, there needs to be proof that the signer clearly understood and accepted the conditions of the contract. The e-signature solution needs a thorough and reliable system for recording the data relevant to the signing process, including how much time was spent on each section before it was signed. If the documentation is ever called into question, it will be important to be able to quickly retrieve this data and present it in an easy-to-view format.

Now, what about getting clients to use the software? Anything short of the easiest signing experience may cause signers to abandon the process. It is also important to allow signers to complete paperwork without having to install additional software or apps or having to change browsers.

For tax and accounting professionals, an e-signature solution also streamlines the document flow process. It takes valuable time to prepare documents for signing. A good e-signature solution simplifies the process by creating easy-to-use



templates that are accessible in just a few clicks and requires that the signer’s information is keyed in just once.

With the pervasiveness of mobile devices in our society, traditional barriers to e-signature adoption have vanished. E-signature technology bridges the gap at the point where documents are traditionally printed out for signatures and proof of delivery. With e-signatures, all materials can be properly signed and securely handed back for processing and archiving in a completely paperless workflow. ●

Mary Ellen Power is vice president of marketing at Silanis Technology, a provider of electronic signature solutions. Over the years, Power has acquired in-depth knowledge of the electronic signature market and its impact in real-world customer deployments within companies of all sizes. To learn more about e-signatures, download the free white paper [Beginners Guide to Electronic Signatures](#).

It's An App World: Intuit Launches Intuit Apps.com

By Taija Jenkins, Assistant Editor

Long gone are the days where small business owners used one product from one vendor and griped about the numerous headaches it caused. With the changing technology and implementation of mobile devices and the Cloud, business owners now have more options when it comes to running their business. However, with more options come more questions and confusion.

In efforts to help small business owners navigate through the various apps and add-ons available to them, Intuit has introduced its new and redesigned app depot, www.Apps.com. The new website is designed to help current QuickBooks users identify the right apps to maximize their QuickBooks Desktop or Online experience. Accessible both in a web browser and in QuickBooks, Apps.com features apps for various tasks, as well as articles written by subject matter experts and customers.

"Apps.com will help owners run their business better by helping them perform company management better. There are apps available that help customers perform financial management and other tasks related to running a business, such as client management. These apps leverage the information that QuickBooks already tracks, allowing users to perform additional tasks beyond the capabilities of QuickBooks," said Ronny Tey, group marketing manager, Small Business Financial Solutions.

Utilizing apps found on Apps.com provides business owners with even greater security for sensitive data. Employees and staff who use integrated apps now have access to just the information they need instead of full access to QuickBooks data that is beyond their job scope.

In addition to showcasing various

apps that integrate within QuickBooks, Apps.com also features tips and best practice advice for business owners. Users can navigate through numerous articles that explain what apps are and how to best use them. Written by subject matter experts and other Intuit customers, the articles also cover topics such as practice management and how to navigate through payment issues.

"Our goal with Apps.com is to generate content and create a community for small business owners to help each other better understand what apps are available to them, how these apps will improve their business and what they need to consider in order to make an informed decision when managing their business," said Tey.

Apps.com isn't Intuit's first attempt at developing apps for its customers. The provider of business and financial management solutions previously owned the Intuit Apps Center, which simply showed apps that integrated with QuickBooks. Unlike the previous version, Apps.com organizes the apps by category and ranks them according to customer views. Apps with the highest number of quality reviews are shown first. In addition, Intuit reached out to subject matter experts to provide articles and best practices to customers.

"The old app center displayed a carousel of apps when the user first logged in. However, our small business customers said they needed more from us. They needed to make sure an app integrated correctly with QuickBooks and performed well before they purchased it. Essentially, they needed us to do more than tell them what was available to them; they needed us to provide the necessary tools so they could decide which apps were best for their business," said Tey.

Intuit vets every app before it appears on Apps.com so their customers don't have to sift through every app on the market. Before apps are approved, they must undergo an extensive review process, which includes two technical reviews and one marketing review. During the first technical check, apps are checked for compatibility to ensure everything works correctly. The second technical check is a security review performed by a third-party company. Before an app is granted access to QuickBooks' data, it must have the proper controls to secure its data. Lastly, Intuit's marketing team reviews marketing materials and existing product information to market the app on Apps.com.

"We are really committed to making Apps.com a valuable resource for small business owners. Even if a

small business is not currently in the market for apps, the articles on the website are still useful. Business owners can learn how to run their business better and get advice on issues that matter to them, like making sure their customers pay," said Tey.

In addition to introducing the new Apps.com, Intuit also announced changes to its open platform strategy, making it easier for developers to integrate their apps with QuickBooks. Previously, vendors were charged a connection fee for each company that used their app. The updated QuickBooks Online Application Programming Interface (QBO API) now eliminates those fees and allows developers to build applications that integrate across U.S. and global markets, reaching more than 516,000 QBO subscribers.

"We are taking our platform to the next level, making it faster and making more APIs available. This will open our platform to global integration. We officially dropped the integration fee last year, removing a significant barrier for developers. Now, it's free for their apps to connect to our data. This is just one more way we're working to empower small businesses," said Tey. ●



6 Criteria for Cloud Evaluation

Cloud computing continues to be the topic of much discussion and debate as firms map out their future technology roadmaps. Much that's written is about the benefits and challenges of the cloud as a whole. As we evaluate cloud solutions, should our process for evaluation be any different than in the past? There is a tendency to lump all cloud solutions together and then analyze them on the aggregate.

Ultimately making the decision of whether we are cloud believers or opponents. But we should really be

judging solutions on their individual merits, just as we've done with on premise solutions. So, what are the key criteria for evaluating a cloud solution?



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

1 Mobile
The world is becoming more mobile every day and we can no longer talk about preparing for mobile computing – it is here. While not all mobile apps require a connection to a cloud solution, it does simplify things and reduces friction of data flow. As you do your evaluation, you must get a grasp on the provider's mobile strategy. Do they have a mobile app? If not, are they working on one? And, it's not just about having an app but one that makes life easier and addresses a current pain point for mobile workers.

2 Real-Time
We live in a world of instant gratification. We no longer have to wait for the evening news

or the next day's newspaper to learn what's going on in the world. Why should we have to wait for our critical business data to be updated so we can make decisions? Real-time data feeds and dynamic dashboards/reports are becoming the norm. Understanding whether a solution is tapping into real-time data is a must. We no longer have to settle for solutions that periodically update our data and pull static reports. We want and need the information based on now and with the cloud, we can have it.

3 Hardware Agnostic
Every once in a while I run into a firm that has exited the PC world and is running all Apple computers. It's certainly not the norm and not even a large minority. But there is definitely a movement away from the days of the standard issue PC. Workers access data and systems from PCs, Macs, Tablets and Smartphones using various operating systems. A solution that works across the spectrum of platforms is becoming more important. And the expectation is not simply that it works on any device but also that there is a common user interface.

4 Scalability
Scalability is one of those tried and true criteria we have been using in the software evaluation process for years. However, we've primarily looked at it from a perspective of "can it scale as our organization grows?" While this is very important we also must look at scalability in terms of our client base. Can it meet the needs of our smaller, simpler clients while at the same time catering to larger, complex businesses? Sometimes the

answer will be "no" and you'll either need to explore another solution or select multiple tools to serve clients.

5 Open Architecture
Integration has always been important but is becoming increasingly so as cloud solutions mature and gain momentum. An open architecture will be the determinant to future success for solution providers. As I wrote in my column on cloud ecosystems a couple months ago, those that accept that they can't be all things to all people will adopt an open, collaborative approach and will have an advantage. Those who hold on to a closed, proprietary model will likely get left behind as they frantically try to hold on to market share of their legacy systems.

6 Need for Speed
The pace of change is increasing and technology is at the heart of much of it. Select solutions that have not only a willingness to listen and adapt to the needs of the market but also the resources to respond quickly. Speed matters and the pace of innovation will only intensify making it more important that your solution providers continuously keep their eye toward the future.
In reality, selecting a cloud solution is not all that different from the traditional process we've used with on premise software. However, if you combine the six criteria above with those time-tested measures you've been relying upon for years, you'll end up with a solution that meets your needs today and into the future. ●