



## **THE CPA TECHNOLOGY ADVISOR**

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### **Honoring Innovation**

Staff Writers

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Streamlined tax preparation, electronic banking, enhanced practice management and a free small business accounting system highlighted this year's Tax and Accounting Technology Innovation Awards, which were presented in June to the vendor community at the California Accounting and Business Show & Conference in Los Angeles and to the professional community at the AICPA TECH+ conference in Las Vegas.

The five vendors receiving awards are BankServ, Intuit Lacerte, Microsoft, SurePrep and Thomson Tax & Accounting. The Tax and Accounting Technology Innovation Awards are sponsored by *The CPA Technology Advisor*, with the magazine's editorial advisory board, contributing writers, editorial staff and other thought leaders in the profession voting on technologies based on their potential to positively influence the tax and accounting professions. This positive influence can be through enhanced productivity when a technology is used directly by the professional in their practice, through enhanced client collaboration, or via client-side technologies that improve data accuracy, integrity and consistency, which in turn can aid the professionals who provide financial services to those clients. The magazine's advisory board is comprised of accounting and tax professionals from across the country who are engaged in public practice in firms ranging from sole practitioners to major, multi-office regional practices.



Among this year's award winners were two products that streamline the tax preparation process by automatically routing client data into forms. "The integration of scanning, OCR and forms recognition will have significant and immediate positive effects for virtually every tax professional," said Gregory L. LaFollette, CPA.CITP, Executive Editor of *The CPA Technology Advisor*.

Software, hardware, hosted applications, and other technologies and services may be nominated for an award, but the technology must be commercially available at the time of judging, and must be either less than two years old or have undergone a significant redevelopment or addition within that timeframe. This year marked the fourth year the awards have honored technologies that aid the tax and accounting professions. Over 50 different products were nominated this year by vendors serving the accounting community. A total of five Innovation Awards are presented each year. This year, recognition was also given to five other high-scoring products in the form of Honorable Mentions. This year's Honorable Mentions included Acct1st Technology Group; BizActions;

CCH, a Wolters Kluwer business; Research In Motion (BlackBerry); and Thomson Tax & Accounting-PPC.

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## 2007 Innovation Award Winners

The logo for DepositNow! is written in a green, handwritten-style font.

**BankServ** received an award for DepositNow A/R, a service that lets businesses make online bank deposits using a desktop computer and a check scanner while, more importantly, also automatically updating their accounting records in QuickBooks or Peachtree. When the business receives a check for payment, the bookkeeper or manager who would ordinarily take deposits to the bank instead simply feeds the check through a scanner. DepositNow A/R uses optical character recognition (OCR) and MICR technology to read the handwritten dollar amount, as well as the magnetic ink at the bottom of the check. It then automatically records the payment in QuickBooks, filling in the dollar amount and using the account number to match the check to the correct customer and/or invoice. Then the user clicks “send” to electronically transmit the check to the bank, which processes the check using electronic funds transfer technology.

“We designed DepositNow A/R specifically to make accounting simpler for small businesses, so of course we’re delighted to see it recognized by the people who know the accounting world best,” said BankServ CEO Dave Kvederis. “When you introduce a technology that’s the first of its kind, it’s great to gain acceptance from the experts in the field. That’s always a positive sign that your invention is accomplishing what you intended.” Especially useful for businesses that process many checks, DepositNow A/R not only saves a trip to the bank, but also saves time on bookkeeping tasks and reduces errors that can occur during manual data entry on deposit slips and again in the business’ accounting system. More than 3,000 businesses are already using the DepositNow A/R system. BankServ also offers products and services for phone and web-based payments, Fedwires and foreign exchange and file translation.

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The Lacerte logo features the word "LACERTE" in a bold, sans-serif font with a red dot above the letter "A". Below it, the tagline "THE FIRST NAME IN TAX SOFTWARE" is written in a smaller, all-caps font.

**Intuit’s** ([www.LacerteSoftware.com](http://www.LacerteSoftware.com)) professional tax preparation division received an award for the new SmartMap feature in the Lacerte tax system. The feature helps streamline data integration between QuickBooks: Premier Accountant Edition and Lacerte by automatically assigning tax fields to trial balance accounts as they are imported into the tax system, saving considerable time during the preparation process when transaction data must be sorted into the correct fields within a tax form. One of the most notable features of the SmartMap system is that it actually learns as accountants use it. When using SmartMap, it saves all changes for use with all clients and also applies them to future returns, allowing the accountant to customize the tool’s database of tax assignments. Drag-and-drop tools make it very easy to use, and professionals can be confident that the data is going into the right tax field. Professionals can also view and complete trial balance accounts and the tax return data input fields side-by-side with the ability to easily review, add or change the assignments before the data is inserted into the client’s tax return.

“Our focus is to solve important unmet customer problems that deliver dramatic productivity improvement. Based on feedback from customers who have used Lacerte SmartMap, we’ve hit a home run in eliminating data re-entry,” said Sasan Goodarzi, Vice President/General Manager of Intuit’s Professional Tax Business. “We’re delighted that the industry is recognizing the dramatic improvement in productivity that SmartMap is delivering for our customers.” SmartMap’s ability to integrate QuickBooks data directly with the Lacerte system is a significant productivity enhancer, since more small businesses use QuickBooks than any other accounting program and because Lacerte is one of the most widely used professional tax preparation packages on the market.

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## Microsoft®

**Microsoft** developed Office Accounting Express 2007 with the intent of providing a reliable financial management system to the estimated 20 million small businesses in the United States that currently don't use an accounting application. Recognizing the barriers that have prevented many of these small business owners from utilizing an accounting program, such as cost, ease-of-use and accounting concepts, Microsoft has undertaken the goal of removing these barriers so that these businesses can manage their processes and finances better, more cost effectively and with greater accuracy. Microsoft won an Innovation Award for the professional version of this accounting package in 2006.

Accounting Express was selected this year because by offering a free, basic version that can be downloaded in full, small businesses that may have been concerned about the investment now have instant access to an accounting package. Likewise, the program's familiar interface and navigation, along with seamless integration with Microsoft Word, Excel and Outlook, help make the system almost immediately friendly to most business owners. But this user-friendly product maintains the strength of a traditional accounting system, offering the ability to create quotes, invoices, customized reports and more. It also serves as an on-ramp to the Internet with several Internet-based services for small businesses, including e-commerce integration with eBay and PayPal, electronic sending of invoices and payment receipts, payroll processing, credit checks, and collaboration with the small business' accountant. The program has been downloaded more than 1.5 million times since its debut in November 2006. It is available at [www.download.com](http://www.download.com).

"We are proud that Microsoft has again won an Innovation Award," said Karan Khanna, director of Marketing for Microsoft Office Accounting. "After feedback from small businesses and public accountants, we enhanced Office Accounting with a focus primarily on adding accountant-centric features and tools, including the addition of the Accountant Center, which streamlines the processes involved when handling multiple clients. The system also has integration with Office Live, enabling greater collaboration with clients, including electronic file transfers."

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## 1040SCAN

Automating Tax Preparation

Although still young at 35, **SurePrep** ([www.1040scan.com](http://www.1040scan.com)) CEO Dave Wyle, CPA.CITP has already played a notable role in advancing the development of technologies for tax and accounting professionals. A product of an earlier company of his won an Innovation Award a few years ago, and now as the president of SurePrep, he has brought 1040SCAN to market, helping to streamline and improve the accuracy of tax preparation. 1040SCAN uses advanced OCR technology to automatically input data from scanned source documents directly into a professional tax preparation system. By recognizing approximately two dozen government forms, including W-2s, 1099s, 1098s and K-1s, along with brokerage statements and all federal organizer pages, 1040SCAN significantly reduces the time spent preparing 1040 tax returns.

"SurePrep is truly honored to be recognized by *The CPA Technology Advisor* for its innovation in the field of Optical Character Recognition technology," said Wyle. "1040SCAN is the only product that allows tax preparers to scan client source documents directly into the tax return thereby cutting file organization and data-entry time by more than half. We look forward to continuing our leadership in this field and increasing the benefits this technology brings to the profession." In addition to automating data entry, 1040SCAN organizes and bookmarks source documents into a PDF file designed for quick access and paperless storage. This document organization feature improves review efficiency and virtually eliminates the need for professionals to spend time organizing paper files. To ensure data-entry accuracy, the 1040SCAN Review Wizard allows the professional to verify any data that may have been unclear or questionable from the original scan. Once reviewed and verified, 1040SCAN imports the values into the tax software.



**Thomson Tax & Accounting** received an Innovation Award for the latest version of Practice CS, a workflow management program designed specifically for public accountants and tax professionals. The system helps firms manage their workflow processes more efficiently and competently by providing a technologically advanced and customizable system. Practice CS, acting as the hub of integrated business operations, receives the data flow from the firm's other programs. It collects and monitors volumes of real-time data and information. Users then have access to this data via real-time digital dashboards that give professionals summary views of all key business indicators, client status, staff workflow, productivity tools and other information, with drilldown functionality that lets them easily get to specific data and reports.

"The Innovation Awards are highly coveted, and we greatly appreciate being selected this year," said Jack LaRue, senior vice president at Thomson Tax & Accounting. "We set out to create a new system for accounting professionals to manage all of the processes involved in their firms, from scheduling and workflow management, to client management, budgeting, time and billing, project management and collaboration. "Our customers are truly excited about the digital dashboards in Practice CS, which makes real-time key metrics about their firm and their clients instantly available. While receiving an Innovation Award validates our work, what we desire most is to help accounting professionals be more productive and efficient in their practices. And Practice CS accomplishes this."

The program also offers time and billing functions, data sharing features and the ability to share project data and status information using the Project Management module, resulting in an integrated process that maintains up-to-the-minute data on every project within the firm. When a firm member finishes one aspect of a project, it automatically notifies the next member of the firm that the project is ready for their attention.

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## Honorable Mentions

In addition to the Tax & Accounting Technology Innovation Awards described above, five companies were also recognized this year for their innovative contributions to the professional tax and accounting fields, and were presented with Honorable Mention certificates.

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### **Acct1st Technology Group** **Best of Breed Integrator (BOBI)**

One of the leaders in paperless document and data management applications, Acct1st's Best of Breed Integrator (BOBI) was recognized for its ability to integrate with virtually all accounting and practice management programs. BOBI essentially acts as a universal translator that allows the Acct1st document management system to work with any accounting, tax or office productivity program, as well as client portals and other technologies.

"It's great to have an independent source like The CPA Technology Advisor recognizing technological advancements in the accounting and tax space," said Andrew Hatfield, chief strategic officer with Acct1st. "BOBI's universal data translation capabilities help us in everything we do, and in turn, it ultimately benefits accounting firms because it makes the decision process easier when choosing to implement new technologies because they

don't have to worry about compatibility. BOBI can work with whatever choice they make.”

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### **BizActions** **BizActions Dashboard**

BizActions provides customized newsletters and tax and financial content for accountants and tax professionals to help them stay in touch with clients, prospects and referral sources. Content includes more than 5,000 professionally written and illustrated articles in 80 different categories, including Personal Tax, Forensic Accounting, Mergers & Acquisitions, Construction, Manufacturing, Litigation Support and Family Business. Firms can also author their own articles. The new BizActions Dashboard allows partners and administrators to have instant access on their desktop to stats that tell them how well their e-mail marketing efforts are working, including which articles are being read the most or forwarded to other readers. If it's an estate planning article, for instance, then the user can see who read the article and instantly bring up contact information without having to log into a separate system.

“We are proud to be recognized as the first company in e-mail marketing for accounting firms to develop a dashboard that gives users stats that help them improve their outreach efforts,” said Barry Friedman, CEO of BizActions. “This new dashboard makes it even easier for firms to enhance their branding efforts and effortlessly generate warm leads.”

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### **CCH, a Wolters Kluwer business** **Tax Research Consultant**

CCH's Tax Research Consultant is an online resource that combines the best traditional, fine-grained research capabilities with a practice-oriented approach to online tax research. The product is innovative in the way it integrates content with tools, including the one-click wonder CCH@Hand, which won an Innovation Award in 2005. The system also offers timesaving tools that speed researchers to their specific end results, providing not just theoretical answers, but information they can immediately share with their clients.

“The new Tax Research Consultant is really an exciting tool because it provides tax professionals and accountants with practical and real-world explanations of tax law and taxation issues faced by their clients every day,” said Jennifer Lowe, CCH's Portfolio Managing Editor for Federal Tax/Corporate and Large Accounting Firms. “Tax Research Consultant takes a different approach than other research products on the market, providing a much more user friendly system that offers seamless links to federal research and interactive aids, examples, pointers, gray areas and other related materials. This allows professionals to find the answers they need very quickly and helps them be more productive.”

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### **Research In Motion** **BlackBerry 8800**

The BlackBerry 8800 smartphone allows tax and accounting professionals to communicate with customers regardless of location. Client questions and requests are dealt with immediately. This sleek new smartphone is an integral tool for on-the-go professionals with extraordinarily fast browsing access to up-to-date information and the

ability to connect seamlessly with accounting and other financial applications. The BlackBerry 8800 gives instant access to client information, either stored on the device, or retrieved from an office application; be it customer relationship management software, Microsoft Office applications, or time and billing applications, to name a few. The voice notes feature of the BlackBerry 8800 helps financial experts stay organized and gives them the opportunity to save quick reminders and information for use later.

“Accountants and tax professionals are really looking for a way to be connected to the best, most accurate information in order to better serve their clients” said Jeff McDowell, RIM’s Vice President, Global Alliances. “Using a BlackBerry 8800 allows instant access to information on the go, and also allows accountants to be more available to clients, which is a must in the current economy and customer-focused business world. No matter where they are, accountants are available via voice, e-mail or text message with a BlackBerry 8800.”

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### **Thomson Tax & Accounting-PPC** **SMART e-Practice Aids – Risk Assessment**

The AICPA’s new Risk Assessment Standards represent one of the most significant changes in the audit profession in decades. PPC’s SMART e-Practice Aids – Risk Assessment is an innovative audit tool that dynamically generates customized audit programs based on risk assessments and is an invaluable resource to help firms effectively implement the new Risk Assessment Standards. By bringing advanced functionality to existing e-Practice Aid audit products, PPC SMART e-Practice Aids allow firms to complete all audit planning documentation, ID and capture audit risks affecting engagements, select an audit strategy in response to risk, automatically generate suggested audit programs, easily customize even further using drag-and-drop functions, and diagnose inconsistencies in an audit plan.

“Of course we’re excited to be honored by *The CPA Technology Advisor*, but this also gives us an opportunity to educate auditors on the new risk assessment standards” said Ken Crutchfield, vice president of strategic marketing for Thomson Tax & Accounting’s Research & Guidance group. “The changes involved with these new standards are so dramatic this year that professionals really need to think through their entire process. That’s where SMART e-Practice Aids – Risk Assessment can provide invaluable assistance by guiding the user through a structured process to be sure they are taking into account all of the risks involved.

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The technologies selected for awards this year, along with the Honorable Mention recipients and the other nominated technologies, demonstrate the continued strengthening of the profession and the dedication of the vendor community that supports it, according to LaFollette. “The profession’s continued adaptation of technology has resulted in more efficient, productive and accurate work processes that aid professionals and, ultimately, our clients.” The nomination period for the 2008 Tax & Accounting Technology Innovation Awards will open early next year.



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