

Perfect Paperless For Accountants

Acct1st Strengthens & Simplifies Document Management with Accountant-Focused Design

Whether hearing it from vendors at CPE events or tradeshows, pretty much everyone in the accounting profession has grown accustomed to the following mantra: "The paperless office makes a firm more efficient, more productive and more profitable." And when they hear that phrase, most accounting professionals inevitably think of scanning documents to reduce file cabinet space.

While scanning and using other methods of obtaining documents electronically is a vital component of the paperless process, it is only the beginning. The core of a paperless office isn't the scanner, however; it's how documents are managed after they've been made electronic. The document management system that houses, sorts, files and aids searching of various client data is the key to whether or not a professional firm will be successful at making the move to a paperless environment. It is also the key to whether or not they are able to take full advantage of the benefits that electronic records management can offer. That means the usability of the system, in addition to its core features, is crucial: If people can't use the system efficiently, it won't be used.

Simplified Sophistication

Making a powerful, yet easy-to-use document management system was the primary mission for the founders of Acct1st, a group of technology savvy CPAs who partnered with an experienced document management developer to create the accountant-focused system called Acct1st EDRMS (Electronic Document and Records Management System). The goal was to create the first affordable, fully featured and easy-to-use document management system specifically designed for accounting practices. The system also had to be scalable to virtually any size firm, with the ability to meet both the in-depth vertical needs of a practice serving individuals and small businesses, as well as the needs of larger professional firms whose clients are subject to more detailed compliance requirements.

"We saw that our fellow practicing accountants needed a solution that would provide highly sophisticated imaging, records and document management capabilities that specifically matched the needs of accountants, not only for managing client records, but for the firm's administrative use as well," said **Andrew Hatfield**, Vice President of Business Development for Acct1st. "We knew that the system would have to be scalable to any size and be affordable to any firm, while also making the learning curve and transition process as easy as possible."

The usability of the Acct1st system is also enhanced by its customizability. Each user within a professional firm can set up the system to meet their specific needs and preferences, whether they function as a tax professional, auditor, bookkeeper or other role. This helps to improve the workflow process by only giving users access to features and functions that they are authorized to use and that they need in their particular job function.

"Before we implemented the Acct1st system, we were using what we thought was a pretty good and logical ad hoc storage system just using client folders and subfolders in 'Windows Explorer,'" said **Julie Fry**, CPA, the firm administrator for SalmonBeach & Associates in Dallas. The firm is one of the largest accounting and consulting practices in north Texas. Since the transition to the document management system, she says that the benefits have been remarkable.

"The storage system is much better than with regular Windows folders but just as easy to move around in. Plus the system's search features, retention functions, collaboration tools and security capabilities are significant productivity enhancers." Other benefits over using the Windows filing system or a generic "file cabinet" solution include automated standardized indexing of files, file status alerts for retention purposes, records management calendars, secure remote access and collaboration capabilities.

To get started with their move to paperless, the firm waited until after the busy season and then moved over

critical data and prior year client returns. Otherwise, they took the approach of going "from that day forward and not worrying about the past" as far as moving other documents.

Even after only about one year of full implementation of Acct1st, Ms. Fry says the system is paying off. As with any professional services firm, the company had amassed a great amount of old files that had to be stored off-site. As time passes, these files are removed and destroyed according to retention guidelines, and with no paper files replacing them, the end of off-site storage may not be too far away. That goal is one the firm's partners never could have imagined before moving to Acct1st.

The automated file retention system is also a great asset to the firm, according to Ms. Fry, because it can be set to automatically destroy files and move their records to archiving after predetermined time frames, and thereby relieving the staff of this tedious task.

Accountant-Focused Functionality

To meet the challenge of creating a powerful but user-friendly accountant-focused document management system, Acct1st worked in-house with a Dallas CPA firm to design Acct1st specifically around the specific demands of an accounting practice, from traditional file management and sophisticated search capabilities to security features that restrict access to authorized users and audit logs that track changes made to client documents. The Acct1st system also includes built-in records retention capabilities that ensure that individual documents are maintained for the legal or recommended length of time and can automate whether the files should then be destroyed or moved to the site archive. This helps on both the compliance front and in reducing paper storage.

The system's audit logs keep track of all pertinent data throughout a file or record's life, from creation to deletion, keeping records of who destroyed the file, why and when, and showing how the file was managed in between. For smaller firms that don't have an official records management staff, this automated retention capability can be a significant timesaver, as well as provide the practice with assurance that the records are being properly maintained. The retention system can also be used to manage the paper that still has to exist within the firm. After all, the term paperless office really means a "less paper" office — some things inevitably still need to be in hard copy format, but the management of these items can still be automated through the electronic management system.

Acct1st's Integrated Save module is another timesaver, according to Ms. Fry. The module allows users to save any file from another software program (such as Word, Excel and Outlook) directly into the document management system simply by using the "save as" function. A similar function simplifies the process of providing clients with their completed records and original documents by simply tagging and copying those items onto a disc. The copying is automated and completely performed within the program.

Client Collaboration

Acct1st's client collaboration tools further aid accounting practices. If the accounting professional grants permission, clients (or authorized third parties such as attorneys) can use a secure online portal to access their financial records that have been made accessible by their accountant. This reduces non-billable time spent obtaining the records for the client and strengthens the client relationship by allowing them to access the files when they need them and at their convenience. Professionals can also share client records by burning them to CD-ROM or sending them via e-mail.

When using the CD-ROM method through Acct1st, the system maintains file protection and searchability functions with the copied files on the disc. E-mailed documents do not actually contain the documents, but rather a link to the document that requires security authentication to access, so only the client or other authorized party can view the files. This also allows colleagues within a firm to quickly and securely collaborate on client records, whether working in the office or from any other location with Internet access.

Although Ms. Fry's firm does not currently allow clients to access their own records, she noted that the collaboration

tools are a productivity boost during the review process. "The return preparer can simply e-mail a link to the return to the reviewer, who can open it and examine source documents and prior year returns at the same time." The practice also uses the system for its own financial and business management records, allowing authorized senior staff to see financials, payroll, banking information and other sensitive data, while preventing others from access.

Because the program was developed by CPAs working in conjunction with an experienced document management developer, the Acct1st system has a comprehensive traditional feature set, enhanced with accountant-specific functions, and is organized in a way that makes sense to the workflow process within accounting firms. Mission accomplished? Not quite.

Flexibility

Another aspect that is unique to Acct1st EDRMS is that it is the only document management system for accountants that is available as both an in-house software application or as a hosted version that maintains the document management system and records on secure servers managed by Acct1st. Either way, management of the system is easy whether there is an experienced IT professional involved or a novice, and moving the system between file servers, which may be necessary when upgrading a network, can be done by simply moving three files. Three.

"Nobody knows what they want to do tomorrow, so giving accounting firms the option of either a traditional in-house application or a hosted ASP model allows them the flexibility to deal with firm growth, changing client needs and other factors," Mr. Hatfield said. "This helps firms take full advantage of technologies that enable them to become more productive and efficient, both of which directly impact the bottom line."

Security

Acct1st has made security of client documents a top priority, whether a firm is using the in-house software or the hosted ASP version of EDRMS. The system has strong encryption capabilities and houses several authentication tools. It provides administrators with the ability to restrict access based on user, file type, folder, client or other factors. Online data is stored with Divinsa, a respected data hosting and security company that also offers disaster recovery.

Imagine that your practice was in New Orleans on September 1, 2005. If your client data was only on the file server in your IT closet, then it was lost. But if the firm used a remote hosting system, it could be back and accessible in minutes, and the ASP version of Acct1st would be immediately usable from any location set up as a temporary office.

Paperless is Productivity

Technology writers have proclaimed it, and the IT section of the AICPA heartily endorses it. Paperless document management does increase productivity and can lead to much improved efficiency, benefiting both the accounting practice and its clients. Add to this the lessened costs associated with paper, from purchasing it to making copies, the time spent retrieving file folders, and the real estate required to house client records. Accountants have heard these proclamations before, but many have not implemented a document management system because of steep pricing, while other firms may have tried one of the generic "file cabinet storage" solutions on the market, only to be disappointed by poor functionality, inefficient workflow processes, weak security or other failings.

Acct1st EDRMS solves the paperless document management puzzle for professional accountants, providing a system that was built for accountants by CPAs who know what accountants really need. The intuitive system is easy to learn and use, is customizable for each person and role within an accounting practice, offers an audit trail and strong security features, can integrate with third-party practice management systems and provides the flexibility of being offered as either traditional installed software or a hosted solution. And it doesn't cost an arm or a leg. Any firm that hasn't implemented a document management system, or those that are dissatisfied with their current one, needs to check out Acct1st. ☺

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COMPANY OVERVIEW

Acct1st™ is a winning combination of accountants, document management experts and cutting-edge software developers. Acct1st EDRMS differentiates itself by focusing on one core issue: **Document Management Specifically Designed with Accountants in Mind.**

Acct1st Technology Group, LLC provides document management, tax scan, OCR auto-tax population, tax workflow and client portal solutions and services to the accounting sector. Acct1st provides these solutions as integrated (all tax applications, Windows and other native accounting centric applications) solutions or by individual components. Great technology at an affordable price has always

been the goal. Acct1st is a partnership between an experienced document/compliance management software development company (serving several niche markets) and technologically progressive CPAs.

Acct1st came into the accounting market with a mission to help accounting firms better organize, protect and manage their information in order to create better processes that serve both firm and client needs. Acct1st is focused on providing a sophisticated document management system for accounting firms that is easy to use and simple to deploy with the fastest learning curve possible. In addition, Acct1st strives to provide assistance to any size accounting firm at an affordable pricing point, whether hosted or as an internal solution.

The Acct1st solution is easy to customize and deploy throughout an organization. Acct1st Technology Group understands that

software alone is not the solution, and a holistic approach to becoming a paperless firm is essential. Acct1st works with firms from the beginning of their "going paperless" efforts to help them make needed decisions and implement change. Accounting firms can rely on Acct1st to help solve firm problems, not just to sell them software.

PRODUCTS & SERVICES

► Product Background & Notable Features

- DOCUMENT & RECORDS MANAGEMENT
- TAX SCAN ORGANIZER
- OCR AUTO-TAX POPULATION
- WORKFLOW
- CLIENT PORTAL
- HOSTED OR INTERNAL
- NON-PROPRIETARY

► Pricing

- \$1 per day

► Services

- Consultation
- Best Practices
- Custom Configuration
- Training
- Installation
- Disaster Recovery

MARKETS SERVED

Accounting firms and their clients.

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Acct1st Technology Group, LLC — Acct1st EDRMS

By John H. Higgins, CPA.CITP

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Acct1st is designed specifically for the tax and accounting firm environment as an enterprise-level solution that can support the needs of larger firms.

Julie Fry, CPA, of Dallas-based SalmonBeach & Associates, PLLC (www.salmonbeach.com) decided on Acct1st because it was created for accounting firms. "The support provided during the implementation and thereafter has been great," she says. "The system now integrates directly with VPM (formerly a CPASoftware product, now part of the CCH family), and new clients who are added to VPM are directly added to Acct1st."

Fry notes that the most beneficial aspect of Acct1st for her firm has been alleviating paper and storage problems. They now have immediate access to prior-year information and e-mail capabilities from the system. "We *.PDF the tax return directly from our tax program and store it in Acct1st, eliminating a 'hard copy' for the permanent file," she says. "This cuts down on processing time." The firm is also doing the same thing with the audits it prepares. "We are hopeful that in time we will electronically send out these reports, reviews and tax returns to the clients."

Fry advises firms that are considering implementation of a document management system to look at the present and move forward: "If you start thinking about how much needs to be done, you will never get started. The more diligent you can be in the initial set up, the easier your implementation will be. I think that we made a mistake by making too many classifications. The last thing that you want to do is to frustrate your staff when they are trying to find information on the system. Training is important, and repeating the mantra 'change is good' will also be necessary. Many do not want to change, but the decision has to be made from the top down within the firm. If

the staff understands that the owners are 'on board,' they will realize that they had better get on board also. Dual screens are very helpful, and having a dedicated 'scan person' is a must at least in the initial stages to get information into the system."

SalmonBeach & Associates, PLLC is a regional firm that has been in operation since 1987 and currently has a staff of approximately 23 employees.

INSTALLATION & CONFIGURATION

This system is designed to run in a SQL environment with an option to run via web connection without an IIS server because it has its own built-in web service. As an alternative, the vendor offers a hosted option, as well. ★★★★★

USER INTERFACE

Acct1st offers a number of features that allow the user to enhance the interface, including user-defined buttons for pre-saved searches, and sorting and selection of columns in the document hit list. A particularly nice feature is the ability to define what information is displayed in the hit list based on the document type. There are three main ways to bring documents into the system: right-click from Explorer, drag-and-drop from e-mail, and automatically based on file type, such as a tax return *.PDF. As part of the setup, the vendor can develop scripts to automatically index and file existing documents based on the folder properties to which the files belong. Overall, the system is very strong in its capabilities to bring in documents in bulk or batches. Another unique feature is the ability to export documents to a CD and distribute with a royalty free viewer. ★★★★★

INTEGRATION

As previously noted, the software has direct integration with VPM, which is now part of the CCH family. This feature will automatically pull client name and number information from VPM. An API (Application Program Interface) and SDK (Software Development Kit) are both

available to develop integration with third-party software applications. Acct1st is a Certified Integration partner with Sage. The system does not offer a virtual *.PDF print driver to generate *.PDF output from other applications and file them into the system. (The company added that Acct1st manages all file types to include *.PDF and utilizes a multitude of *.PDF drivers from native applications to free Adobe downloadable drivers.) ★★★★★

TRAINING & SUPPORT

Acct1st provides pre-deployment planning consultation using a stock database configuration defined in an Excel spreadsheet, which is customized with the customer based on their unique requirements. A review of the firm's existing data file directory structure is performed so that a script can be developed to automatically upload existing shared files. The typical implementation requires five to six days of service. ★★★★★

WORKFLOW & DOCUMENT TRACKING

The system provides the ability to route a document to anyone in the organization. User-defined fields can be established to set up a customized workflow with various routing rules established. ★★★★★

SECURITY

Permissions can be set to view or edit documents based on the user, groups, folder (document category) and document type. Records management and retention is a core feature of the system. Retention rules can be established and applied to both files and scanned images. An unlimited number of retention schedules can be established based on document type or policy. When a document is destroyed, you can determine whether or not the metadata (indexing values, etc.) are maintained for an audit trail or destroyed with the document/file. In addition, documents can be put into an "on hold" status during litigation, which means the selected documents cannot be edited and the retention schedule is suspended. ★★★★★

PRICING

The base price is \$250 per user license with a 20 percent annual maintenance and support fee. Alternatively, the hosted solution is priced at \$50 per user per month. On-site services are priced at a very reasonable \$500 to \$1,000 per day. ★★★★★

RELATIVE VALUE

Acct1st is a strong solution, and the company is committed to the practicing public accountant. The information they provided for this review demonstrates that they have a solid understanding of the marketplace. This is a strong package that can compete with some of the better known systems. ★★★★★

2006 OVERALL RATING ★★★★★

\$1.00 a day
hosted DOCUMENT MANAGEMENT
also available as an internal solution

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CLIENT PORTAL, TAX SCAN, DMS, TAX WORKFLOW

2006 Readers' Choice Awards

CATEGORIES COMPANY/PRODUCT	Installation & Configuration	User Interface	Integration	Training & Support	Workflow & Document Tracking	Security	Pricing	Relative Value	2006 Overall Rating
Acct1st Technology Group, LLC Acct1st EDRMS	4	5	4	4	4	5	5	4.5	4.5
CCH, a Wolters Kluwer business ProSystem fx Document	4	4	5	5	5	5	4	4.5	4.5
Cabinet NG, Inc. CNG-SAFE	4	4	4	4	4	4	4	4	4
Computhink, Inc. ViewWise	4	5	4	4	4	5	4	4	4.5
Doculex, Inc. Doculex Goby Capture	4	5	4	4	4	4	4	4	4
Intuit Lacerte Document Management System	4	4	4	4	NA	4	5	4	4
Office Tools Pro Office Tools Pro	5	4	3	4	4	3	5	4	4
RJS Software Systems WebDocs CPA	5	4	4	4	5	4	4	4	4.5
Thomson Creative Solutions FileCabinet CS	4	4	4	5	4	4	4	4	4
Thomson RIA GoFileRoom (formerly ImmediTech)	5	5	4	4	5	4	4	4.5	4.5