
Vendor Profile: Acct1st remains true to its roots

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By Liz Gold



Acct1st Technology Group LLC, which began as a partnership between a Dallas CPA firm and a Seattle software development company, has forged a niche over the past four years as an accounting firm-centric vendor catering to CPAs and their clients.

Through the unique management synergy and strategies of CPAs and software developers, Acct1st currently offers imaging, document management, tax workflow and client portals through internal or hosted systems. And its product suite, Acct1st EDRMS (an acronym for Electronic Document Records Management System) is designed to offer CPA firms a host of tax and document management products.

"We did a lot of analysis in the market, and at that time there was really a lack of good document management systems," said Andrew Hatfield, chief strategic officer at Acct1st. "We had all the bells and whistles to be called document content management. What we didn't understand were the processes inside a CPA firm, between internal processes and between things that the CPA would interact with the client and how we needed to facilitate that. And there was really nobody at the time doing that."

SMALL FIRMS FOOTPRINT

After initiating early alliances with a few CPA firms in Dallas and seeking feedback on how to build a quality paperless product that adhered to the processes and regulatory rules of what a CPA firm needed, the group came up with Acct1st EDRMS.

"I'd been thinking for some years that there had to be a better way to get a hold of processes," explained James Beach, CPA, CITP and one of the original accountants behind the formation of Acct1st. "But the tools hadn't been available, everything was just expensive. I was more interested in true records management than the early document management systems."

Initially targeting accounting firms with staffs of 10 or less, Acct1st knew that its business strategy had to be tighter with regard to market demographics - in its case, smaller CPA firms.

Hatfield said that his company subsequently geared their products to those smaller firms. "The small market needed the sophistication, the ability to manage tax documents, manage an overview of the process and deliver things to their client," Hatfield said. "So we decided that we were in a position to offer a hosted solution for a small company. For a small firm that's important, because they don't have IT on staff, time to really learn and have people

make those kinds of decisions. It's affordable and effective."

Aside from eliminating "an awful lot of paper," Beach listed out-of-office support for his firm's auditors and staff, formalization of tax workflow processes, and compliance auditing of client records among the advantages of the Acct1st system. Other advantages he noted were security, retention, and the ability to integrate between the DMS and Acct1st's time and billing system, which, by not having to maintain a second database, helps to simplify administration and ensure that documents are properly indexed to the correct client.

The system also integrates with other accounting and office products, and assists in maintaining control of client work.

INTEGRATION IN 2007

This year, integration will be the primary focus of the Acct1st Technology Group, along with a downstreaming of their products into their client base. Integration has already been completed on all tax applications and in any native application that runs in Windows.

Next up, according to the company, is integrating into more CRM and practice management software systems. The group has also signed a private-label deal with Insynq's E-Accounting and has integrated into QuickBooks, as well as joining the Intuit Developer Network. A similar relationship has been developed with Sage Software, integrating with the Peachtree, Timberline, MAS and Accpac products.

Hatfield also said that Acct1st is looking to partner with small accounting firms that also serve as consultants to their clients. "We get a number who become paperless consultants," he said of his company's partnering accountants. "And they'll actually supply our technology to their client base, so we get them as a referral. Or we allow them to become consultants that can actually return a profit by helping to consult their clients by going paperless and utilizing our system to do it. We have a broad-based system that can conform to any kind of business."

"The accounting field will never be paperless," Hatfield said. "They ought to transition the word and call it 'less paper.' The things that drive paperless are not going to be disaster recovery; it's not going to be so much data protection. It's going to be how efficient can I make the process with the least cost to my company, and that comes from sophisticated integration between software applications."

Acct1st EDRMS products

The rate for an all-inclusive hosted system is \$1 per day per user, including a SQL server, hardware, storage, support, renewals, maintenance, upgrades, versions, space in the four-tier back-up facility, and consultations. For internal solutions, there is a one-time cost of \$250 per person, then a \$50 annual renewal fee per person.

- **Acct1st DMS:** A virtual file room that can be used to store client and firm administrative documents. Files are accessible through any Internet connection and protected by Acct1st's four-tier security system. The DMS also includes an audit log that keeps a historical trail of documents, e-mails and other correspondence.
- **Acct1st Tax Work Flow Version 2.0:** This allows firms to manage the entire process of incoming documents from clients, turn the files into electronic form and transfer them into Adobe PDF files for review. Users will also be able to simultaneously enter data into their tax application and track the movement of the file within the firm.
- **Acct1st Client Portal Version 2.0:** A client portal that also has the capability to become a Web-hosted document management system. Separate from the firm's DMS, the portal allows an exchange of electronic files between accountant and client via a password-secure system.
- **Acct1st Tax Scan:** Scheduled for a May 2007 release, the product will allow a firm to scan paper tax source documents for conversion into electronic PDF images that are organized, bookmarked and full-text searchable.

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