

Paperless Tax Workflow Readiness Now

Presented by:

Gregory LaFollette, CPA.CITP

Ed Jennings, CEO, Copanion

Host



Greg LaFollette

Speaker / Consultant / Columnist / Author / Practitioner

Eide Bailly, LLP

Sr. Manager, Tax & Technology Consulting

AICPA Committees

TECH Conference Planning Committee

CITP Credential Committee

NAC (National Accreditation Commission)

Top 10 Technologies Review Committee

Former:

***The CPA Technology Advisor* – Ex. Editor**

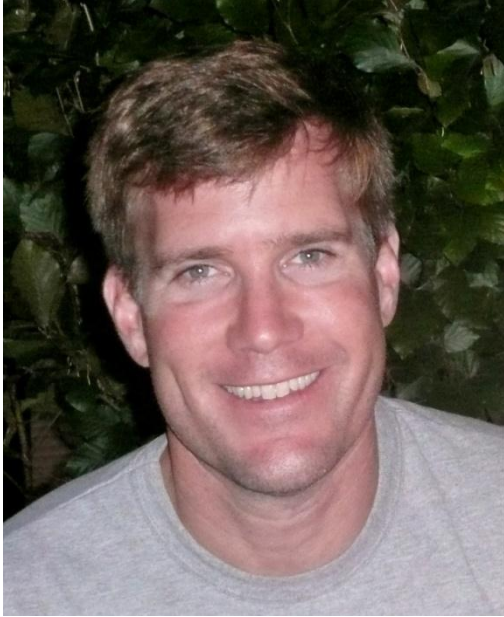
Thomson Reuters Tax & Accounting CS

Vice President - Product Strategy

LaFollette, Jansa, Brandt & Co. , LLP

Tax & Technology partner

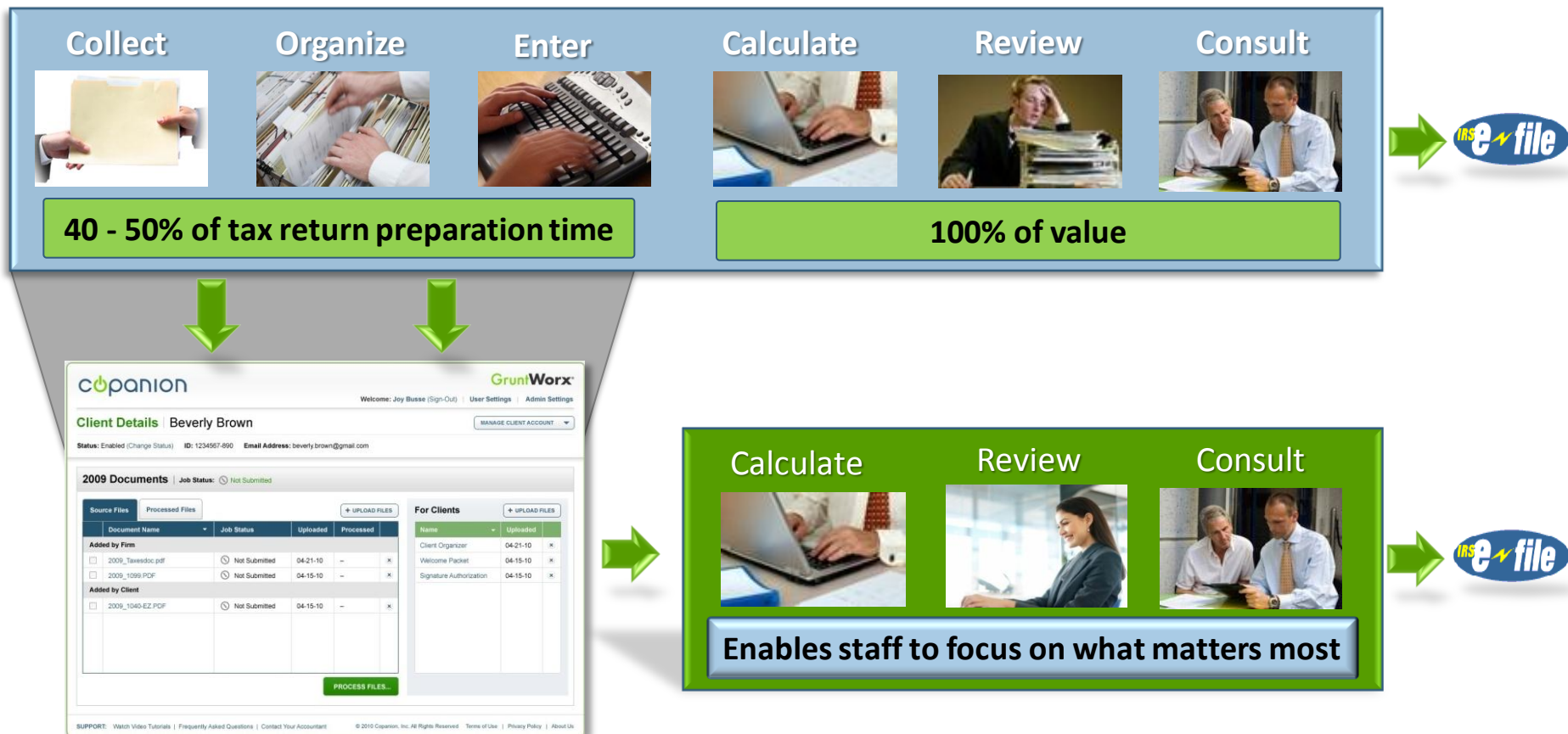
Guest



Ed Jennings

- President & CEO, Copanion, Inc.
- 20 years of experience in technology solutions
- Has progressively emerged as a voice in the Tax & Accounting industry in the areas of tax document automation, scanning, and the paperless tax workflow
- Featured as a content expert in *The CPA Technology Advisor*, *Accounting Today*, and *USA Today*
- Frequent speaker at AICPA events
- Awarded *The CPA Technology Advisor's* 40 Under 40 Award in 2009
- MBA from the Kellogg School of Management

What we mean by “paperless tax workflow”



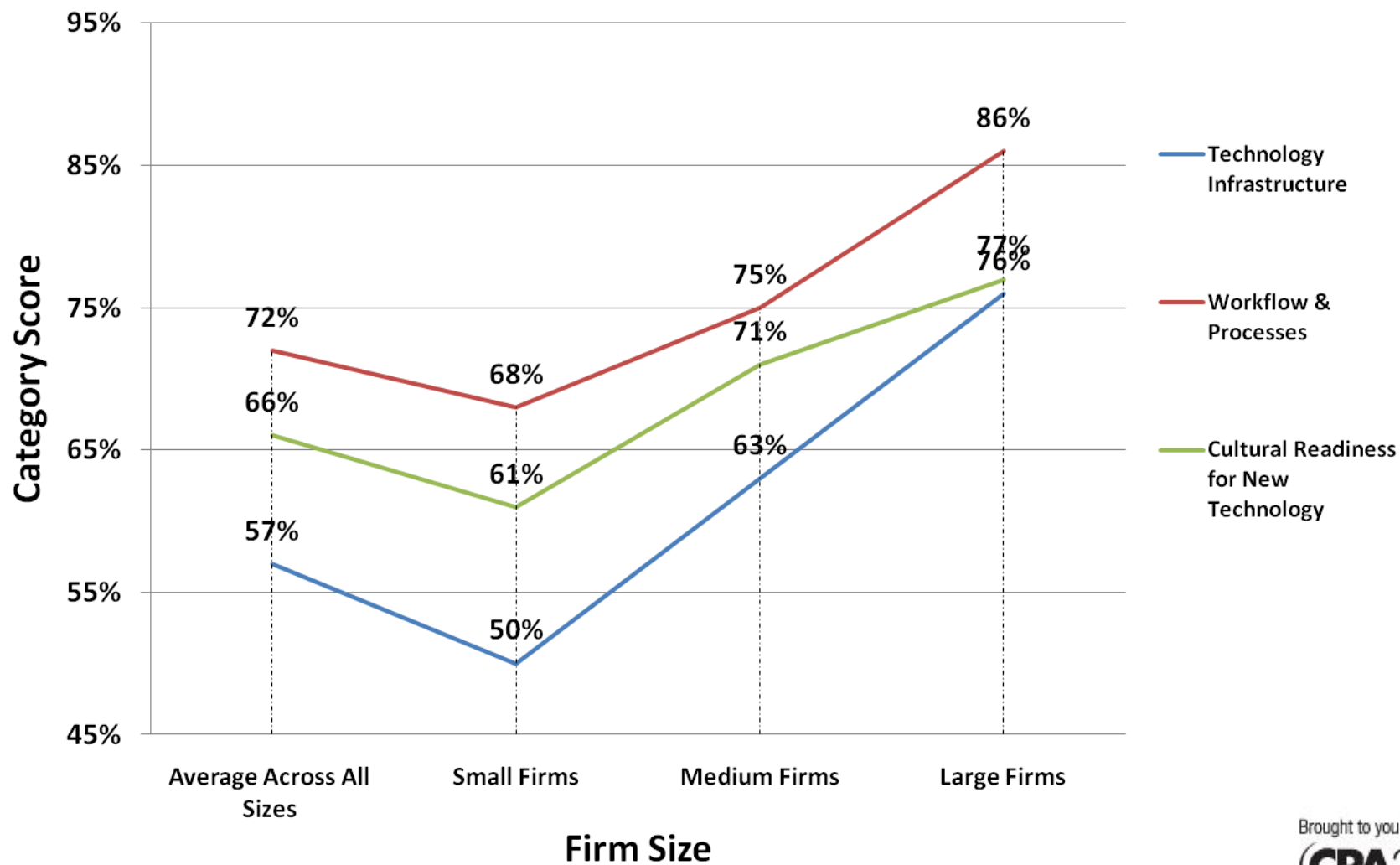
Empower front-office staff to complete pre-preparation tasks of data entry and organization—without requiring tax expertise

Paperless Tax Workflow Readiness Assessment

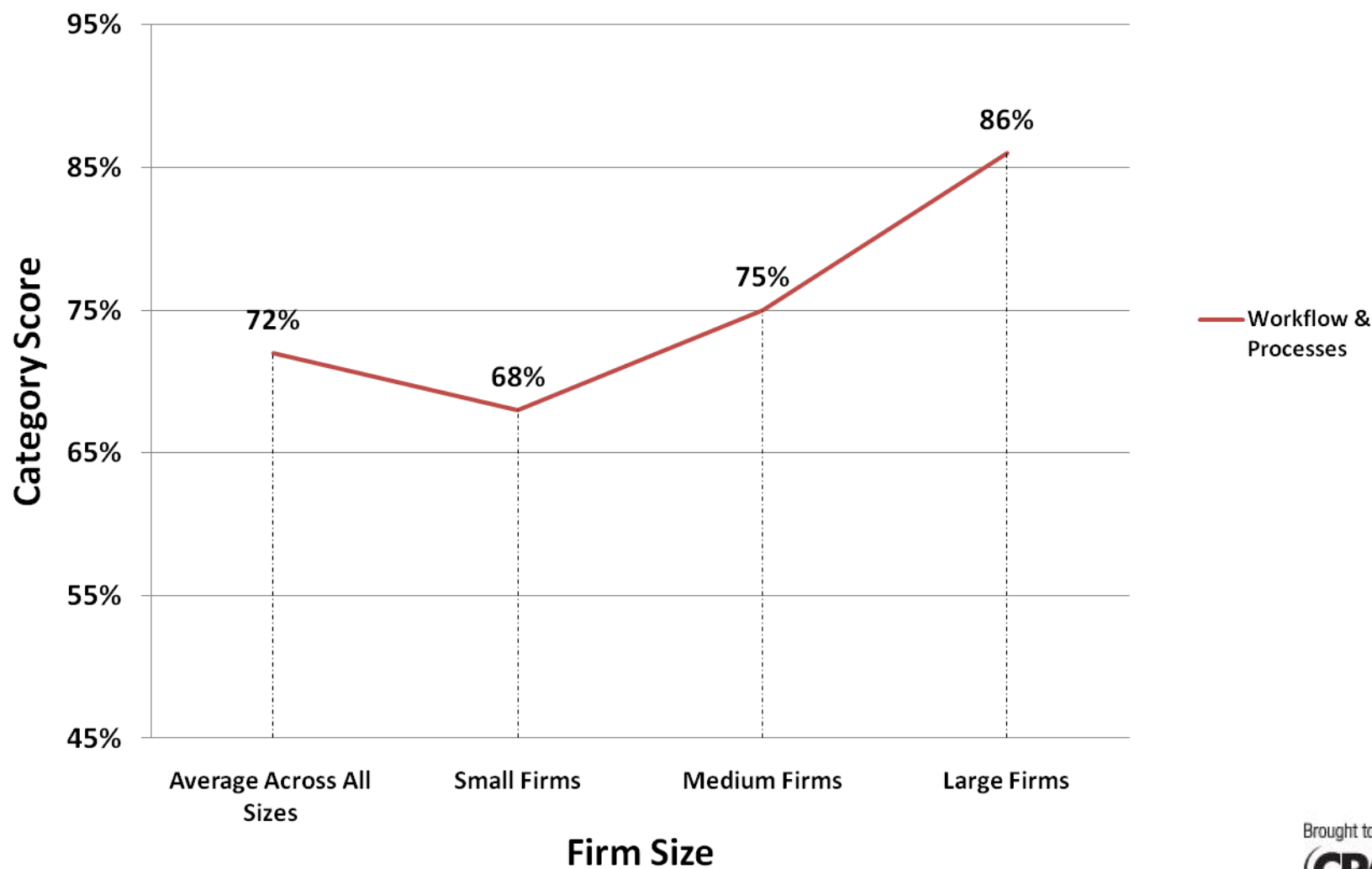
- **12 question survey, covering 3 categories**
 - Tax Workflow & Processes
 - Technology Infrastructure
 - Cultural Readiness for New Technology
- **Weighted Scoring by Degree of “Readiness”**
- **Surveyed ~200 firms of all sizes**
- **September 2010**



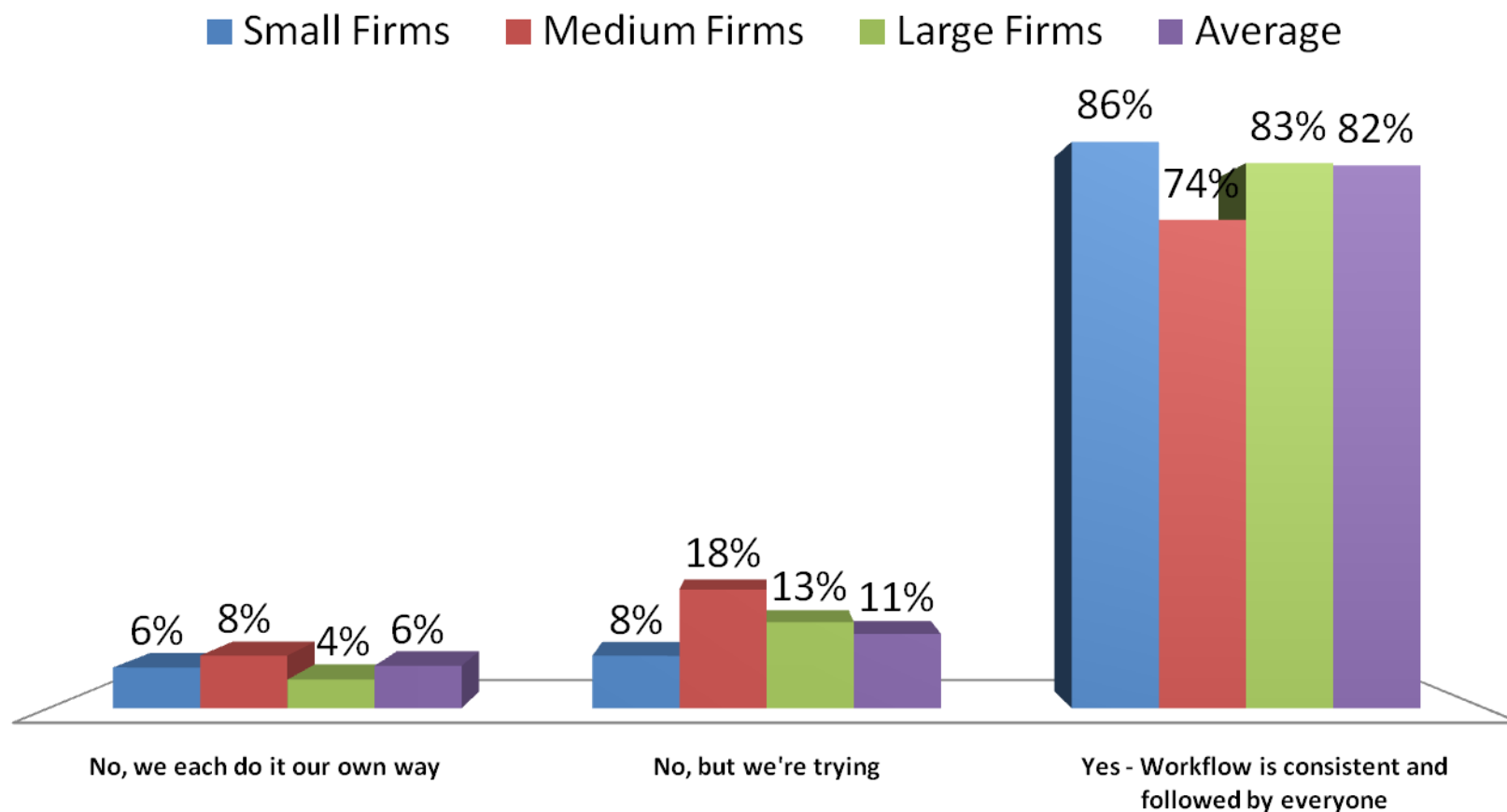
Scoring Overview



Workflow & Processes

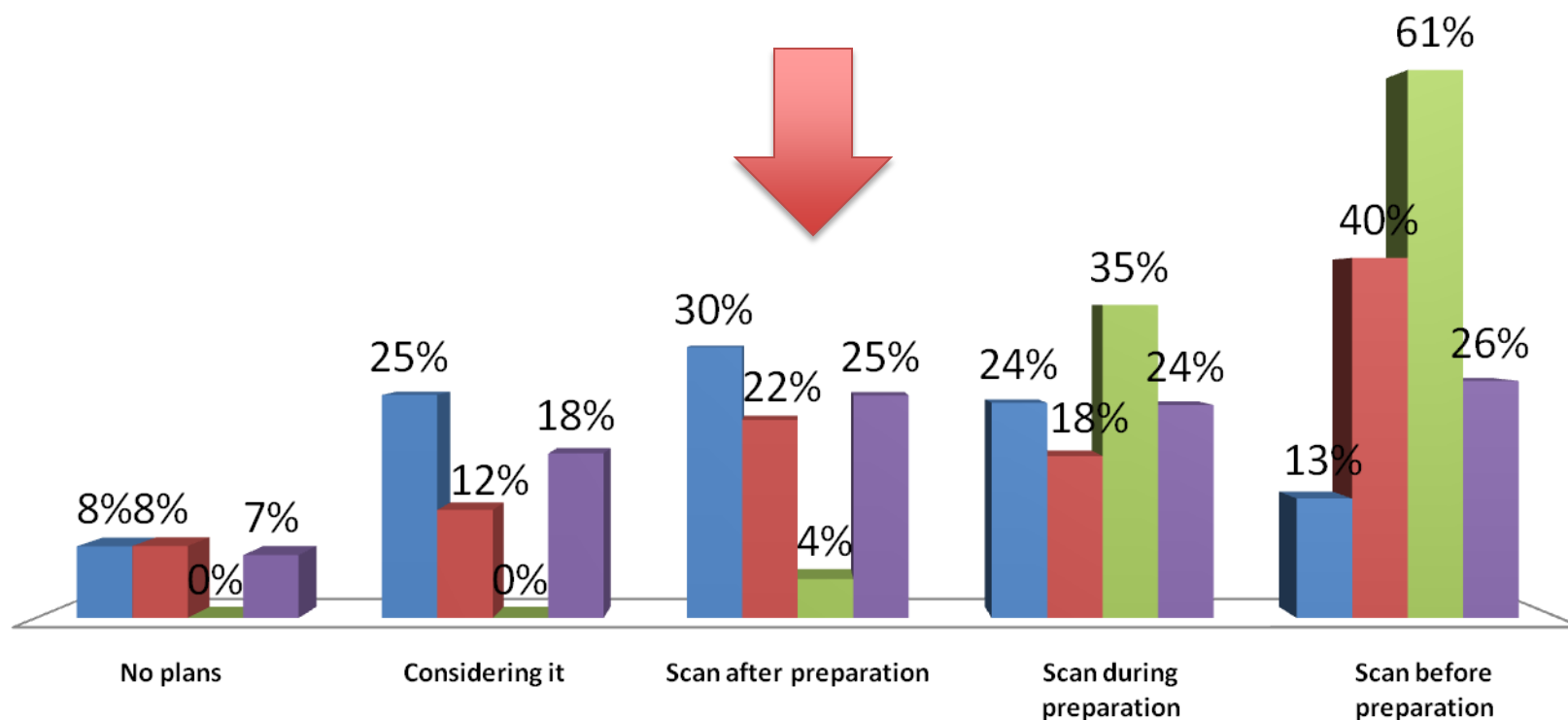


Is tax workflow standardized firm-wide?



When do firms scan tax documents?

■ Small Firms ■ Medium Firms ■ Large Firms ■ Average



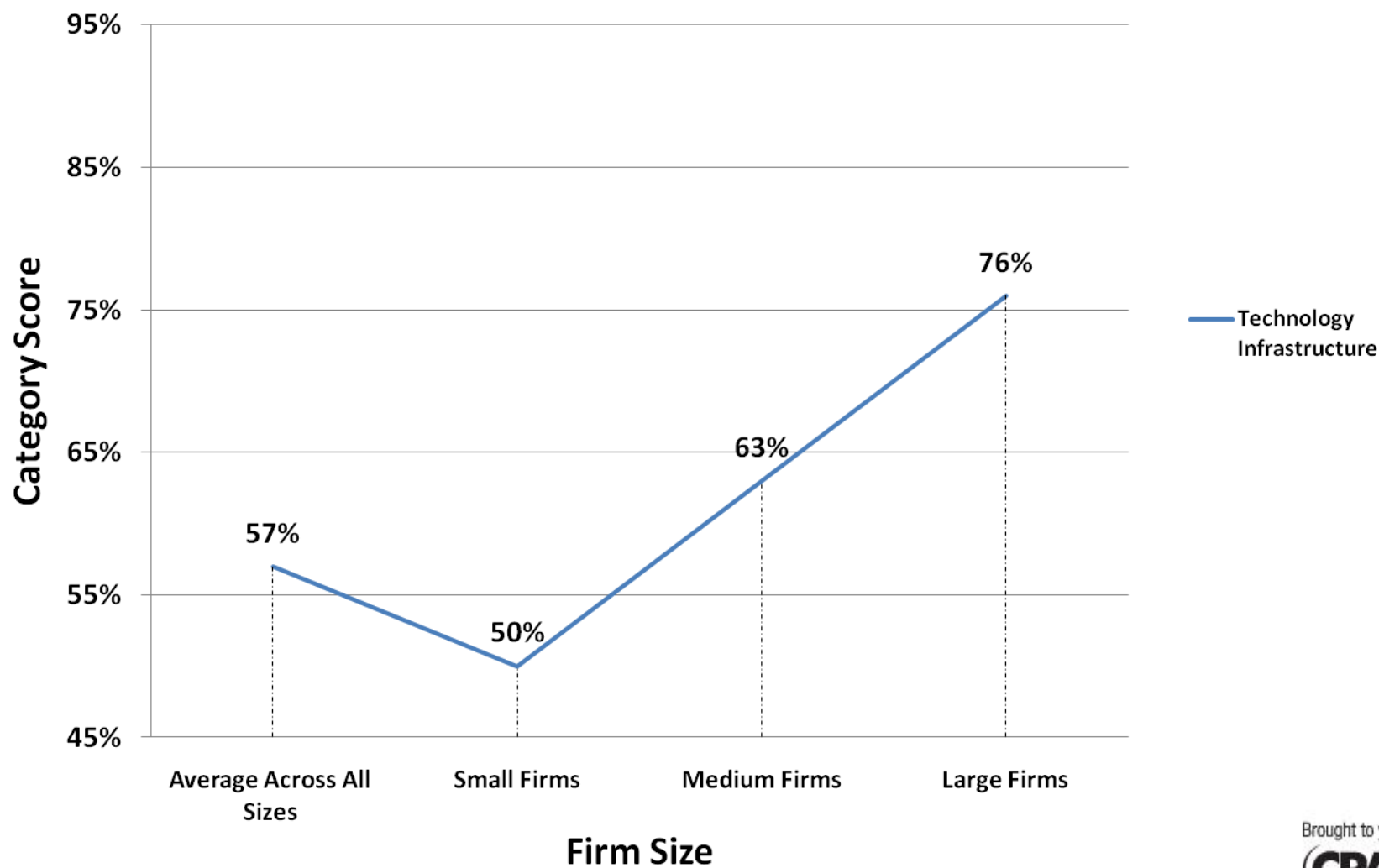
Increase efficiency by adapting workflow to scan before preparation

- It's great that firms of all sizes have standardized workflow
- Efficiency gains lie in scanning on the front end of the tax preparation process
- Small firms may need to adapt workflow to scan up front
- Don't shoehorn new technology into existing workflow; fine-tune workflow to support addition of new technologies

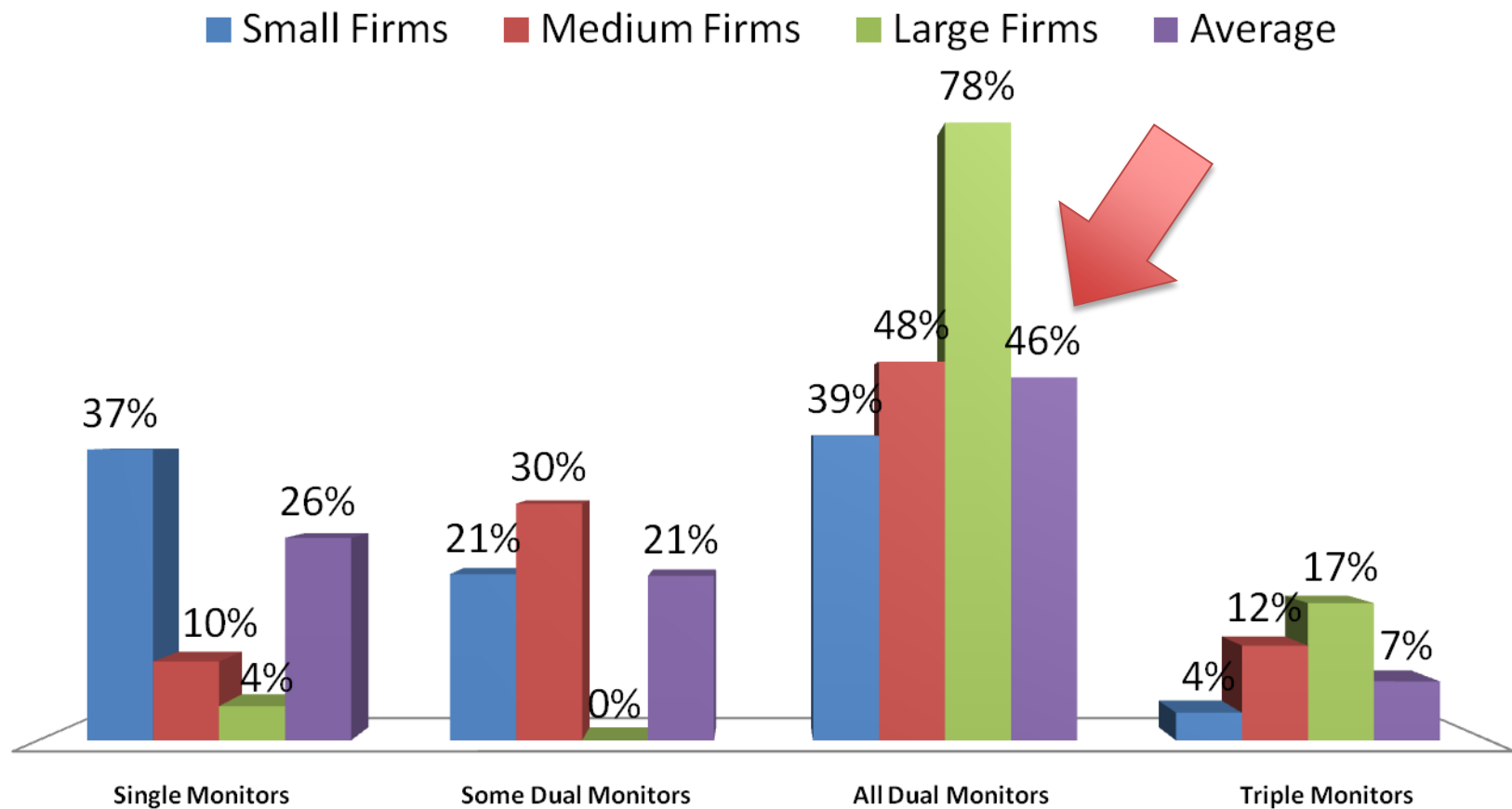
Polling Question

When do you scan tax documents?

Technology Infrastructure

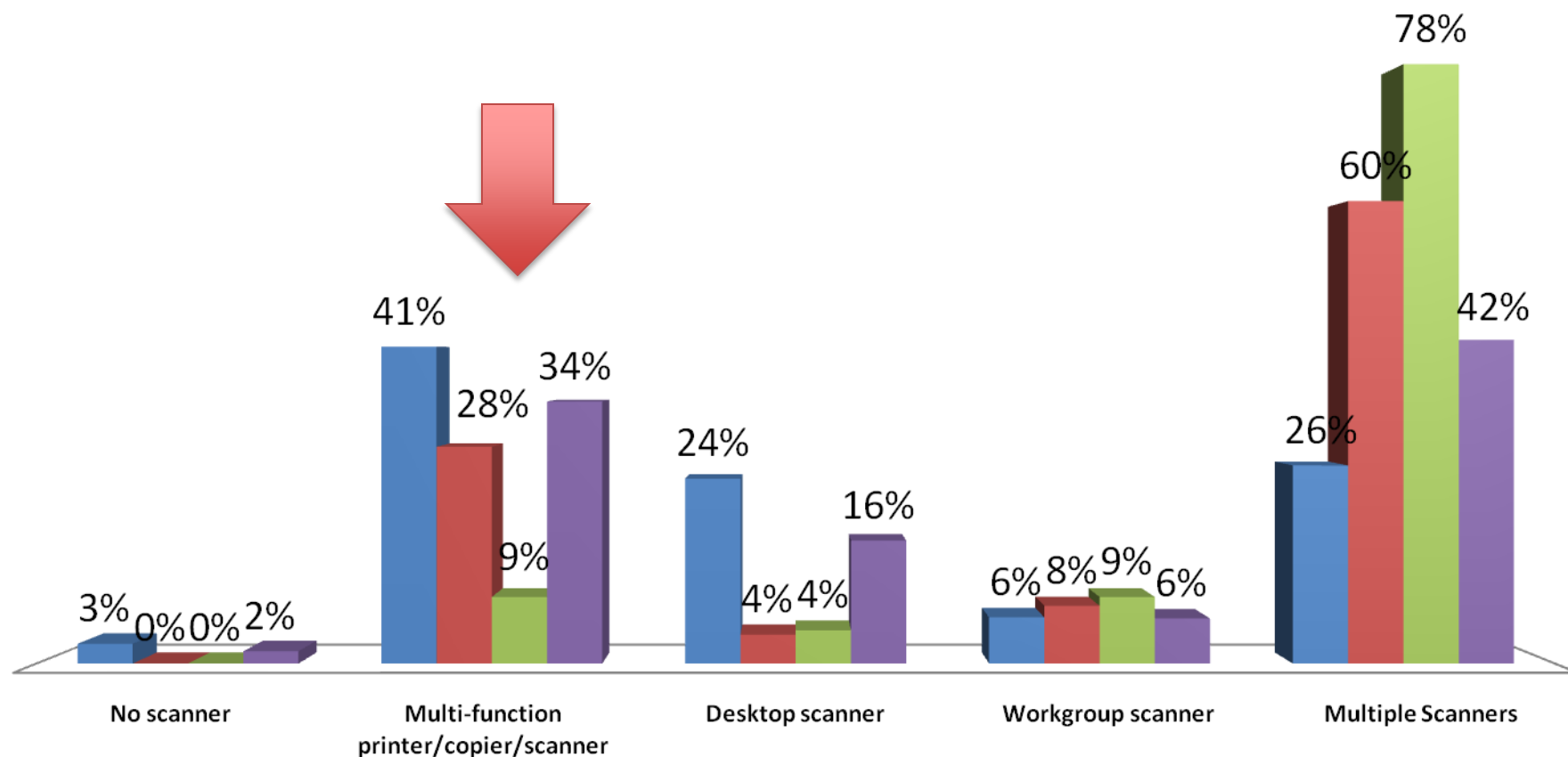


How many monitors are firms using?



What kind of scanner do firms use?

■ Small Firms ■ Medium Firms ■ Large Firms ■ Average



The scanner matters

❑ Invest in a high quality sheet-fed scanner

- 30-40 pages per minute (ppm)
- Duplex capability—scans both sides of a page at once
- Mixed batch scanning—can handle varying document sizes in one batch
- Daily duty cycle of 1,500-3,000 pages

❑ Software in the box?

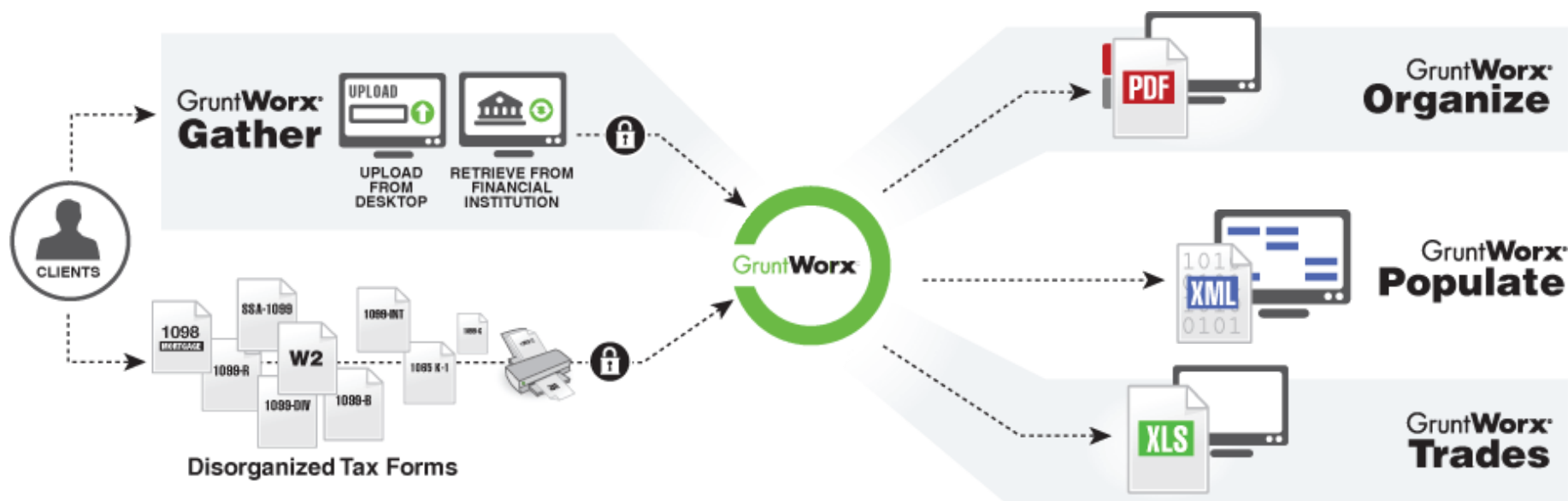
- Adobe Acrobat Standard (\$250 value)
- Image Enhancing Software

❑ Recommended Scanners:

- HP Scanjet 5000 & 7000
- Fujitsu fi-6130 & fi-6140



Increase efficiency with a paperless tax workflow solution that automatically organizes and enters data into tax software



IRC Section 7216
Compliant



SAS 70 Completed Type II Audit



TESTED 11-JUNE



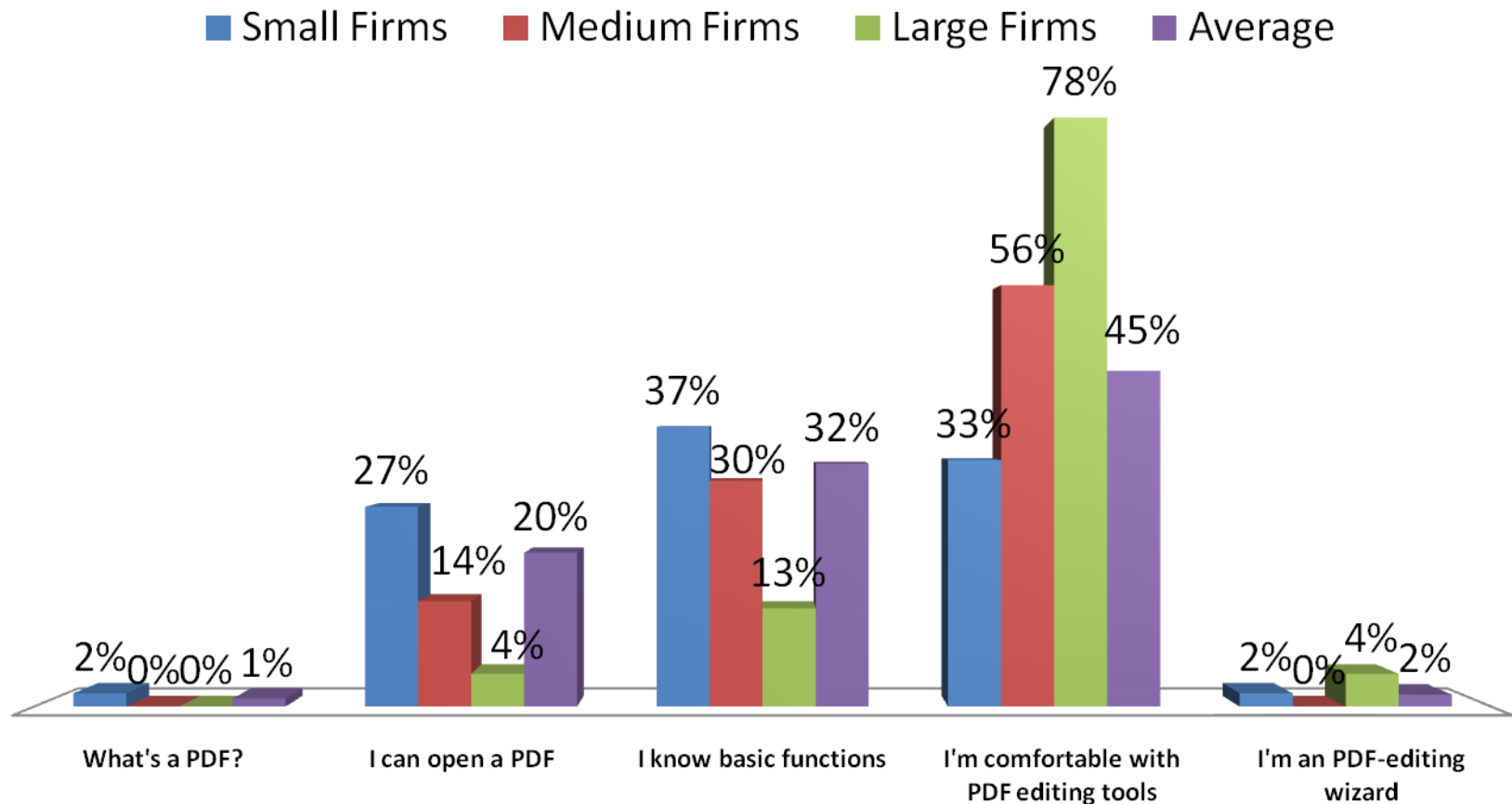
TRUSTe
CERTIFIED PRIVACY

Deliverables are PDF, Excel & Data

**GruntWorx *Populate* now integrates with
GoSystem Tax ES, ProSystem *fx* Tax and
UltraTax CS**

The image displays a collage of software interfaces used for tax preparation and data management. The primary interface shown is the GruntWorx Organizer, which features a tree view on the left listing various tax forms and income sources, such as WAGES, INTEREST INCOME, DIVIDEND INCOME, and CONSOLIDATED 1099'S. The main area of the Organizer shows a detailed view of a 2008 1040 form for Paul M Crawford, including sections for General Information, Source Documents, and Trades for Account. Overlaid on the Organizer is a Microsoft Excel spreadsheet titled 'Demo Point Sheet (Read-Only) (Compatibility Mode) - Microsoft Excel'. This spreadsheet contains a table of tax data, including Social Security Numbers, Form/Type, Tax Year, and Payer information. The table is organized into sections: 'Forms with inconsistent Social Security Numbers', 'Forms from Other Tax Year', 'Forms Populated with Calculations', and 'Unpopulated Forms'. The bottom of the image features the Copanion logo and the CPA Biz logo, with the text 'A subsidiary of the AICPA'.

How comfortable are firms with PDF editing tools, like Adobe Acrobat?



Make sure staff is comfortable with Adobe Acrobat Standard functionality

Comment & Markup



Stamps (tick marks)

Sticky Notes

Highlighter

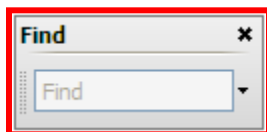
Call out box

Text box

Arrow, Rectangle

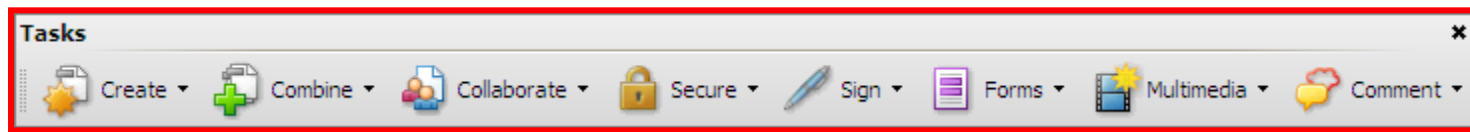
Show/Hide Comments

Find



Search Text

Tasks

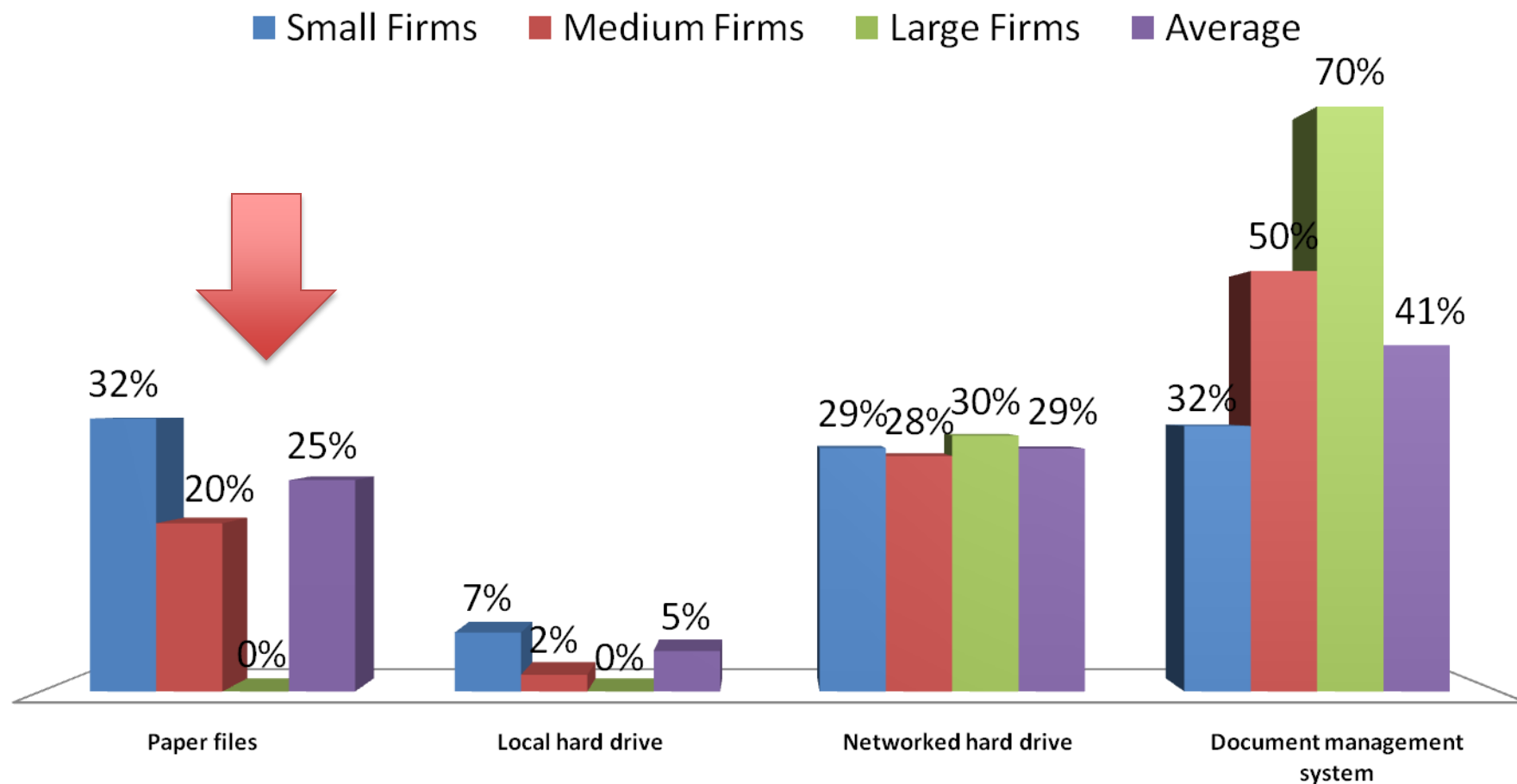


Creating PDFs
Combining PDFs

Secure
Sign

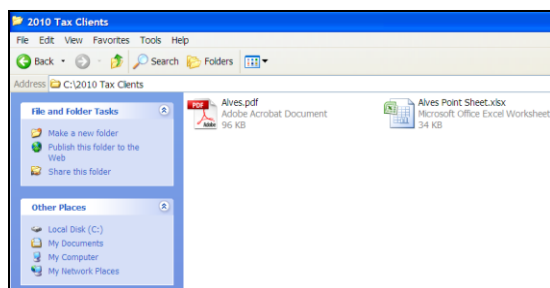
Creating Forms
Managing Comments

What are firms using as a filing system?



Paperless tax workflows require a “system” to store scanned documents

Could be as simple as networked file folders



- Facilitates firm-wide access to client documents via network or internet connection

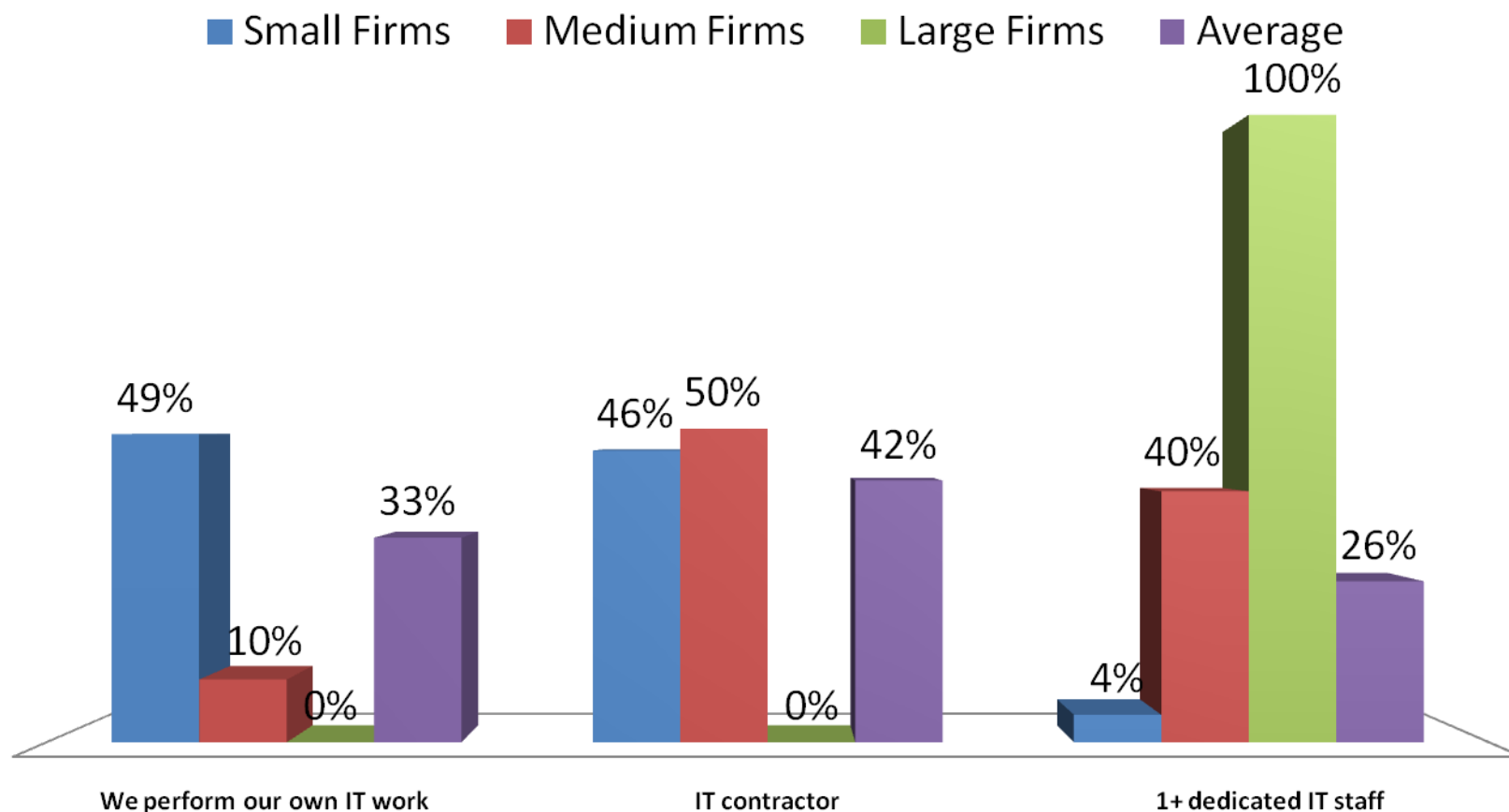
- Standardizes file organization so you can quickly find individual documents to fulfill client requests

Or as sophisticated as a DMS



- Reduces the need for paper storage and the cost of supplies related to copying (i.e. paper and toner)

Are firms employing IT professionals?



SaaS is a game-leveler

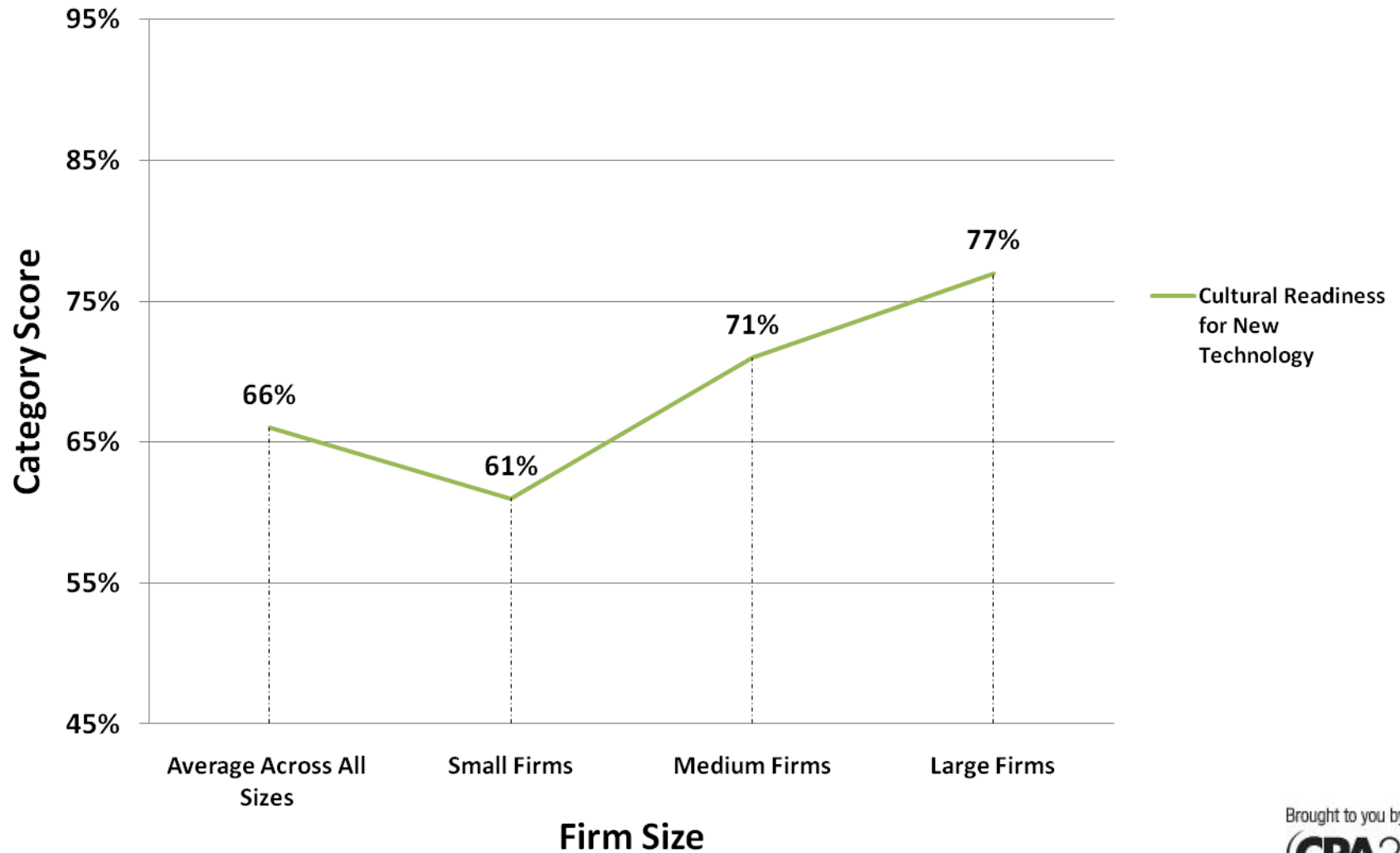
- Technology—specifically SaaS—allows small firms to operate like larger firms, but without the upfront overhead or major capital expenditures
- SaaS requires only a computer and internet connection to get started—no software installation, setup, or updates necessary
- Ideal of small firms without dedicated IT staff



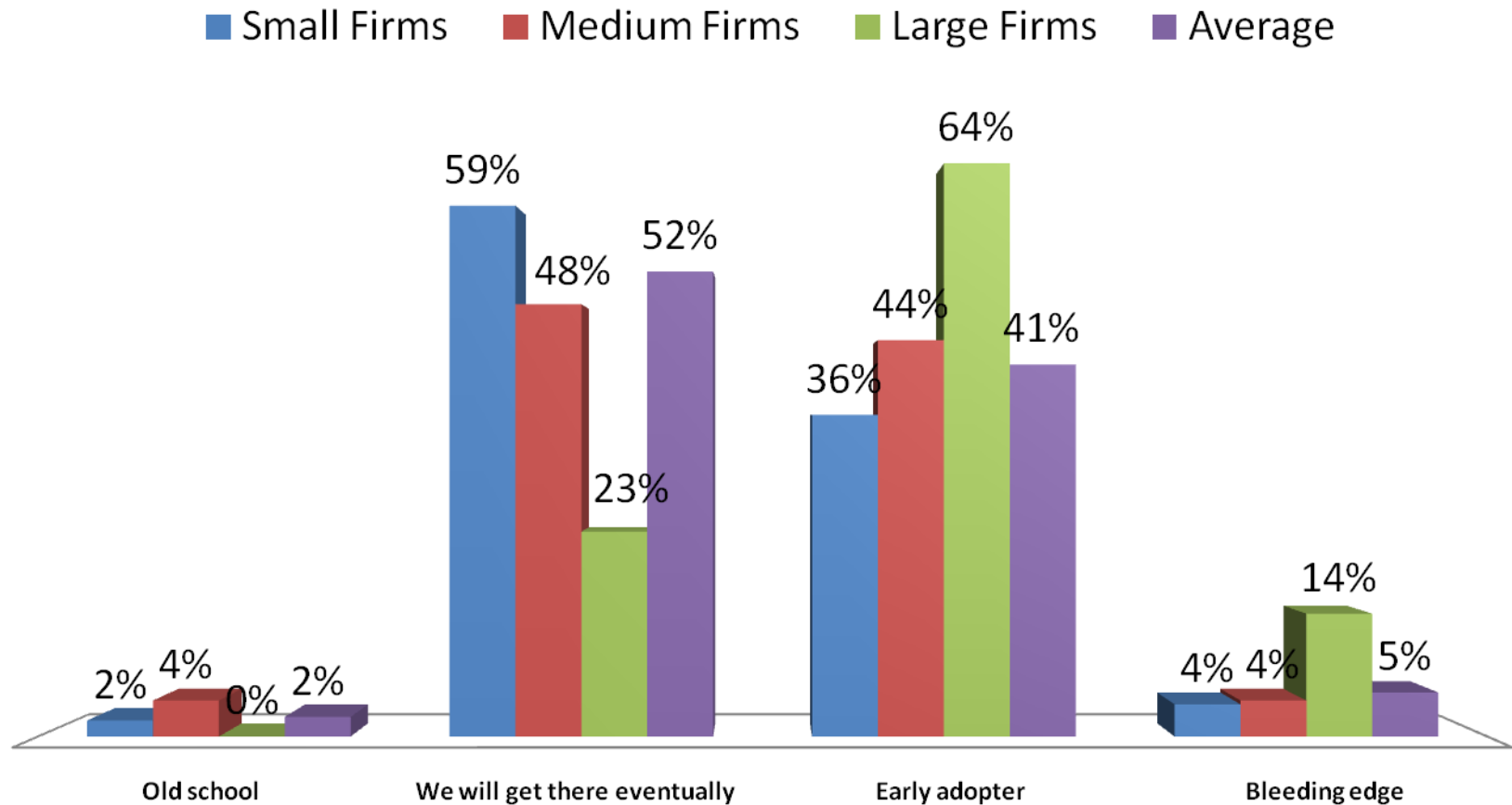
Polling Question

Your firm's attitude toward new technology?

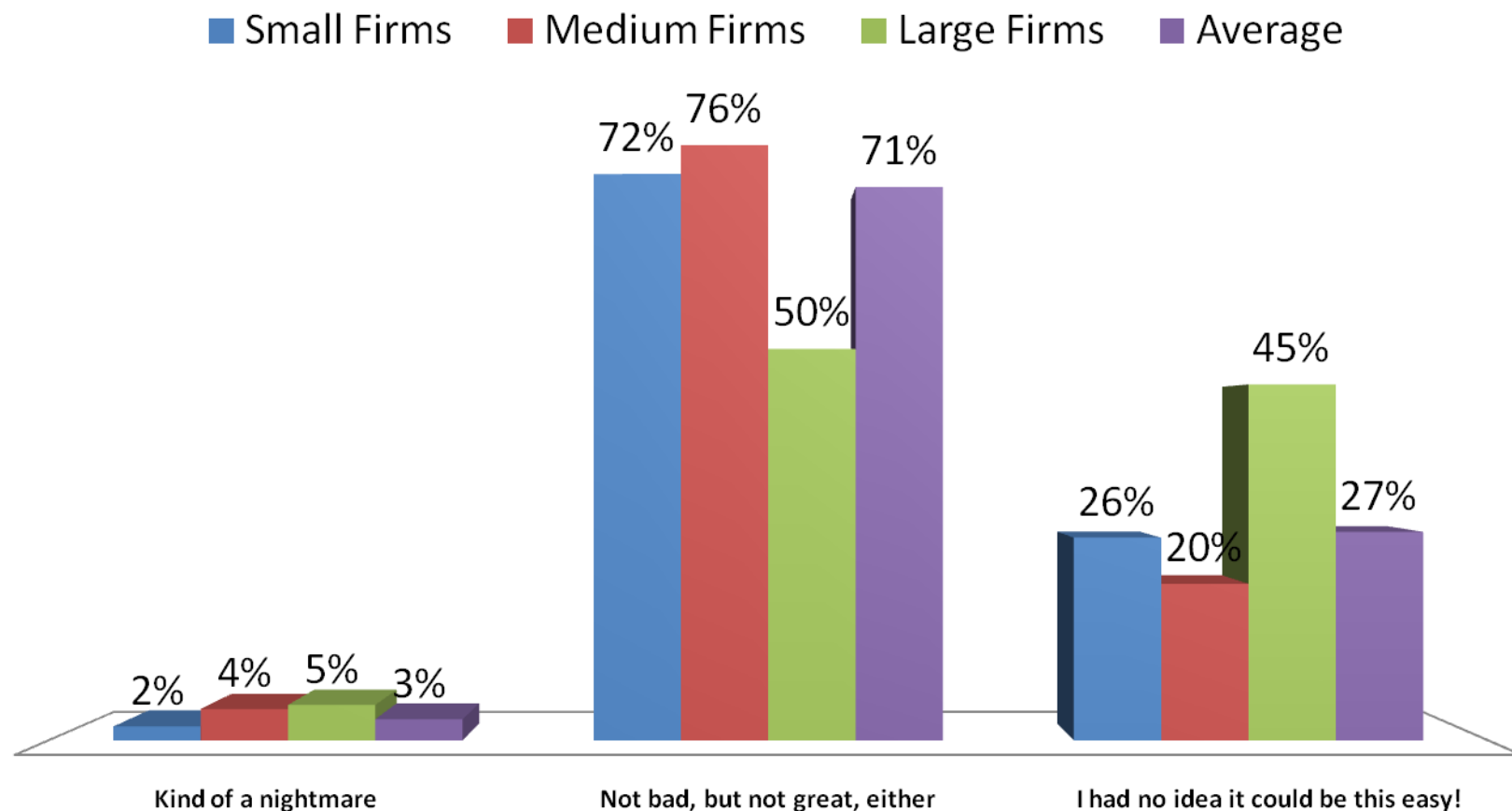
Cultural Readiness for New Technology



How would firms describe their attitudes toward new technology?



How did the latest technology roll-out process go?

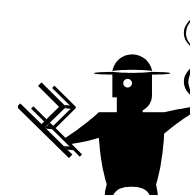


Managing change is essential to cultural readiness for new technology

- ❑ **Appoint a Chief Paperless Officer**



- ❑ **Adopt Incrementally, but make it Mandatory**



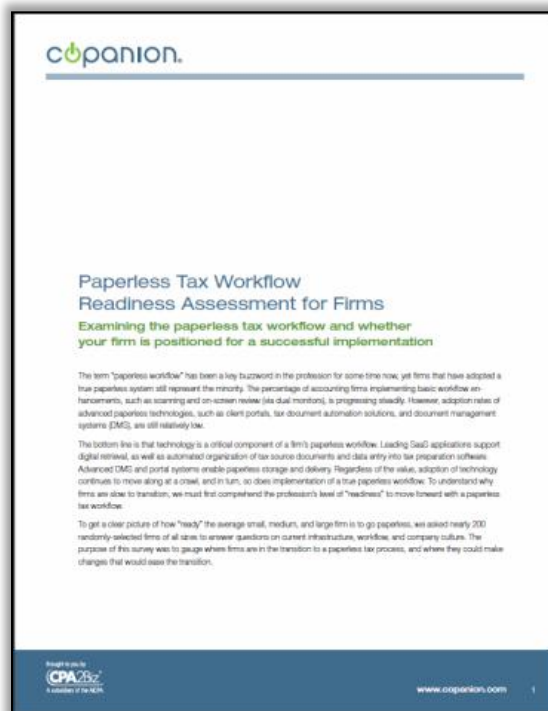
- ❑ **Manage Expectations; Don't Over Sell It**



- ❑ **Osmosis is NOT a Sound Training Strategy**



Download the White Paper



Paperless Tax Workflow Readiness Assessment

http://www.copanion.com/resources/white-papers/reg_readiness.php