



AAA 2011 Benchmarking Paperless Office Best Practices Survey

By Roman H. Kepczyk, CPA.CITP (December 18, 2010)

The results are in for Association for Accounting Administration's 2011 paperless benchmarking survey; read on to see how your firm compares and maybe find out what you might be missing and could implement before the upcoming busy season. The AAA began polling firms on the status of their "less paper" initiatives in 2003 and has repeated the survey every two years since then to keep member firms in the know. The survey was conducted at the end of November and early December with 196 firms participating and having an average size of 55 members. The latest iteration of this survey expanded the number of questions to encompass evolving technologies in scanning and archival, as well as to identify changes in tools and applications impacting administrative workflows. While there was a stronger focus on tax and administrative topics, audit, practice management, communications, and technology topics were also addressed for their paperless impact. Roman H. Kepczyk presented a webinar on the topic December 15, 2010 which is available on the AAA website (CPAAdmin.org) for members of the Association for Accounting Administration to listen in.

2011 AAA Benchmarking Paperless Office Practices Survey	2011	2009
1. Tax - Is the due date status of returns updated electronically by personnel in real time format (including managing the digital workflow of tax documents in practice or another digital workflow tool?)	70%	71%
2. Tax - Does your firm scan client source documents (W2, 1099, etc.) at the front end of the process when the return is received and/or prior to review (mid-level scanning) so they are utilized onscreen?	63%	65%
3. Tax - Does your firm instruct its personnel to primarily utilize email for communicating with tax clients for additional information requests?	61%	49%
4. Tax - Does your firm deliver digital tax returns/information to your clients via encrypted email or with password protected file attachments in email?	75%	57%
5. Tax - Does your firm utilize a portal or FTP site to deliver digital tax returns/information to your clients?	73%	57%(A)
6. Tax - Do tax preparers and reviewers primarily have at least three monitors?	38%	(B)
7. Tax - Does your firm have any personnel with four or more monitors?	11%	(B)

8. Tax - Is your firm utilizing internal software or external services to organize/bookmark scanned client source documents into a standard PDF Format (CCH FxScan, SurePrep, Gruntworx Organize, etc. bookmarking services)?	72%	32% (C)
9. Tax - Is your firm using <i>internal</i> software that utilizes Optical Character Recognition to automatically transfer data from scanned source documents to your tax program (CCH AutoFlow, etc.)?	29%	32% (C)
10. Tax - Is your firm using <i>external/outsourced</i> services to have data input into your tax program (SurePrep, Gruntworx Populate)?	10%	32% (C)
11. Audit - Are documents prepared by clients requested first in an electronic format such as a PDF, spreadsheet, or scanned image via email, portal, or flash drive?	78%	73%
12. Audit - Is your firm producing financial statements utilizing electronic links between the audit application and the reports, rather than re-keying data?	80%	79%
13. Audit - Does your firm primarily link its audit applications to its tax application to digitally transfer trial balance information?	71%	73%
14. Audit - Do your personnel working outside the office access firm applications and information via a remote connection (Saas, Virtual Private Network, Citrix/WTS) more than 50% of the time?	68%	63%
15. Audit - Do your auditors carry dual monitors in the field?	40%	30%
16. Administration - Does your firm utilize an intranet to store firm wide information (i.e. personnel manual and internal firm procedures)?	72%	71%
17. Administration - Does your firm deliver firm <i>internal</i> financial and management reports electronically via email, secure portal, or posted to owner section of the intranet?	67%	62%
18. Administration - Does your firm have an electronic document destruction procedure to ensure deletion of outdated electronic files on the network?	50%	45%
19. Administration - Does your firm use a firm-wide document management program for archival of all final tax returns, financial reports, and firm correspondence?	70%	51%
20. Administration - Does your firm pay accounts payables via electronic means such as credit card, online bank draft, or online service (Bank ACH, Bill.com, etc.)?	41%	45%
21. Administration - Does your firm utilize a remote check scanner in your office to deposit client checks?	52%	NEW
22. Administration - Does your firm deliver digital payroll stubs via secure email or portal?	40%	NEW
23. Practice Management - Do owners/managers receive internal management reports electronically (via email or by looking them up on the computer)?	73%	71%
24. Practice Management - Do firm personnel utilize information dashboards within your Practice Management application to update internal reporting information?	25%	NEW
25. Practice Management - Are the majority of invoices prepared onscreen rather than using <i>manual</i> billing sheets?	56%	60%
26. Practice Management - Does your firm deliver client invoices by email or digital fax?	40%	20%
27. Practice Management - Does your firm maintain its contact/prospect list in its practice management or groupware applications?	71%	73%
28. Communications - Do all partners and managers utilize notebook computers as their only computer?	35%	34%
29. Communications - Do your personnel utilize smart phones for remote email, calendar, and contacts?	76%	74%
30. Communications - Does your firm provide NetBooks, iPads or similar mobile tablet devices other than smart phones to senior management for when they work outside the	10%	NEW



office?		
31. Communications - Does your firm have a digital fax system that allows personnel to receive faxes via email and save them digitally to the network?	63%	57%
32. Communications - Does your firm utilize a client portal/FTP site to transfer and store <i>other non-tax</i> client documents?	64%	40%
33. Technology - Does your firm backup all firm data to the Internet (web-based storage) on at least a monthly basis?	46%	32%
34. Technology - Does your firm utilize a SharePoint server or Lotus Notes knowledge database?	29%	23%
35. Technology – Has your firm transitioned to a virtualized server environment (VMware, Microsoft Virtual Server, etc.)?	45%	NEW

Four questions were dropped from the 2009 survey as more than 80% of firms had responded affirmatively: 86% of firms were scanning client source documents, 81% primarily utilized administrative personnel for centralized scanning, 90% of firms had dual monitors, and 86% of firms stored all workpapers in a paperless audit application.

(A) Questions 4/5 were split out as they were combined into one question in 2009 with 57% of firms using a portal and/or email.

(B) In the 2009 survey, question 6 asked how many firms had **dual** monitors (90%) and question 7 asked how many had **three** or more monitors (37%), so the question was updated to reflect the trend towards increased monitors.

(C) Question 8/9/10 were combined into one question in the 2009 survey which found that 32% of firms were using intelligent scanning software to organize and/or input data into tax returns.

For any additional questions regarding this survey, please email Roman H. Kepczyk, CPA.CITP at roman@itpna.com or phone (480) 706-1728. This article was printed with permission from the Association for Accounting Administration (www.cpaadmin.org). [Click Here](#) to read the original release from the AAA website.

