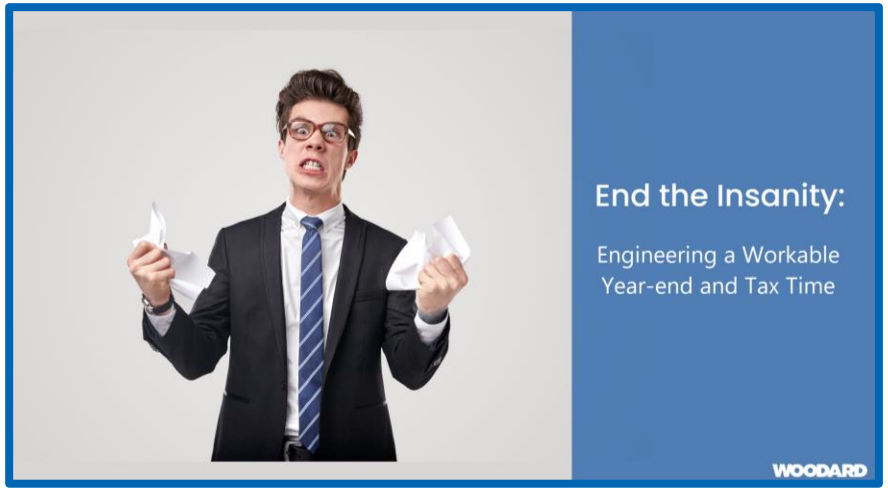
End the Insanity:

Engineering a Workable Year-end and Tax Time

WOODARD

Learning Objectives

- 5 essential changes you need to make in your practice now to bring sanity to your practice during January-April 2023
- 5 key technologies that are easy to deploy and will streamline year end work and tax preparation work
- 5 strategies to motivate clients to respect your process and deadlines



WOODARD™

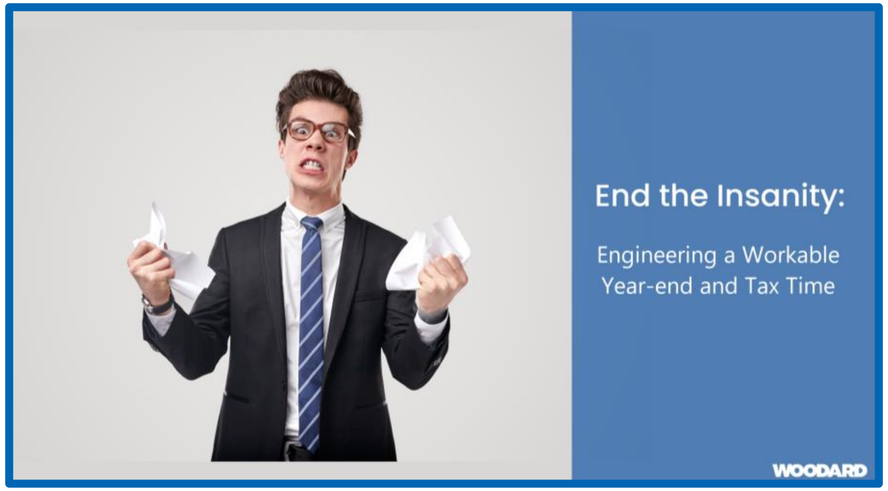
About Scaling New Heights 2023

- Over 1,000 of the World's Leading Accountants and Bookkeepers
- Exhibit Hall Featuring Over 100 exhibits – including 8 different accounting technology platforms
- Highly Advanced Training on QBO and QBD
- Practice and Professional Development Training
- World-Class Main Stage Experiences
- Cyber Monday Sale November 28 – Save the date!

www.ScalingNewHeights.com

Segment 1

5 essential changes you need to make in your practice now to bring sanity to your practice during January-April 2023



1. Proactively Prune Your Client Base

Am I compatible with the company operationally?

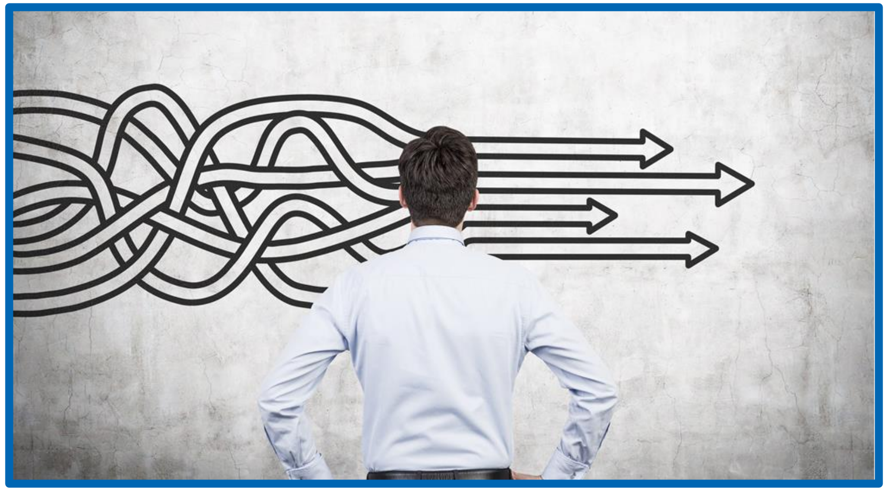
- ✓ Not fee sensitive/Profitable Relationship
- ✓ Healthy culture
- ✓ Willingness to adopt new technology
- ✓ Coachable
- ✓ Compatible to my world view and personal ethics

Am I compatible with the company professionally?

- ✓ Fits industry specialization
- ✓ Seeks core services I offer
- ✓ Uses technology where my practice has core expertise
- ✓ Engagement/project complexity fits scale of my practice infrastructure

2. Standardize Processes – using a Workflow Solution

- Provides visibility for leadership on projects in process
- Reinforces due dates for producers → accountability
- Allows for shared work or transfer of client work between professionals
- Measures team capacity/workloads
- Streamlines client onboarding
- Increases productions
  - Efficiencies of work
  - Accuracy of work → Less revisiting of tasks and streamlined review cycles



Tip: Select a workflow solution that embeds client documents at the task level.

Woodard recommend Canopy Software

WOODARD™

Standardization Pathway

Map Processes
- Onboarding
- Cyclical Work
- Offboarding

Determine Ideal Client

Begin Software Qualification

Automate
- Holistic
- Stack Compatibility
- Real Time Feeds
  - Purchasing
  - Time
  - Sales/Service

Hours ≠ Dollars

Improved Client Experience

Scaled Productions

Document
- Collaborative System
- Incorporate Tech Workflows
- Keep it Simple
- Minimize Variances

Team Ownership

Decreased Learning Curve

Visibility

Recruit
- Replace Team Members Who Won’t Adapt
- Expand the Team (Hire and/or Shared Services)

Adaptive Capacity

Scaled Model

Increased Practice Valuation

Democratize
- Train Heavily
- Over-Manage Adoption
- Peer-to-Peer Accountability
- Monitor and Measure

Consistent Delivery

Service/Brand Distinction

Scaled Efficiencies

Improve
- Incorporate Team Feedback
- Curate Tech
- Innovate (e.g., Zapier)
- Adopt Workflow Solution

Competitive Advantage

Practice Distinction

Thought Leadership

WOODARD™

3. Automate Review and Mass Entry Processes

- 1099s
  - 1099 Processing (e.g., Track1099 or Tax 1099)
  - W-9 Collections (e.g., Track1099)
  - 1099 Vendor Check/Review (Keeper)
- Intercompany Activities (e.g., Keeper)
- E-Commerce Mapping Tools (e.g., Bookkeep)
- Spreadsheet Imports (e.g., QB Importer)
- OCR Tools
  - Payables (e.g., PlateIQ or AvidXChange)
  - Receipts and Other Expense Documents (e.g., Dext, HubDoc or AutoEntry)

Tip: Zapier is a great way to streamline data entry both at year end and for monthly bookkeeping cycles.

4. Outsource Compliance Work

- Payroll
  - QBO-integrated payroll provider like Gusto or OnPay
  - Payroll management, compliance and research firm like Easy Track
- Sales Tax
  - GL-integrated sales tax calculation and filing solution like Avalara or SOVOS
  - Sales tax management, compliance and research firm like TaxOps
- State registration and other corporation compliance → CorpNet

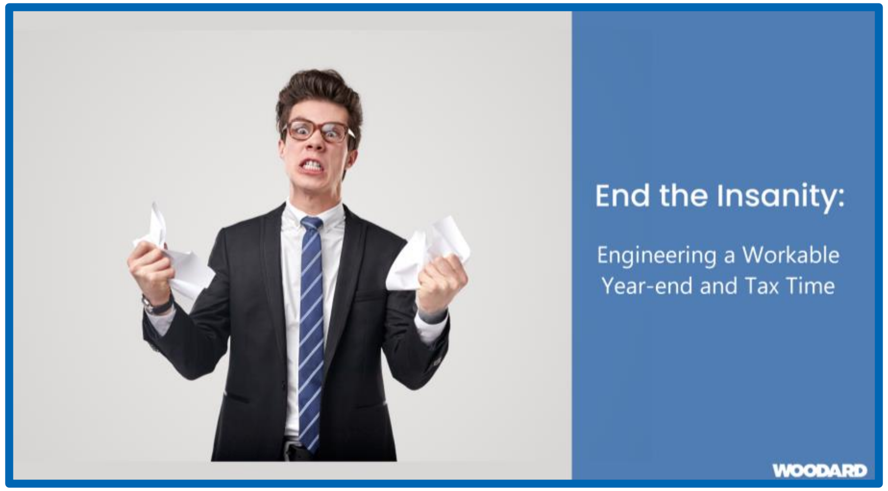
WOODARD™

5. Restrain Your Inner Rescuer

- Conduct a DISC Assessment to Determine Your Propensity to Rescue in Professional and Personal Relationships
- Nurture Yourself toward Independence and Your Clients toward the Same
  - Be Proactive
  - Begin with the End in Mind
  - Put First Things First
- Nurture Yourself and Your Clients toward Interdependence
  - Win-Win
  - Understand First
  - Synergize

Segment 2

5 key technologies that are easy to deploy and will streamline year end work and tax preparation work



The Transformative Power of the Right Tech

- Reduction in Human Workers → Increased Profit Margins
- Decreased Errors and Omissions → Increased Profit Margins
- Increases in Efficiencies → Increased Profit Margins
- Practice Modernization → Increased Practice Valuation
- Competitive Advantage/Practice Distinction
  - → Stronger Growth Potential
  - → Pricing Leverage
- Enhanced Client Experience
  - → Streamlining (and Mobilization) of Client Interactions
  - → Enhanced security and fraud prevention
  - → Real Time Financial Information → Financial Insights/Advisory

Automation Solutions to Streamline Year End

eCommerce and Merchant

- Bookkeep.com
- A2X

Payables *with* Line-Item Entry

- AvidXchange

Transaction Documents/Records

- DEXT
- Hubdoc
- AutoEntry

Purchase Orders

- AvidXchange

Customer Invoices

- QuickBooks Online with Payments
- Integration with Industry Systems

Job Costing for Payroll

- QBO with QuickBooks Online Payroll and QuickBooks Time
- QBD with Assisted Payroll and Timesheets or QuickBooks Time
- ADP Run with QBO (Doesn't Manage PR Taxes by Job)

Sales Tax

- Avalara
- SOVOS
- Vertex

Payroll

- QuickBooks Online Payroll
- OnPay, Gusto, ADP Run, Patriot, etc.

Employee Onboarding

- OnPay
- Rippling
- Gusto

Sample Automation Solutions

1099's

- Track1099
- Tax1099

Corporate Renewals

- CorpNet

Foreign State Registration

- CorpNet
- Wolters Kluwer

Collections

- Collbox

401k Management

- 401Go
- Guideline

Accrual Basis Entries

- Facta.io
- Blackline

Practice Tools to Streamline Year End Work

- Workflow Solutions like Canopy, Mango, Aero, etc.
- Collaboration Solutions like Slack of Microsoft Teams
- CRM – For handling expansions to scope of work, administrative client support tickets and capturing client communications
- Mobile-First Team Collaboration Solutions (More on this in Section 3)
- Keeper

About Keeper

- Client portal with mobile accessibility
- Task Management*
- File Reviews
  - Mark transactions as reviewed
  - Add questions to transactions with “waiting on client” status
  - Duplicate transaction locator
  - Transactions coded to parent accounts
  - Intercompany transaction locator
  - 1099 vendor locator
- Report package for delivering monthly financial statements

Keeper

www.keeper.app

*Pair Keeper with a practice management solution like Canopy as a comprehensive practice resource.

Free Resource for Webinar Attendees

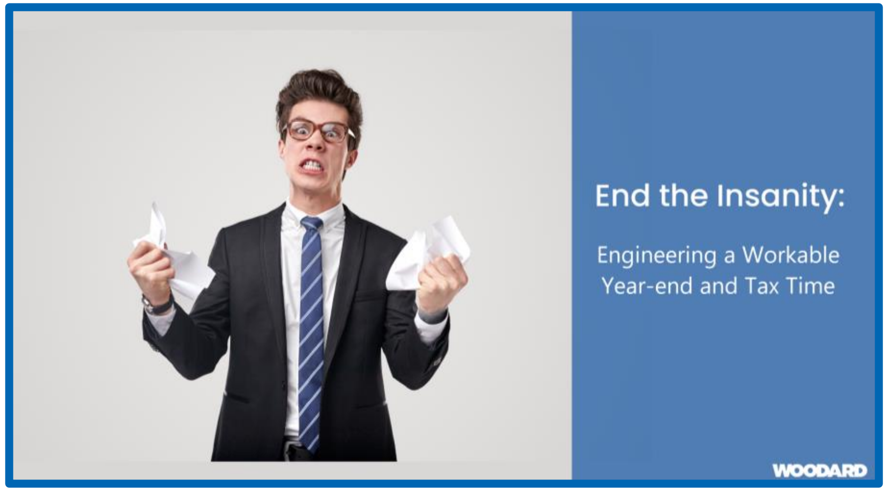
Keeper's 1099s Checklist

Provided compliments of

Keeper

Segment 3

5 strategies to motivate clients to respect your process and deadlines



1. Clearly Communicate Your Process

- Set Expectations around Deadlines, Processes and Technology
- Establish a Written Covenant with Your Client and Sign the Covenant
- Never Reward “Bad Behavior” with Positive Reinforcements (Even Passively)
- Fold Process Compliance and Technology Compliance into Your Pricing Model

2. Add Deadlines to Your Engagement Letters

- Use pervasive date references For example…
  - 2 months prior to your preferred tax filing deadline
  - 3 weeks prior to 1099 filing deadlines
  - 4 days after month end, etc.
- Make your deliverables dependent on these deadlines
  - → Extend Returns
  - → File and Amend
  - → Auto-delay of monthly financials, etc.*
- Create a delay of engagement "option" that increases your price**
  - The client exercises the option passively (i.e., through their inaction)
  - The pricing of the option is percentage based (or flat fee plus percentage)
  - The option escalates based on how much the extend to which the client delays the engagement (e.g., one week vs. two weeks, etc.)
  - The option applies even if the delay by the client results in a change of deliverables per the bullet above, but perhaps at a lower rate

*Clearly state that the client is responsible for any penalties or interest as well as professional fees for additional work performed by your company

**You may wish to include statements about billing for work in process, as the exercise of the delay of engagement option may cause some clients to change accountants.

3. Create Proactive “Touches”

- For tax preparation services:
  - Begin about 6 weeks prior to the deadline
  - Escalate the urgency across the four weeks
  - Provide contextual touches throughout the tax preparation process*
- For monthly bookkeeping, provide contextual touches throughout your bookkeeping cycle*
- For 1099’s, begin about 3 weeks prior to the deadline

Note: If you provide year-round engagements, you should still incorporate proactive “touches” to prepare for the engagements detailed on Tip 2 of this presentation

4. Enforce Boundaries and Provide Accountability

- Set Specific Goals/Milestones and Get *Written* Client Agreement
- Locate and Recruit Champions within the Client's Organization
- Regularly Reinforce the Connection between the Change and the Client's "Why"
- Fold Client Performance Failures into Your Pricing Model → Boundaries Segment
- Exercise *Frequent* "Small" Confrontations → "Big" Confrontations When Needed

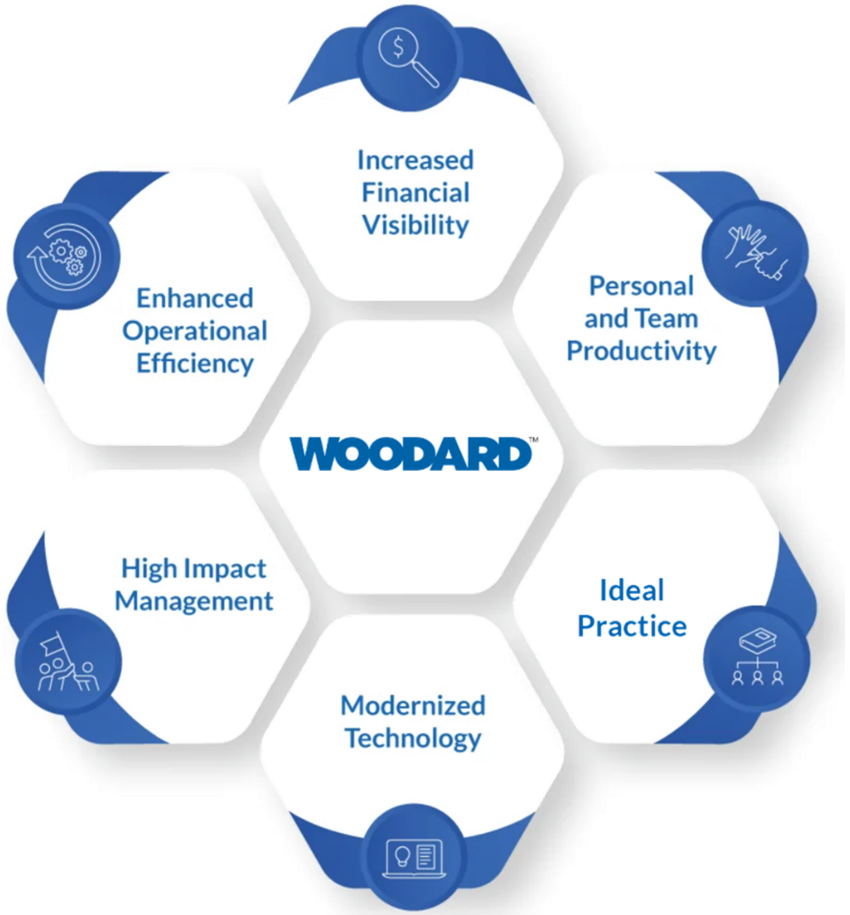
5. Modernize the Client Experience

- Make your portal highly accessible
  - Email signatures
  - Top level website navigation
  - Links in “touches” for information requests
  - Include an email address to route documents from inboxes into your portal
- Include an online tax organizer in your client portal
- Include a mobile app option for your client portal…and be uber-intentional about client adoption of the app
  - Incorporate chat access
  - Provide document uploads with photo and file upload options…with ongoing access of documents by clients
  - Include e-signature options
  - Notifications through the app for document request and requests for information

WOODARD™

About Woodard's Membership Program

- All Access to Practice Advancement Courses
- Complimentary Pass to Woodard Summit*
- Complimentary Pass to Scaling New Heights*
- Weekly Interactive Roundtables
- Monthly Coaching Session*
- Exclusive Online Community
- Online Video Learning Library
- Optional: Become a "Woodard Certified Business Coach"
- …and More!



*Not applicable to all membership levels

End the Insanity:

Engineering a Workable Year-end and Tax Time

WOODARD