GruntWorx®

March Madness: Enhancing Profits To Win In The Final Four Weeks Of Tax Season!

If you want to have a perfect tax season, it makes sense to study the other March Madness leading to the Final Four – NCAA college basketball.

Both are about teamwork, preparation, and skill. And just as reputations are made or broken in the final weeks of the NCAA Final Four tournament, the last four weeks of tax season can make or break the fortunes of an accounting or tax preparation firm.

But whether you are talking rebounds or refunds, sticking to basics is the key to winning. As Al McGuire, the famed coach at Marquette, once put it: "Keep it simple, when you get too complex you forget the obvious."

Bob Calzini, sales supervisor for GruntWorx, puts tax season in similar terms. "Keeping it simple becomes critical during tax season. You can't afford to tie up your best professionals entering client data into boxes on a form. Like a championship team in the Final Four, you need the professionals to score, the guards to guard, and the coaches to coach. And that's what the trio of products from Gruntworx are designed to help firms do."

"In the last four weeks of tax season, our profession's Final Four, we need teamwork, preparation, skill ... and along with these, workflow, discipline, and automation. That's what GruntWorx brings to the firm."

GruntWorx Populate

GruntWorx Populate is software that will automatically import data from scanned tax documents into the firm's tax preparation software, and then generate an organized PDF of the client document. It reduces or eliminates data entry with accurate data extraction and uses the extracted data to populate the forms into the leading tax preparation software packages. Since it requires no knowledge of tax law or documents, Populate makes it easy for support staffers to scan and upload information to tax returns. This frees preparers, reviewers, and partners to focus on higher value activities such as client interaction and tax return review.

Using patented biometric technology, GruntWorx Populate identifies information in thousands of tax documents with unprecedented accuracy. And it does so in compliance with Internal Revenue Code 7216, which prohibits anyone who is involved in the preparation of tax returns from knowingly or recklessly disclosing or using the tax-related information provided other than in connection with the preparation of such returns.

GruntWorx

"GruntWorx offers three products to make tax season easier – Gruntworx Organize, Trade, and Populate. Of the three, Populate represents the best immediate value for tax preparers," says Bob Calzini of GruntWorx. "Because that is where we perform the keying of data for about 80-90 percent of the return before the professional even looks at it. The system is configured for many tax preparation applications, including Drake Software, Thomson Reuters UltraTax, Thomson Reuters GoSystem, CCH, and Prosystem fx. Organize will work with virtually any tax preparation software, but with these it generates a strong Excel file and an PDF file."

"We primarily use GruntWorx for the Populate function. We implemented it several years ago, and it has already made our lives easier," says Jim Bourke, partner at the CPA firm of WithumSmith+Brown in New Jersey. The firm, formed with six employees, now has offices in New Jersey, New York, Pennsylvania, Maryland, Florida, and Colorado, employing over 450 dedicated individuals —hundreds of whom are CPAs.

"Last year, I looked at a select number of returns that we ran on 2011 against the same returns in 2010. On average, we saved an hour per return, at $200 per hour for tax returns. That's a substantial time savings that directly impacts our bottom line. GruntWorx Populate, in addition to populating the tax return, identifies, organizes, and labels scanned tax documents into a bookmarked PDF file that makes it easy to verify the accuracy of imported data."

GruntWorx Populate automatically extracts data from the scanned documents and pulls pro forma data from your tax preparation software so you can you import the combined data with a few simple mouse clicks. Populate also provides a bookmarked PDF file of scanned tax documents suitable for storing in a document management system.

Populate is a web-based application with financial-grade security that's easy to use and easy to deploy within your existing workflow. Hosted in a SSAE 16-compliant data center in the United States, GruntWorx Populate offers 128-bit data encryption and extended validation SSL.

An affordable pricing schedule enables tax preparation firms to pay on a per-return basis, buying only as much data organization as the firm needs for its clients. As a web-based SaaS application, there are no upfront software or hardware purchase requirements.

"Give me an hour, and I will have you up and running with Gruntworx," says Bob Calzini. "I guarantee we will have you saving one to two hours on every individual 1040 return we prepare. And we offer exceptional accuracy, in the range of 95 percent or better – a little less with poor-quality documents. Our turnaround times average 1-3 hours, with a guaranteed turnaround of 24 hours. Upload the documents before you leave the office at night, and we can turn them around, ready to complete and review, the following morning. And since we operate in the Cloud, you can upload and download client information from home."

GruntWorx Trades

GruntWorx Trades is designed to enhance the efficiency of reporting securities trades that are reported on 1099 Consolidated Brokerage Statements by scanning them and automatically extracting them into a standard Microsoft Excel file. It allows the tax professional to quickly and easily manipulate trade data, perform calculations within the spreadsheet, and import the data into tax preparation software.

The spreadsheet file extracts trade details that include, quantity, a description of the security, purchase date, sale date, sales amount, purchase amount, gain/loss, and Box 6 data (the cost basis provided to the IRS), as listed on the Consolidated Brokerage Statements.

"We do about 1,700 individual returns each year for mostly existing clients," says Robert Logan, staff accountant for the Fuoco Group LLP. "That's more than any other office in the group, and we don't typically take walk-in business. We do use GruntWorx to make tax season easier, and it absolutely makes us more profitable."

The Fuoco Group is an audit, accounting, tax, and business consulting firm for private companies and not-for-profit organizations in the eastern United States. The firm has offices in Hauppauge and New York City, NY; as well as North Palm Beach, Boca Raton, and Miami, FL. The firm is an independent member of the BDO Seidman Alliance, a nationwide association of independently owned local and regional accounting, consulting, and service firms with similar client service goals.

"We've used Gruntworx for three years, and we extensively use the Trades software. It eliminates manual data entry of trade details to save hours – even days – of data entry. No more keying in tens, hundreds, or thousands of individual trade details. It can quickly calculate short-term and long-term capital gains and losses, and generates a standard Microsoft Excel spreadsheet for fast and easy manipulation of data—including the ability to perform calculations within the spreadsheet."

GruntWorx acts to easily import trade details into the leading tax preparation software packages. It allows the firm to choose from three spreadsheet formatting options for seamless import into tax preparation software, including those from Drake Software, GoSystem Tax RS, Lacerte®, UltraTax CS™, and Prosystem fx® Tax.

It instantly identifies any trades missing a cost basis. Trades listed without a cost basis are flagged for review, so a professional can immediately identify missing data.

"Trades is a great bridge between brokerage statements, with missing information, to what we need to be in compliance," says James Bourke of Withum. "We use that bridge so that all of the information is brought down into the return, so we then can scan the trades for missing information. At the end of the day, the client is able to see complete trade information rather than just summaries. GruntWorxTrades takes less time than manual entry, and we are presented with returns that have better and more accurate information for better compliance."

GruntWorx Organize

"We have excellent clients we are proud to work with," Says Robert Logan of the Fuoco Group. "Like any other firm, we have a lot of people coming in with boxes of receipts. Right up until April 15, we run returns through Organize and then populate the data into CCH to prepare the returns."

GruntWorx Organize makes it easy for firms of all sizes to use scanned tax documents to prepare returns. Just scan a client's "shoebox" of tax documents and GruntWorx Organize automatically identifies, organizes, and labels the scanned tax documents in a PDF file, with the document issuer's name on each bookmark. The labeled bookmarks allows a firm to quickly find and review any tax document in even the most complex returns.

A web-based application that "reads" and classifies data from paper-based forms and PDF files with greater than 95% accuracy across thousands of variations of complex IRS forms, tax organizers, and brokerage statements, GruntWorx Organize enhances productivity at the back end of the client workflow process throughout tax season.

"The time savings available through Organize basically is equivalent to the work of a full-time person," says Bob Calzini of GruntWorx. "This frees up staff time to work on other clients services that bring the firm a bigger return on investment. The base line focus of the application is document recognition, where we can read, sort, and organize the documents using both OCR and biometric pattern. With Gruntworx Organize, anyone in the firm - even non-CPAs - can scan in the documents at 200-400 dpi, in any order, and GruntWorx will move the forms around to a consistent order while it bookmarks each document.

GruntWorx Organize produces an organized, bookmarked PDF file of tax documents for each client. Simply click on a bookmark to jump to that document. Tax forms are labeled with the document issuer's name on each bookmark, and are consistently organized in an order that matches the tax preparation process – no matter who does the scanning.

"At the administrative level, a firm can run the data through organize, and generate the spreadsheet or PDF," add Bob Calzini. "Then the professional needs only to tie out the return and populate the forms. GruntWorx doesn't introduce anything new to the return, and works within the established workflow for the firm, so that there is a very low learning curve. With only a one-hour webinar training session, we can have your firm up and running with software that can make you more efficient, more effective, and more profitable even in the last four weeks of tax season."

But winning in the Final Four weeks is more than just having the right offices, the right staff, and the right clients. As coach John McKay used to say, "You don't beat people with surprise, you beat them with execution."

So it is with tax preparation, which requires all the firm's strength, but also all the right technology.

Grunt**Worx**®

"I always note that the Gruntworx technology makes perfect sense for an accounting firm," says James Bourke. "You don't go to school to get an accounting degree so that you can fill data into little boxes. You go to school to become the best advisor and tax specialist you can be, and apply your skills to reviewing the tax return and the client's situation. With Gruntworx, accountants can do what they are trained to do, which is to ensure that the return is accurate and professional."

As for the Final Four of basketball, Robert Logan of the Fouco Group is simple and direct:
"I don't have time for the Final Four," he laughs. "This is tax season, and we are busy serving clients."

By Dave McClure
Dave McClure is a technology consultant and columnist for some of the nation's leading accounting and business publications. He write on topics that address workflow, firm management, software analysis, and utilization of technology.