

CLOUD ACCOUNTING APPS

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Everyone is on the move these days. With mobile phones and the cloud, you can have access to information from almost anywhere. You may be considering moving your small business accounting to the cloud as well. There are many software firms offering accounting apps and cloud services. Before you choose your new app, here are five things to consider:

1. Security - As with anything you do online that involves your personal or business information, what type of security does the app provide? Is security one of the main features of the app?
 - a. Do they have the correct security certifications? Certifications help ensure the app is compliant with the standards in the industry and your country.
 - b. What type of encryption does the app use? Encryption means the information is encoded and can only be read by devices with the correct “key”.
 - c. How is your data stored? Storing data to multiple backup locations allows you access to your data immediately should one location fail. You also want to ask how often they back up their servers.
2. Integration - Does the app integrate with other software?
 - a. Are you already using business apps that you want to communicate with your accounting software? Ensuring integration with these apps before you commit to new software will help eliminate some of the conversion headaches.
 - b. Banking reconciliations – Does the app allow for bank matching or just a data dump from your bank account? A data dump from the bank seems like a quick and simple way to record your monthly activity, but it does not alert you to any errors. Bank matching allows the items that match to reconcile, but leaves the ones that do not agree for you to review.
3. Cost - How much will the software cost me for an average year?
 - a. Most accounting apps have tiered fee packages. Pick the tier that best fits your business today. You can always move up as your business grows.
 - b. Are there additional fees for set up or cloud storage? Knowing this upfront is helpful.
 - c. What is the price after the introductory period? Some of the companies make it a little hard to find the non-introductory rates. Make sure you are comparing the full prices.
4. Support - What type of tech support and customer service will be provided?

- a. How well do the help & how-to manuals work? Many of the manuals are online and available before purchase. Spend some time reviewing the manual to get an idea of how intuitive the instruction and the app actually are.
 - b. How do I contact the company if I need direct support? Some apps send you to an automated online center first. If that does not answer your question, you can access their community support or send an email request for additional help. Other companies give you a phone number right up front. The community page will tell you how other users view the customer support.
5. Freedom - What happens to your data should you choose to change providers?
- a. Do you still have access to your prior information? Access can vary from a year of read only access to only through the end of your one-month notification period.
 - b. What happens to my data? Most apps have recommended procedures for what to print or download from your app should you decide to leave. They also have policies on how long they are required to maintain your data. Find out if the app has a required legal and tax retention time and how long it is.

Choosing new software can be intimidating. Asking the right questions will make your decision easier.



If you have questions about this or any other business or tax issue, please contact your Account Manager or Christina Rowland, MBA at (314) 205-2510 or by email at crowland@connerash.com.