

## Software as a Service Model

by Tom C. Davis

The implementation and maintenance of an accounting firm's software environment is the largest cost, after employee-related compensation. Additionally, firms are looking to technology tools to provide more resources and to combat spiraling staff costs. The need for more (increasingly complex) technology and the declining number of vendors selling products to accounting firms make it a certainty that software costs will continue to climb. Software as a Service (SaaS) is emerging as a significant opportunity for firms to get more and spend less.

Software as a service (SaaS, typically pronounced 'Sass') is a model of software deployment where an application is hosted as a service that is provided to customers across the Internet. The application is not running on a server in the firm's office. In many cases, SaaS applications are paid for in an on-demand manner, often by the user, by the month.

### SaaS and the Accounting Industry

SaaS is not new to the accounting industry. But interest in SaaS is gaining in the accounting profession as is its perceived importance. In 2008, the American Institute of Certified Public Accountants ranked Web-deployed applications No. 14 on its annual list of top technology initiatives.

**CPA2Biz**, the marketing and technology subsidiary of the American Institute of Certified Public Accountants, continues to expand its offering of technology tools for accountants. It has just announced a new alliance with **Bill.com**, a "Software as a Service" (SaaS) solution to completely handle a company's accounts payable needs.

**Bill.com** is an online service that automates a business's accounts payable processes for receiving and paying bills, linking and storing invoices, checks, and related documents in one place, and providing access to this information to the appropriate person, from any place at any time. Here is the **Bill.com** process:

\* Invoices are uploaded to **Bill.com** directly from the vendor, or scanned and emailed by the company, or sent via fax.

\* Receipt of the bill triggers the payment process. Email alerts at different points in the AP process are sent to the appropriate team member for notification that a bill needs to be attended to (allocated to the appropriate account, approved, scheduled for payment, etc.). **Bill.com** allows for the assignment of "roles" that controls the features and capabilities seen by each specific user.

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\* Scheduled bills are then paid by check. [Bill.com](#) initiates an ACH payment with the client's bank to pay the bill.

\* All information (invoice, payment check, receipt, approval, and payment history, vendor info, etc.) related to the bill is linked and available for online access-[Bill.com](#) becomes your electronic filing cabinet for payables. You have one location for everything.

\* Data is synchronized with [Bill.com](#) to QuickBooks and QuickBooks Online edition with the push of a button. Other accounting package integration is in the works.

Through the [CPA2Biz/Bill.com](#) alliance, professional accounting firms can use [Bill.com](#) for their internal use for free. This is a great opportunity for firms to do for themselves what they recommend to their clients.

Additionally, [Bill.com](#) opens up a new revenue stream. Firms can offer [Bill.com](#) to their clients either as a referral or in a service bureau model at a cost of \$15 per month per user (and there is a 10 percent discount accounting firms can pass on to their clients) which includes unlimited transactions and document storage.

Sign up for a free Web seminar and view an online demo of [Bill.com](#) to see how this program can work for you and your clients. Visit [www.cpa2biz.com/bill](http://www.cpa2biz.com/bill) today.

*Tom C. Davis, owner of Tom C. Davis, CPA LLC and President of Knowledge Concepts, Inc., has an extensive background in technology consulting. Headquartered in Valdosta, GA, the firm also serves the local community with general CPA and technology integration services.*

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