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Texas Society of  
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TXCPA's 2024-2025

## Year in Review

A Year of Action, Transformation and Success





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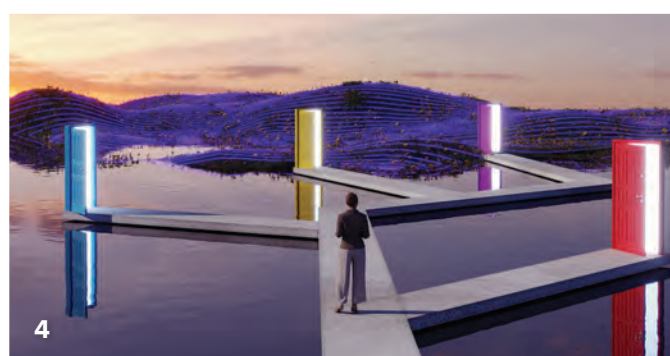
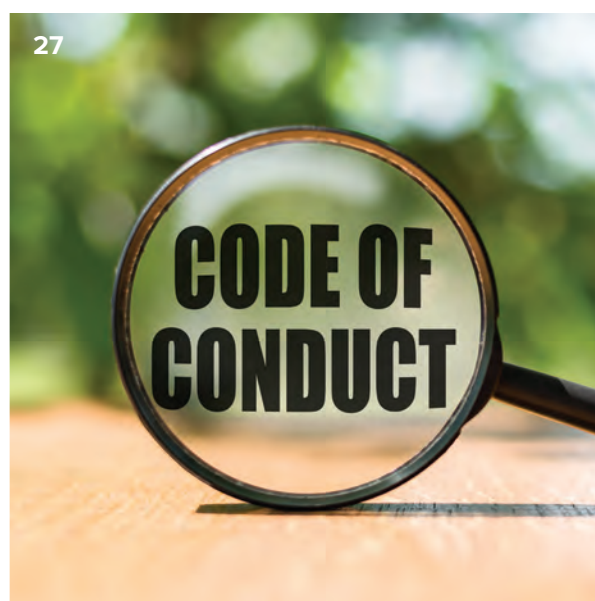
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## FEATURES

**14 TXCPA's 2024-2025 Year in Review**  
A Year of Action, Transformation and Success

**18 How Accountants Can Embrace an  
Entrepreneurial Spirit**

**20 Maximizing Audits:** Key Elements for  
Efficient and Successful Financial Assessments

**23 Key Considerations for Financial  
Statement Auditors Before Leveraging  
Artificial Intelligence in Their Audits**

**27 CPE: The Significance of Codes of  
Conduct in Professional Organizations:**  
Standards for Ethical Practice, Part 2 of Series

## COLUMNS

**3 CEO's Message**  
A Year of Progress and Impact

**4 Accounting & Auditing**  
Accounting Firms Continue to Innovate in Response  
to Rapidly Changing Market Conditions

**7 Government Affairs**  
89th Legislative Session Review

## DEPARTMENTS

**8 Happenings Around Texas**

**10 Spotlight on the Accounting  
Profession**  
Jessica Rodriguez Reyes: Inspiring and Paving the  
Way for First-Generation Accounting Students

**13 Take Note**

**33 Classified**

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## A Year of Progress and Impact

As we close out our 2024-2025 membership year, I want to take a moment to reflect on the journey we've taken together over the past year. It has been a year of progress and meaningful impact—all made possible by the dedication of our leadership, volunteers, and, most importantly, you, our valued members.

- You welcomed 3,590 new members to our community as of April 18.
- You reached nearly 13,500 students with messages about careers in accounting as of April 18.
- You received new benefits from TXCPA Member Insurance and

“I encourage you to get involved in the coming year—whether by joining a committee, attending events or sharing your insights with us.

learning programs from the TXCPA Accounting Education Foundation.

- You are helping us move important legislation through the legislature that will expand the pathways to CPA licensure and protect practice mobility.
- Your TXCPA leadership has been developing and making recommendations to evolve our membership model and organizational structure.

You can learn more in this issue's cover story, which highlights all the significant milestones we've achieved together. From advancing key initiatives to strengthening our community and expanding our reach, we have much to celebrate. These accomplishments are a testament to the power of collaboration and the unwavering commitment of those who step up to make a difference.

Looking ahead, we have even greater opportunities to build upon our success. I encourage you to get involved in the coming year—whether by joining a committee, attending events or sharing your insights with us. Your engagement is what fuels our progress and together, we can shape an even stronger future.

Another great opportunity to connect is our Annual Meeting of Members June 26-27 in Galveston, the site of a 1911 meeting of the Texas Society of Public Accountants. This gathering is an important time to reflect on our progress, discuss the path ahead and celebrate the collective achievements of our community. I hope to see you there and hear your thoughts on how we can continue to grow and evolve.

Thank you for being an integral part of TXCPA! Your support and participation are what make all of this possible.

Jodi Ann Ray, CAE  
TXCPA President and CEO

**How can TXCPA help you in  
2025-2026?**

Drop me a note at [jray@tx.cpa](mailto:jray@tx.cpa)

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# Accounting Firms Continue to Innovate in Response to Rapidly Changing Market Conditions

**A**n announcement in March 2024 that Grant Thornton had agreed to sell a majority interest in the firm to a private equity group, New Mountain Capital LLC, may be a tipping point in the evolution of the profession. Only time will tell, but it is certainly not the first firm to look outside itself or its competitors for capital and innovation.

As this column has highlighted, the profession has faced a new environment in the post-pandemic world. The number of entrants into the profession has been steadily declining. The AICPA 2021 Trends Report reported that the number of individuals taking the CPA Exam in 2021 was less than 70% of those taking it in 2016. And all indications are that the number has continued to decline further.

Firms have considered innovative approaches to recruiting and retaining talent ([“Will Others Follow BDO’s Lead to Attract and Retain Staff?”](#) July/August 2024 *Today’s CPA* issue). A shortage of qualified professionals is a reality

even as financial reporting and controls become ever more complex.

Those in specialized areas such as consulting and advisory services have seen prospects dim as higher interest rates have slowed M&A activity. In the area of tax, the IRS continues to expand the rollout of its e-file system to larger numbers of filers creating uncertainty for tax practitioners. But one of the most common reasons cited by students opting out of accounting is concern for their long-term prospects fueled in part by the role artificial intelligence may play.

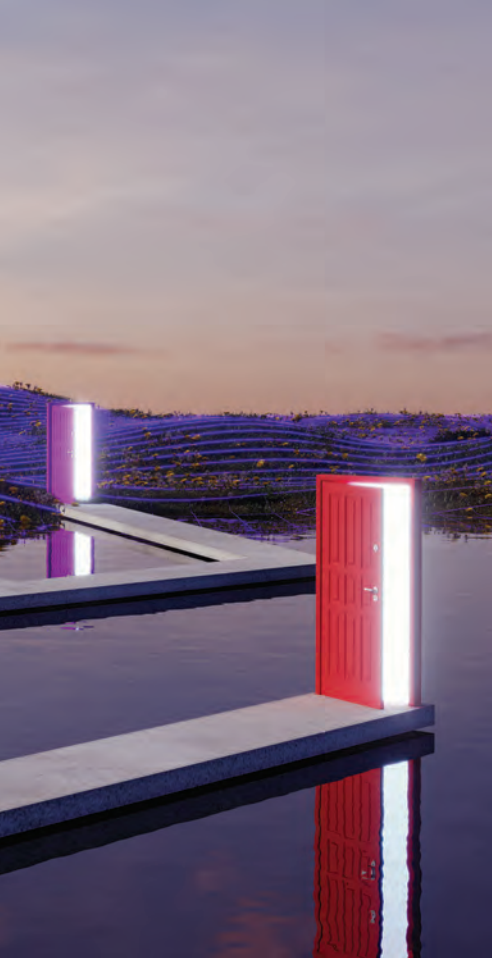
With firms struggling to attract talented, qualified individuals, the problem quickly becomes the proverbial “chicken and the egg” as they are forced to consider the efficiencies artificial intelligence offers, further raising the angst of those considering accounting careers. Just like investment in staff, however, investment in technology requires capital and often in large amounts (see [“Artificial Intelligence Offers Turbo Charged Solutions While Raising Concerns Regarding Security and Professional Integrity”](#) January/February 2024 *Today’s CPA* issue).

As the earlier article indicated, the Big Four have committed large capital allocations to investments in AI. Regional and smaller firms may be forced to look outside for resources required to remain competitive in a technology driven environment.

It is within this context that Grant Thornton, the seventh-largest CPA firm, announced that it was selling a stake to New Mountain Capital for \$2.4 billion. The investment will be in the U.S. arm of Grant Thornton, which accounts for over 10% of worldwide personnel.



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## TOP FIVE KEY POINTS TO CONSIDER

**PRIVATE EQUITY INVESTMENT IN THE ACCOUNTING SECTOR IS EXPANDING:** Grant Thornton's \$2.4B sale to New Mountain Capital reflects a growing trend of CPA firms seeking outside funding.

**THE ACCOUNTING PROFESSION IS FACING A DECLINING TALENT PIPELINE:** Fewer people are taking the CPA Exam, talent shortages are increasing, and financial reporting and tax regulations are becoming more complex.

**AI ADOPTION IS INCREASING:** The Big Four are investing heavily in AI, while smaller firms are seeking outside capital to stay competitive amid security and integrity concerns.

**PRIVATE EQUITY INVOLVEMENT MAY RAISE ETHICAL CONCERNS:** The ownership model challenges CPA firms' independence, fiduciary duties and long-term sustainability.

**INVESTMENT DECISIONS WILL SHAPE THE FUTURE OF THE PROFESSION:** Strategic funding could help smaller firms compete and innovate, but the long-term effects remain uncertain.

“...the Big Four have committed large capital allocations to investments in AI. Regional and smaller firms may be forced to look outside for resources required to remain competitive in a technology driven environment.

In preparation for the transaction, the firm has announced staff reductions of about 350 individuals, which follows reductions made in 2023. In addition, the firm will operate in a split structure, with Grant Thornton LLP offering assurance services and Grant Thornton Advisors LLC providing non-attest services. The investment will give New Mountain control of Grant Thornton pending regulatory approval.

In joint press releases, the principles explain that the investment will be used in part to reduce equity of existing partners and buy out obligations to retired partners. But the primary motivation for the transaction is to provide funding for capital investments in technology, as well as increased acquisition activity.

This is not the first marriage between a CPA firm and private equity, only the largest. In fact, New Mountain Capital acquired a controlling interest in Citrin Cooperman in 2022. With over \$700 mm in annual revenues, it too ranked in the top 25 U.S. accounting firms. There appear to be no plans to merge the two firms at this time.

New Mountain Capital is not the only private equity firm to see opportunity in the sector. The first such transaction between a top 25 CPA firm and private equity was in 2021 when TowerBrook Capital Partners invested in EisnerAmper, LLP. In 2022, Cherry Bekaert rebranded itself in conjunction with an equity in-

vestment by Parthenon Capital. And earlier in 2024, Hellman & Friedman and Valeas Capital Partners announced a \$1 billion investment in Baker Tilly US, LLP.

Has this strategy proved effective? For those earlier transactions, revenue growth has outpaced the peer group; however, much of the growth has been acquisition fueled.

As the partnership activity between CPA firms and private equity gains steam, there are important implications for the profession. Although obviously profit motivated, CPA firms have fiduciary and professional obligations that may conflict with the models that private equity is accustomed to working within. Objectivity and independence may be under pressure as investors consider their returns. And what is the exit strategy for investors who typically invest for four-to-seven-year horizons?

Firms are faced with the responsibility of investing this newfound capital wisely and the oversight of the private equity firms might be just the control that ensures this occurs. If the smaller firms are able to leverage these transactions to make the technological advancements that the profession is demanding, it could be the key to helping them keep pace with the Big Four by offering more options for clients and a more competitive environment, which typically drives further innovation. As was stated earlier, “Only time will tell!”





Left to right: Charlotte M. Jungen, CPA, CFP® • Diana Castro, CPA, CFP® • Lisa Francia, CPA • Chris A. Matlock, CPA, CFA  
Steven R. Goodman, CPA, CFP® • Wade D. Egmon, CPA, CFP® • Joni Eggleston, CPA • Albert P. Wagner V, CPA

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# 89th Legislative Session Review:

## New House Leader, Rule Changes and a Productive Session for TXCPA

**T**he 89<sup>th</sup> session of the Texas Legislature began on January 14, 2025, with a momentous vote by the House of Representatives on a new Speaker of the House. Former Speaker Dade Phelan, after a tumultuous primary election and runoff, was seeking his third term as Speaker. A number of challengers to Phelan emerged during December and January seeking to govern the House in a new direction. By the end of the day on January 14, the House had elected Speaker Dustin Burrows (R-Lubbock) as the new Speaker of the House.

While Speaker Burrows is considered by some to be an “institutionalist” and defender of House traditions, some very important changes occurred with the House Rules, which signaled a new direction. No longer will the minority party chair committees, but all committees will have vice-chairs of the minority party.

House Rules were further tightened up to make it more difficult to defeat bills on points of order. Perhaps the most significant change with a new Speaker is the full support that the Speaker has given to school choice or school vouchers. In 2023 and the subsequent special sessions, significant differences existed between the House, Senate and Governor Greg Abbott, and between then Speaker Phelan and Lt. Governor Dan Patrick. The differences on school choice seem to have been resolved.

In the Texas Senate, it is business as usual, with Lt. Governor Patrick in control with a solid Republican majority, increasing by one member since 2023. The Senate has been focused on passing many of the Governor’s



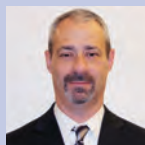
emergency items – bail reform and school choice – while at the same time beginning to tackle the important issues of water infrastructure, immigration enforcement, school finance and teacher pay raises.

The Senate traditionally passes high priority legislation early in the session, thereby moving those bills to the House where more debate occurs for the remainder of the session, followed by both chambers coming together to work out their differences. With the Governor, Lt. Governor, Comptroller and other statewide elected officials on the ballot in 2026, the likelihood of numerous special sessions is considerably lower in 2025 than in past years.

TXCPA has had a very productive session and we are confident of further success with our legislation through the end of the session. As of the time of this writing, [Senate Bill 262](#) – creating an additional pathway to CPA licensure – passed both chambers unanimously and is now headed to the governor.

In addition, at the time of this writing, [SB 522/ HB 1764](#), individual practice mobility, has passed the Senate and House Licensing Committee. The bill is headed to the House floor and there is every expectation that the bill will pass before the end of session.

We expect significant progress in the coming weeks.



**BY KENNETH  
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**In What's Happening Around Texas, we give you highlights of events and activities happening around the state in the TXCPA chapters.**

**TXCPA Austin** members gathered at MIA Italian Tapas for a night of great conversation and relaxation before busy season. Members also volunteered at the Central Texas Food Bank, making a meaningful impact within their community. Their support is truly appreciated!

**TXCPA Dallas** members have been busy! They attended The Dallas Foundation's Annual Professional Advisors Seminar, enjoyed Thirsty Thursday at Bar Louie and held a behind-the-scenes event at TUPPS Brewery. Volunteers also supported Minnie's Food Pantry in Plano, helping distribute food and other household items to families in need. They're proud to give back to their community!

**TXCPA Fort Worth** held a masquerade ball dedicated to raising scholarship funds, successfully securing enough to award eight deserving students pursuing accounting careers. It was an incredible evening filled with celebration and generosity, all for a meaningful cause. They can't wait to raise even more funds to support students next year!

**TXCPA San Antonio** members had a fantastic time connecting at TXCPA's YAPpy Hour! It was an opportunity to unwind, meet fellow professionals and enjoy great conversations. Thanks to everyone who attended. TXCPA San Antonio looks forward to more fun events in the future!

During **TXCPA South Plains'** annual meeting, members had the opportunity to welcome their 2025-2026 Board. These dedicated individuals have volunteered their time and expertise to lead the chapter in the upcoming year. Their commitment to serving the organization and supporting its mission is appreciated!

**TXCPA Southeast Texas** members participated in the Workforce Solutions Southeast Texas Youth Career Expo, engaging with approximately 3,500 students from 40 local schools. Volunteers shared valuable insights into accounting careers and the advantages and benefits of TXCPA membership, inspiring the next generation of CPAs.

**TXCPA Victoria** hosted another fantastic Coffee Connections event, bringing together CPAs and students for meaningful conversations over coffee at Jaguar Java on the University of Houston-Victoria campus. Attendees enjoyed the opportunity to catch up, exchange insights and build valuable connections within the accounting community.

**TXCPA Wichita Falls** hosted an event for future professionals at Midwestern State University! A big thank you to Dr. Susan B. Anders, Ph.D., CPA, CGMA, Dr. Lin Wang and all the CPAs who shared their expertise with students. A special thanks to TXCPA Chair Mohan Kuruvilla, Ph.D., CPA, for his inspiring visit and presentation. All of this support truly makes a difference in encouraging the next generation of CPAs!



TXCPA Austin



TXCPA Dallas



TXCPA Fort Worth





TXCPA San Antonio



TXCPA South Plains



TXCPA Southeast Texas

### Is Your Chapter Doing Something Awesome? Let Us Know!

Whether you're hosting a professional development event, organizing a community outreach project, have a leadership meeting, or celebrating a big chapter milestone, we want to hear about it! Share your chapter's activities with us - we're always looking to highlight the incredible things happening across the state in the What's Happening Around Texas section of *Today's CPA*.

Send your photos and event details to Managing Editor DeLynn Deakins at [ddeakins@tx.cpa](mailto:ddeakins@tx.cpa) and help us showcase the great work your chapter is doing!



TXCPA Victoria



TXCPA Wichita Falls



## Jessica Rodriguez Reyes: Inspiring and Paving the Way for First-Generation Accounting Students

Jessica Rodriguez Reyes is an exceptional undergraduate accounting student in the BS/MS program at the University of North Texas. As a first-generation college student, she is not only excelling academically but also paving the way for others. With multiple internships across a variety of firms, she has been gaining extensive experience in the profession.

After speaking on campus panels and becoming the youngest panelist at TXCPA's 2024 Women's Leadership Symposium, she recognized her ability to make an impact in her community. This led to her becoming involved in UNT's mentoring program, where she now helps guide and support fellow students. *Today's CPA* reached out to Jessica to learn more about her professional journey and path to becoming a CPA.

### What inspired you to pursue accounting and what led you to the BS/MS program?

During my senior year of high school, I found myself staring at the FAFSA form, unsure of where to begin. I had no idea what "gross income" even meant and thinking about it now, I can't help but laugh at how far I've come. But in that moment, I felt paralyzed by the fear of making a mistake on such an important form.

As a first-generation student, I lacked the resources and guidance to navigate the initial steps toward college. It was then that I realized I was financially illiterate and it made me feel helpless.

This experience sparked my decision to pursue a career in accounting, a field that not only addresses these personal challenges but also offers vast opportunities. From internal and public audit to forensic accounting, consulting and various tax areas, accounting provides an abundance of career paths. I chose accounting because it's a skill set that is both practical and versatile, valuable in and out of the classroom.

I decided to join the BS/MS program at the University of North Texas after learning about the importance of the CPA license. The program's robust curriculum and clear pathway towards the CPA license were exactly what I needed to achieve my professional goals.

### How have your multiple internships shaped your perspective on the accounting profession and what have you learned from working at both large firms and smaller firms?

Through my various internships in tax, internal audit and public accounting, I realized that I had only begun to scratch the surface of what the accounting profession truly offers. The field is incredibly diverse and every area – whether it's tax, audit or consulting – plays a vital role in the success of any business. When I first started my journey as an accounting major, I had no idea how expansive and essential the profession really is.

What I've come to appreciate most is the value of hands-on experience. Being able to apply the concepts I learn in the classroom to real-world situations has made a world of difference. There's a clear distinction between theoretical knowledge and practical application, and the latter has made my learning far more meaningful and impactful. While anyone can graduate with an accounting degree through hard work and dedication, I believe true experience is something that can't be taught – it must be earned.

My internships at both large and smaller firms have allowed me to observe the distinct differences in work culture. In my experience, I believe it's easier to gain hands-on exposure and experience more quickly at smaller firms.

That's not to say large firms don't offer excellent learning opportunities. They absolutely do. However, the work environment varies greatly depending on the firm, with



differences in training, software used and client portfolios. Ultimately, I've come to understand that both large and small firms provide valuable, complementary experiences, each with its own unique benefits.

**What are your thoughts on Texas Senate Bill 262 and House Bill 1757 introducing an additional pathway to CPA licensure? Do you think this new pathway makes CPA licensure more accessible for students?**

Texas [Senate Bill 262](#) offers a promising opportunity for first-generation and non-traditional students to obtain their CPA license in the state. These communities often face barriers to pursuing further education, especially when it comes to meeting the 150-hour requirement, due to the financial cost and time commitment involved. For many, focusing solely on academics can feel like a luxury and the current licensure requirements can unintentionally filter out capable candidates who are eager to pursue a CPA license.

Another key change in the bill is that individuals with a bachelor's degree can now pursue their CPA license as long as they have two years of experience. This is especially beneficial, as it allows future applicants to gain experience. As someone who values real-world experience, I believe this change is an excellent step forward. Gaining hands-on experience is invaluable, timeless and crucial for career growth, and this additional pathway creates opportunities for more students to succeed and enter the profession.

**Tell us about your family.**

My family comes from a small homestead in Querétaro, Mexico. My parents are small business owners who have taught me the values of hard work and honesty. Growing up, I was told that education wasn't a necessity to succeed; instead, it was seen as a luxury. This mindset was shaped by the fact that I am the first in my entire family to have the privilege of graduating from high school and pursuing a career. For decades, my family thrived on what they could achieve with a 4th and 8th grade education.

Today, I see education as a powerful opportunity. Because of this, I actively mentor first-generation students locally, helping guide them through their educational journeys. I am deeply grateful for the strong work ethic my family instilled in me. They taught me that while starting something new takes courage and can be intimidating, the greater regret is not knowing what could have happened if you never tried.

**What motivated you to start mentoring other students and what impact have you seen so far?**

I wanted to provide first-generation students with a reliable resource for guidance, advice and answers to their questions. By the end of my junior year, I realized I had come close to achieving my goals – but I couldn't help but wonder how much faster I might have reached them if I had someone to guide me, help me avoid mistakes or encourage me to explore opportunities earlier.

I also noticed that many students in my community, especially upperclassmen, hadn't fully explored internship opportunities. The common barriers I observed were fear, uncertainty about where to start and feeling overwhelmed. I wanted to make a difference, even if it was just for one person at a time.

While universities offer a wealth of resources, many students don't know where to find them. I saw an opportunity to

act as a bridge between students and these invaluable resources. Currently, I mentor a small group of first-generation freshmen in the DFW area, both through the UNT mentoring program and on my own time. Beyond serving as a "resource library," I help with resume building, interview skills, networking strategies, and more.

Though this is only my second semester of mentoring, the most noticeable change I've observed is the increase in confidence among my mentees. Confidence is a powerful tool for success – it's the foundation for building a strong personal brand. I'm proud that my mentees are already seeking out internship opportunities, attending career fairs as freshmen, getting involved on campus and, most importantly, networking effectively.

Some might think it's too early for freshmen to dive into these activities, but I believe the more exposure they get, the more familiar and comfortable they become. The earlier they start, the sooner they can build confidence, which ultimately prepares them for greater success.

**One of my favorite quotes is from Brian Tracy:**

**"Focus and fail fast to learn quickly  
... if you want to increase your rate  
of success, you must double your  
rate of failure."**



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# TXCPA's 2024-2025 Year in Review

**T**he Texas Society of CPAs has been on a mission – advance the interests of CPAs and the accounting profession through advocacy, access to knowledge, community connections, and career development. Over the past year, we've tackled major issues head-on, from strengthening the CPA pipeline to advocating for important policy changes that will shape the future.

In the first year of our new strategic plan, we're driving meaningful progress across four key goals: addressing the talent pipeline shortage, ensuring growth and our long-term viability, streamlining

operations, and enhancing TXCPA's visibility. Whether it's championing new pathways to licensure, hosting dynamic student engagement events or ensuring our members have access to top-tier professional development, TXCPA is committed to empowering CPAs at every stage of their careers.

This article highlights some of the strides we made in the 2024-2025 year – and what's next – as we continue our work to build a stronger community for you.

## STRENGTHENING THE CPA PIPELINE

The CPA profession continues to face a shrinking talent pipeline, a challenge that reflects broader workforce trends. AICPA's [National Pipeline Advisory Group](#) (NPAG) issued a report last summer that identified six key recommendations to address the talent shortage:

- Tell a more compelling story about the CPA profession
- Reduce education cost and time barriers
- Make accounting education more engaging
- Provide stronger support for CPA Exam candidates
- Improve workplace experiences for young professionals
- Expand pathways for underrepresented groups



In Texas, TXCPA has been proactively tackling pipeline challenges, formalizing a statewide strategy in 2022 to bring greater visibility to the issue. This year, we updated our pipeline strategy to align with NPAG's recommendations and ensure we remain at the forefront of pipeline initiatives.

**Evolving the CPA Pathway.** The traditional path to CPA licensure requires 150 semester hours, passing the CPA Exam and relevant work experience.

Efforts are currently underway to provide additional flexibility for CPA candidates in Texas. Senator Charles Perry, CPA, introduced [Senate Bill 262](#) (SB 262) and Representative Angie Chen Button, CPA, introduced companion [House Bill 1757](#) (HB 1757), which propose an additional licensure pathway requiring:

- A bachelor's degree with an accounting concentration
- Two years of relevant work experience (as defined by the Texas State Board of Public Accountancy)
- Successful completion of the CPA Exam

TXCPA is actively advocating for the passage of these bills and as of this writing, Senate Bill 262 passed both chambers unanimously and is now headed to the governor. If signed, the legislation would take effect on August 1, 2026, to better align with the start of academic years. Importantly, the 150-hour and master's education paths would remain as options, ensuring candidates have multiple paths to licensure while maintaining necessary education and business competencies.

Additional pathways are now being considered in over 30 jurisdictions, reinforcing the growing need for an updated approach to licensure.

## TXCPA's Strategic Plan Goals

**Secure the Future of the Accounting Profession by Attracting and Retaining Talent.**

**Ensure the Continued Influence, Impact and Viability of the Organization by Expanding Resources to Grow and Serve Our Market and Responding to its Evolving Needs.**

**Improve the Quality and Efficiency of the Delivery of Services and Expand Opportunities Through a Streamlined Organization Structure.**

**Enhance TXCPA's Position in the Marketplace With a Robust, Multichannel Marketing Strategy to Increase Visibility, Engagement and Growth.**



# A YEAR OF ACTION, TRANSFORMATION AND SUCCESS



**Modernizing CPA Mobility in Texas.** As CPA licensing requirements begin to vary by state, mobility – the ability for CPAs to practice across state lines – has become increasingly important. To address this, Senator Perry and Representative Button introduced [Senate Bill 522](#) (SB 522) and [House Bill 1764](#) (HB 1764) to modernize Texas' mobility standards.

If passed, these bills will allow CPAs licensed in other states to continue practicing in Texas, provided they meet key criteria, including active licensure and good standing in their home state, a bachelor's degree with required accounting and business coursework, one to two years of relevant work experience and successful completion of the Uniform CPA Exam.

Please see the Government Affairs article in this *Today's CPA* for an update and review of the 89th Texas legislative session.

**Advocacy in Action.** On January 28, TXCPA held a high-energy Advocacy Day at the Texas Capitol, bringing together CPAs, students and legislative experts to champion key accounting profession issues. Attendees engaged with

over 140 legislators and legislative offices, strengthening relationships and reinforcing the importance of workforce development.

TXCPA's progress in addressing the CPA pipeline would not happen without the dedicated support of our members and the [TXCPA Political Action Committee \(PAC\)](#). The TXCPA PAC is an important tool in shaping legislative outcomes, ensuring that CPAs have a strong voice at the Capitol.

The TXCPA PAC is only as successful as the number of members we have supporting it. Greater participation means greater influence. Every contribution strengthens our ability to protect and advance the CPA profession in the legislature. Thank you to everyone

who supported the TXCPA PAC this year.

**Reaching Students.** TXCPA is committed to inspiring the next generation of CPAs and our efforts to reach students are making a real impact. From classroom visits to networking events, we're working to connect with 14,000 students this year.



In November 2024 and April 2025, our Accounting Opportunities Months focused on introducing students to the possibilities of a career in accounting. Our November campaign exceeded expectations, reaching 2,820 students – 20% of our annual goal! With 46 school engagements – including class visits, career fairs and student meetings – and 87 volunteers, we made meaningful connections.

The April campaign aimed to reach at least 1,500 students. Stay tuned to your TXCPA communications for the final numbers!

Our Balance Sheet Bash events, held at locations across Texas, provided college students with direct access to CPAs, firms and accounting professionals. These half-day programs featured networking, panel discussions and career insights. Each event brought together top accounting firms and professionals, giving students a chance to ask questions and gain industry knowledge.

Our Student and Faculty Ambassadors

play a vital role in expanding TXCPA's reach on college campuses. This program provides direct support to students and educators, helping to strengthen engagement and shape the future of the profession.

Ambassadors met periodically throughout the year, discussing legislative updates, student member-

## CPE By the Numbers in 2024-2025:

**28,195** total registrations  
**474** unique programs  
**8,892** unique participants





ship trends and engagement goals. Want to get involved? Visit the [Be An Ambassador section](#) on tx.cpa.

Thank you to all our volunteers, ambassadors and professionals who make these initiatives possible.

**Growing TXCPA's Reach and Impact.** To stay relevant, influential and financially strong, TXCPA is evaluating new membership models to better serve an evolving profession. As the CPA landscape shifts, we must adapt to changing demographics, address nonmember feedback and attract the next generation of CPAs.

TXCPA's Membership Task Force was created in 2021-2022. The task force has refined member types, tested some pilot programs in 2023-2024 and 2024-2025, and updated our Membership Model Study with an outside consultant in 2024-2025. By leveraging our strengths and removing barriers, TXCPA is building a membership model that is aligned to meet the needs of today's professionals.

**Elevating Learning.** At TXCPA, delivering top tier Continuing Professional Education (CPE) is a key priority. With a diverse range of live and online courses, members can customize their learning experience to fit their professional goals.

In December and January, TXCPA hosted 20 Federal Tax Update sessions, equipping 1,400+ attendees with the latest tax insights.

TXCPA members enjoy at least 20 hours of [complimentary CPE](#), covering essential topics like Texas taxes, ethics and industry trends. As of March 6, 2025, more than 12,000 registra-



## Balance Sheet Bash Events in February

### Texas Southern University

42 students from Texas Southern University, University of Houston-Main, University of Houston-Downtown, Lone Star College, and Houston Community College

### Huston-Tillotson University

43 students from Huston-Tillotson University, Austin Community College, and Concordia CTX

### Paul Quinn College

31 students from Paul Quinn College, University of Texas at Dallas, University of North Texas, University of North Texas at Dallas, and Dallas College

tions had been recorded for these free programs in 2024-2025.

To ensure learning is accessible, TXCPA expanded virtual conference options, allowing hundreds of professionals to participate remotely. This flexibility ensures members stay informed, no matter where they are located.

With hundreds of learning opportunities, TXCPA is committed to keeping members ahead of the curve in an ever-evolving profession. Check out the [Education section of TXCPA's website](#) to explore ways you can learn, grow and excel!

**Federal Tax Policy and Professional Standards Committees.** TXCPA's Federal Tax Policy Committee and Professional Standards Committee provide responses to exposure drafts from standards-setting bodies that influence the accounting profession. This important work ensures TXCPA maintains a strong and consistent presence before regulators each year.

Among the top issues the [Federal Tax Policy Committee](#) addressed were educating members on BOI requirements, reviewing

Senator Cruz's wildfire tax relief bill and commenting on proposed Circular 230 regulations. Committee members Nathan George, CPA-Abilene, and co-author Ken Horwitz, JD, LL.M., CPA-Dallas, published a second article in the July/August 2024 issue of *Today's CPA* titled "[Corporate Transparency Act: An Update](#)." In addition, the committee's comments letter on the IRS reducing notice deadlines

from 45 to 10 days before contacting third parties was so important that Tax Notes twice covered the letter.

The [Professional Standards Committee](#) (PSC) reviews every professional standards exposure draft released. As of this writing, the PSC has issued 12 comment letters during the 2024-2025 year. The related 12 exposure drafts included 372 pages of guidance to review. Among the important issues were [SEC Approval of PCAOB Final Rules on Firm and Engagement Metrics](#) and [AICPA PEEC: Revised Interpretation Tax Services](#). The PSC's opposition to these exposure drafts exerted pressure on the standard-setting bodies.



## STREAMLINING TXCPA'S ORGANIZATION STRUCTURE

TXCPA is committed to enhancing service quality, improving efficiency and expanding opportunities through a more streamlined organizational structure. To drive this initiative, we established an Organization Structure Task Force to focus on:

- Assessing our current structure to identify strengths, challenges and opportunities





- Enhancing service delivery for maximum efficiency and quality
- Adapting to the evolving needs of our members and the marketplace

After analyzing research, trends and historical data, the Task Force has outlined key opportunities to streamline operations and eliminate redundancies. A three-year strategic plan with milestones will be released in 2025-2026. Watch for updates as we build a more dynamic, responsive and impactful organization together!

### ELEVATING TXCPA'S IMPACT WITH A POWERFUL MARKETING STRATEGY

To enhance TXCPA's position in the marketplace, we're focused on a robust, multichannel marketing strategy to boost visibility, engagement and growth. Last June, we conducted a marketing audit, analyzing membership data and demographics.

Key priorities moving forward include:

- Targeted engagement – We're identifying market segments within the accounting profession, ensuring tailored, relevant communication that drives participation
- Clear Value Proposition – We completed a project to define and

communicate TXCPA's unique value at every career stage, streamlining how to connect with diverse audiences

- New Value Proposition Toolkits – These will provide the tools to better understand and share TXCPA's benefits, strengthening our engagement with members

With a strategic focus and customized messaging, we're ensuring TXCPA remains a trusted, influential force in the profession.

### LOOKING AHEAD

Big things are ahead! Mark your calendar for [TXCPA's Annual Meeting of Members and Leadership Council Meeting](#) on June 26-27, 2025, at the Tremont House and Grand Galvez in Galveston. This is your opportunity to hear a current update on TXCPA priorities and accomplishments, connect with fellow CPAs, influence the future of TXCPA and be part of key conversations shaping the profession. Don't miss out - reserve your room today!

Your membership and support fuel everything we do, and we can't wait to see what we accomplish together in 2025-2026. See you in Galveston!

## TXCPA Member Insurance Program: Expanding Protection for You

TXCPA is enhancing our Member Insurance Program to serve more members and provide greater value. Since partnering with Forrest T. Jones & Company (FTJ) in January 2024, we've seen significant growth in key coverage areas:

- The number of members taking advantage of Professional Liability coverage grew by over 50%
- The number of members utilizing Cyber Liability coverage nearly quadrupled

Having a trusted partner with a strong Texas presence has helped us expand these offerings while providing tailored benefits and superior service.

If you haven't explored **TXCPA's insurance solutions**, now is the time! Protect yourself, your business and your future with coverage designed specifically for CPAs.

## TXCPA PAC Fundraising

The 2024-25 TXCPA PAC fundraising year ended on March 31, 2025, and it was a successful one! Under TXCPA Chair Mohan Kuruvilla's leadership, we made significant strides toward our participation goals:

**65%** of the TXCPA Leadership Council contributed to the PAC

**3.1%** of TXCPA members supported the PAC's mission

# How Accountants Can Embrace an Entrepreneurial Spirit

**T**he advent of AI-driven technologies has resulted in numerous tools such as ChatGPT, ChatSonic and Bard, which threaten the existence of many professionals. Accountants are not immune to this threat, as many of their tasks can be automated.

As a result, accountants must be ready to reinvent themselves or even start their own business. This article provides a framework that many accountants can follow to assess their readiness to start their own venture.

## BACKGROUND

A study conducted by researchers from the University of Pennsylvania and OpenAI found accountants are among the professionals most susceptible to being impacted by the capabilities of generative artificial intelligence, as at least half of accounting tasks can be completed much faster with this technology. The study highlights the need to be prepared for potential economic disruption (Elondou, Manning, Mishkin & Rock, 2023).

Therefore, accountants must be prepared by assessing their options. In this regard, the World Economic Forum is a strong advocate of upskilling and reskilling (Zahidi, 2020). Upskilling refers to acquiring new skills to do the current job better. Reskilling involves learning new abilities to take on a different job role or function.

Another approach that accountants may want to consider is to start their own venture. Of course, becoming an entrepreneur is easier said than done. In fact, this may represent a challenge, as entering into an entrepreneurial venture is a risky task. Research has found that a high tolerance for risk is a key predictor for becoming an entrepreneur (Segal, Borgia & Schoenfield, 2005). Most accountants exhibit low risk tolerance, as they are trained to be conservative. However, their lack of risk tolerance is compensated by their skills and abilities that enable them to succeed in most business settings.

First, precisely because of accountants' risk aversion, they keep a laser focus on scoping

risk elements and other challenges that may threaten a business. In addition, because they understand how value is generated in an enterprise, they can identify what resources are required and how these resources should be allocated to yield an acceptable return.

Accountants can also determine the best funding sources and how capital structure can be optimized, then set projections under different scenarios to understand their potential profitability and cash flow. In the end, accountants don't need to abide by that adage "fake it until you make it," which is common among many entrepreneurs, as accountants truly understand business performance.

## DO YOU HAVE WHAT IT TAKES TO BE AN ENTREPRENEUR?

Becoming an entrepreneur may have a different meaning for different people. For purposes of this article, we will define entrepreneurship as the launch of a small business venture. Therefore, this definition involves anybody who takes the risk to develop and implement a business.

In addition to a high tolerance for risk, research has found individuals must have a desire to become self-employed and the confidence to do so in order to succeed as entrepreneurs (Segal, Borgia & Schoenfield, 2005).

BY DERRICK BONYUET,  
PH.D., CFA, CFP, CPA





Also note that being an entrepreneur does not mean one must have the ability to create something. Rather, it is the ability to see the economic potential of something.

According to Burch (1986), entrepreneurs exhibit most of the following personality traits:

- A desire to achieve, which is reflected by a strong determination to overcome problems and start a successful venture.
- Hard work, as launching a business may require working long hours.
- Nurturing quality so entrepreneurs can drive the venture until it can stand alone.
- Acceptance of responsibility, as entrepreneurs must be ready to accept responsibility for their ventures.
- Reward orientation, as entrepreneurs expect to be rewarded for their hard work and this may come in different forms, including money, recognition and respect.
- Optimism, which is the basis of an entrepreneur's philosophy that anything is possible.
- Orientation to excellence since entrepreneurs often strive to achieve something that is outstanding.

- Organization, which enables entrepreneurs to bring together all components needed for a successful venture.
- Profit orientation, which represents the benchmark to measure their achievement and performance.

Burch also discusses other elements that may describe whether an individual has an entrepreneurial capability, such as the desire to be independent, free and not subject to control by other people, the desire to seek opportunity, and the tendency to rely on intuition when making decisions rather than depending on a quantitative analysis.

#### **SO, HOW DO YOU START YOUR ENTREPRENEURIAL JOURNEY?**

Before embarking into an entrepreneurial venture, it is important to conduct a personal evaluation. Such an assessment will allow future entrepreneurs to understand their personal goals, like what they enjoy doing with their time, what they are good at, and what hobbies or interests they may have that are marketable.

This personal evaluation should also ensure potential business ideas are compatible with personal goals. As ideas start flourishing, it is critical to convert these ideas into opportunities.

An approach that may help with this task is design thinking, which is centered on the customer so a deep understanding of what end users want is acquired. Design thinking is a process that starts with problem definition. Multiple options are then created, considered and further refined to finally come up with a winning solution. Business evaluation comes next, which will help assess the feasibility of the business idea. As a result, research must be conducted to gain a thorough understanding of the product or service, along with the expected market to be served.

The final outcome of this phase is the business plan, which is a document that defines the business and explains in detail how the venture will operate, who will manage the business, financial projections and required funding. The Small Business Administration (SBA) provides valuable resources to all small business owners on their site ([sba.gov](https://www.sba.gov)), including how to pick a location, how to incorporate, how to choose a business name, how to write a business plan, and funding sources.



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# MAXIMIZING AUDITS: Key Elements for Efficient and Successful Financial Assessments

BY PARISA MANSOORI

If maintaining documentation outside of your ERP system is necessary, consider naming conventions and filing systems that make retrieving and accessing files simple.

**A**udits are essential for businesses. Audited financial statements provide stakeholders with an impartial and objective evaluation of a company's financial position, performance, and internal controls. This assessment reassures shareholders, investors, creditors and other interested parties relying on it for informed decision making. But for as much utility and usefulness as an audit provides to stakeholders, the process of undergoing an audit can be intimidating, particularly for first-time auditees.

Preparing to be audited requires resources, both human and capital. And it is hard to know exactly where to focus those resources, since auditors cannot give their clients the answer key regarding which accounts or transactions will be included in the audit scope. Nor can they assist them in cleaning up or validating their accounts before the audit.

To maximize its efforts in preparing for an audit, a company should focus on a few key elements:

- Developing an internal controls framework, including sound accounting procedures;
- Periodically reviewing transaction details and validating account balances;
- Ensuring financial statements are consistent with industry and regulatory standards for presentation and disclosures.

The cornerstone of every financial audit is an Internal Controls Review. Internal controls are the policies and procedures put in place to

safeguard a company's assets from fraud or misappropriation, and to ensure reliable financial reporting, operational effectiveness and compliance with applicable laws and regulations. Some examples of internal controls include periodic account reconciliations, authorization/approval limits, reviewing supporting documentation, and segregation of duties.

The Committee of Sponsoring Organizations (COSO) Cube illustrates the key components and elements of an Internal Controls Framework, which starts with the tone at the top, evaluates risks relative to the business and industry, and develops controls and monitoring activities to mitigate the key risks impacting the financial statements.

Auditors assess the design and effectiveness of internal controls to identify weaknesses or deficiencies in the control structure that might expose the company's assets to undue risk and evaluate whether existing controls are functioning as intended.

In preparing for the Internal Controls Review portion of the audit, a company should consider the risk of misstatement

or misappropriation related to its key processes and functions, and design and document policies and procedures to mitigate such risks. Then, once processes and procedures are in place, a company should periodically assess whether such controls are functioning and remain relevant, considering any recent changes in the company's operating environment.

While a seemingly perpetual process, creating a well-designed internal control structure will not only give auditors confidence that financial balances are accurate and reliable, but it can also

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elevate a company's risk oversight abilities and overall corporate governance.

The keystone of every audit is the review of financial transactions, account balances, and supporting documentation. Behind every financial statement line item, there are hundreds, maybe thousands, of individual transactions. The transactions can be simple, complex, correcting, reversing, or adjusting. And they may be related to anything from a regular sales transaction, a pre-paid expense transaction, depreciation expense, or anything in between.

Auditors perform detailed examinations of significant account balances, reviewing the underlying transactions and supporting documentation, such as invoices, contracts and schedules to verify the account's accuracy and validity.

Maintaining well-organized and easily accessible supporting documentation will allow the auditors to review and validate information more efficiently, potentially reducing the need for exten-

sive document retrieval and follow-up queries to company personnel.

Leveraging the features of an Enterprise Resource Planning (ERP) system can be a great resource for maintaining easily traceable and verifiable accounting records. Many ERP systems feature access controls, audit trails and workflow management tools that allow companies to not only record the transaction line items, but to also record memos about the transaction, attach copies of supporting documentation and have structured workflows.

If maintaining documentation outside of your ERP system is necessary, consider naming conventions and filing systems that make retrieving and accessing files simple.

The capstone of every audit is a review of financial statement presentation and disclosures. Because stakeholders utilize financial statements to make informed decisions, it is critical that financial statements, and their accompanying disclosures, accurately and

clearly present a company's financial position. This includes disclosure of accounting principles, relevant regulatory standards, and significant potential risks and liabilities that might impact the future viability or earnings of the company.

Auditors review the presentation of the financial statements as well as accompanying footnotes and disclosures to ensure that they are presented clearly, consistently and per relevant accounting standards and disclosure requirements.

Understanding the accounting standards and disclosures relevant to the industry in which it operates is critical in preparing for a financial statement presentation and disclosures review. Companies should ensure that their financial statements are presented clearly and transparently and include essential information required by regulatory and accounting oversight entities and other information pertinent to their stakeholders.

While developing a solid internal reporting structure, keeping detailed transaction records, and developing comprehensive financial statements require additional effort and resources upfront, the payback over the long term is worth the effort! The time and effort invested toward these tasks will not only directly contribute to a more successful and efficient audit process, but more importantly, it will enhance the company's overall financial management and credibility, ultimately benefiting all stakeholders involved.



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## TXCPA's 2025 CPE Programs



**Make plans now to attend these conferences in spring and summer 2025!**

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Webcast, May 5-6
- **Energize 2025**  
Webcast, May 12-13
- **Nonprofit Organizations Conference**  
Richardson and Webcast, May 19-20
- **Texas School Districts Accounting and Auditing Conference**  
San Antonio and Webcast, June 2-3
- **CPAs by the Bay**  
League City, June 16-18
- **Summer Education Conference**  
Gulf Shores, Alabama, July 21-24
- **Summit 2025**  
Richardson, August 20-22; San Antonio, August 24-26

View the upcoming schedule in the [Education area](#) of our website.

### 2025-2026 Free CPE Webcasts for Members

#### PROFESSIONAL ISSUES UPDATE

May 7

May 22 (Replay from May 7)

August 6

August 19 (Replay from August 6)

November 5

November 19 (Replay from November 5)

February 11, 2026

February 26, 2026 (Replay from Feb 11)

May 6, 2026, 2026

May 21, 2026 (Replay from May 6)

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July 17

October 16

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## Key Considerations for Financial Statement Auditors Before

# Leveraging Artificial Intelligence in Their Audits

BY ANGEL RAFAEL OTERO, PH.D., CPA, CFE,  
CISA, CITP, CRISC, CICA

**T**echnology is continuously advancing, yet the concept of artificial intelligence (AI) has consistently captivated people's interest. AI systems are trained to recognize data patterns, make predictions and perform tasks commonly associated with human intelligence<sup>1</sup>.

Generative AI, a subset of AI, utilizes deep learning models to create human-like content in response to diverse and complex prompts<sup>2</sup>. ChatGPT, a generative AI model, was introduced in 2022 as ChatGPT 3.5, a free version developed by the OpenAI nonprofit research organization. ChatGPT 3.5 (hereafter referred to as ChatGPT) is designed to engage in and refine natural language conversations, adapting to specified lengths, levels of detail, styles, and languages<sup>3</sup>.

ChatGPT is among several advanced generative AI tools introduced in recent years, alongside comparable technologies such as Google's Gemini and Microsoft Copilot<sup>4</sup>. Gemini is noted for its strength in bidirectional training for language comprehension, while Copilot offers features like information retrieval, text generation (e.g., emails and summaries) and image creation from text prompts. Recent research emphasizes ChatGPT's exceptional ability to produce human-like text, attributed to its extensive training data and transformer-based architecture<sup>5</sup>.

Amid these unprecedented technological advancements, auditors continuously seek to adopt these new AI models to enhance the efficiency of the financial audit process<sup>6</sup>. Financial statement audits may be conducted by external auditors or internal auditors. Both external auditors and internal auditors recognize the importance of integrating innovative solutions, such as AI, to increase the effectiveness of their audits<sup>7</sup>.

#### ADVANTAGES OF AI'S CHATGPT IN FINANCIAL STATEMENT AUDITS

ChatGPT enhances financial audits by improving data analysis, risk detection, regulatory adaptability, predictive insights, automation, and cost efficiency.

##### Data Analytics and Processing

In financial statement audits, the volume of data to be analyzed can be overwhelming. Traditional methods to analyze these extensive datasets are time-consuming and prone to errors<sup>8</sup>.

ChatGPT allows both external auditors and internal auditors to navigate through massive datasets, extract relevant information and identify patterns with remarkable speed and accuracy, ultimately enhancing the auditor's understanding of potential risk patterns or scenarios<sup>9</sup>. Access to this type of infor-

## KEY POINTS TO CONSIDER

**AI and ChatGPT in Auditing –** ChatGPT, a generative AI, enhances financial audits through data analysis and automation

### ADVANTAGES

- Efficiency and Accuracy – Speeds up data processing, risk assessment and compliance
- Predictive Analytics – Helps forecast financial trends
- Cost Savings – Reduces manual workload and expenses

### DISADVANTAGES

- Security and Privacy Risks – Potential data exposure
- Bias and Regulatory Limits – AI may reinforce biases and struggle with evolving regulations
- Verification Issues – Cannot independently confirm data accuracy

**Future Outlook –** Despite challenges, AI's efficiency gains will likely drive wider adoption in auditing.

mation can be advantageous, especially when it is used in risk assessments or audit procedures like testing automated controls.

### Continuous Learning and Adaptability

Continuous learning, when related to AI, can revolutionize the financial statement audit process by enabling machine learning algorithms to evolve and enhance their understanding of complex financial data patterns over time<sup>10</sup>. This characteristic empowers ChatGPT to discern subtle anomalies, outliers and nuanced trends that may elude a human auditors' scrutiny<sup>11</sup>.

Furthermore, ChatGPT could learn to recognize subtle indicators of revenue manipulation by continuously analyzing transaction patterns, seasonal trends and industry benchmarks.

The adaptive capabilities of ChatGPT make it a valuable asset for organizations navigating the ever-changing landscape of regulatory requirements in financial statement audits<sup>12</sup>. ChatGPT can quickly adapt and incorporate changes in regulations into its understanding, ensuring alignment with the latest audit regulatory requirements. By leveraging ChatGPT, organizations can streamline their compliance processes and effec-





tively incorporate new regulations into their financial auditing practices<sup>13</sup>.

### Predictive Analytics

Predictive analytics allow external auditors and internal auditors to validate historical financial information and obtain understanding of the potential trajectory of an organization's financial performance. Forecasting financial trends, for example, is a prime application of predictive analytics in internal audits<sup>14</sup>.

ChatGPT can analyze historical financial data and discern patterns that may not be immediately apparent<sup>15</sup>. By using ChatGPT to project these patterns into the future, auditors can gain a better understanding of an organization's financial performance.

### Audit Efficiencies

ChatGPT can generate significant efficiencies by automating routine tasks like data extraction, data analysis and document review<sup>16</sup>. Using ChatGPT in financial statement audits can provide auditors with new skills and abilities to improve existing audit procedures like generating faster and high-quality work papers and performing consistent automated testing of financial transactions<sup>17</sup>. ChatGPT can also quickly analyze significant amounts of financial data, identify patterns, and flag discrepancies or anomalies that require further investigation<sup>18</sup>.

### Cost Savings

ChatGPT provides cost savings by automating workflows and tasks, such as data entry, reconciliation and basic analyses<sup>19</sup>. Additionally, ChatGPT can streamline the identification of discrepancies and trends, decreasing the time and resources spent on manual reviews<sup>20</sup>.

### DISADVANTAGES OF AI'S CHATGPT IN FINANCIAL STATEMENT AUDITS

There are also concerns to be considered when using ChatGPT.

#### Data Security and Privacy Concerns

Integrating ChatGPT into financial statement audits raises significant concerns about data security and privacy<sup>21</sup>. A major security concern stems from the cloud-based nature of ChatGPT. Although auditors have their own policies prohibiting client/organization data from being stored on the cloud, these policies may not always be followed<sup>22</sup>.

The above may result in client/organization data being stored on third-party servers, exposing sensitive financial information and potentially causing financial harm. ChatGPT could also inadvertently expose private data to unauthorized parties, especially if security measures are not implemented.

#### Training Data Bias

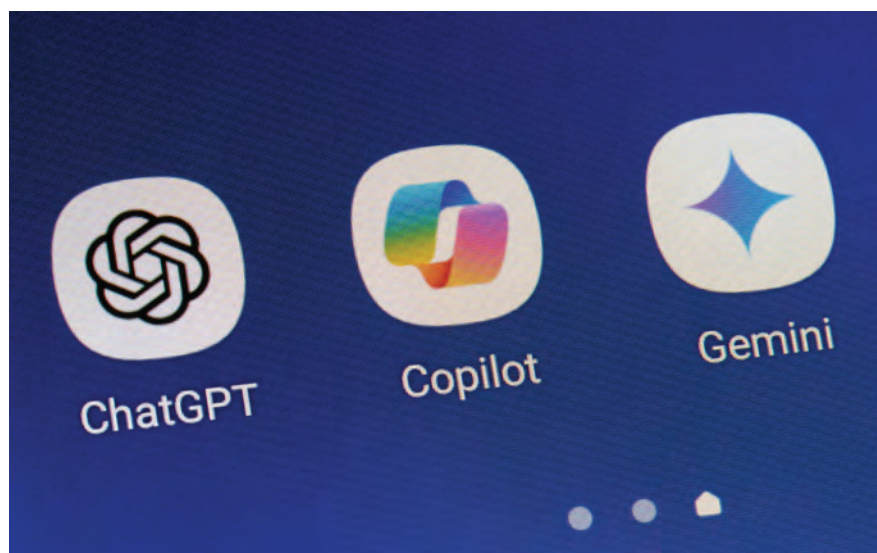
ChatGPT's trained data may contain biases leading to the reinforcement of prejudices or spread of misinformation<sup>23</sup>. To ensure unbiased interactions, careful data curation during training and ongoing monitoring are essential.

utilizing ChatGPT for regulatory compliance assessments.

#### Inability to Verify Source Data

Auditors rely on the accuracy and reliability of the data used in financial statement audits to draw meaningful conclusions. Nonetheless, ChatGPT cannot verify or ensure the accuracy or integrity of source information, posing a notable challenge in financial audits.

The inability to cross-check and validate original sources in an audit could result in the acceptance of erroneous financial data or overlooking critical discrepancies. This lack of verification



Addressing training data bias is a complex challenge in financial statement audits and thus requires careful curation of diverse and representative datasets. Both external auditors and internal auditors should conduct thorough assessments to identify and rectify any underlying biases in the data used to train ChatGPT.

#### Limited Understanding of Regulations

As we know, the landscape of financial regulations is dynamic, calling for frequent updates and changes. Consequently, integrating ChatGPT into financial statement audits poses a challenge in ensuring that the platform stays abreast of the latest regulatory developments.

Unlike human auditors, ChatGPT lacks the inherent ability to track and understand evolving financial regulations. This limitation can lead to compliance risks, as outdated or incomplete generated information may be relied upon when

undermines the audit's integrity, causing auditors to base their decisions on incomplete or misleading data, thereby increasing the risk of financial misstatements and compliance issues.

### THE ROLE OF AI IN FINANCIAL STATEMENT AUDITS

The integration of ChatGPT in financial statement audits marks a major turning point in the trajectory of traditional auditing practices. Successfully using ChatGPT in financial statement audits depends on a close partnership between human auditors and AI as they work together in this intricate process.

Even with the drawbacks mentioned in this article, the efficiency and time-saving gains from utilizing ChatGPT in financial statement audits may ultimately compel auditors to increasingly rely on this technology in the completion of their audits.

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CPAs in industry and public practice

**OBJECTIVES:**

To explore the importance of select professional organizations' codes of conduct

**KEY TOPICS:**

Examine the codes of conduct for the AICPA, ACFE, CFA Institute, and IIA; understanding the commonalities and differences of ethical principles across organizations

**PREREQUISITES:**

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# CODE OF CONDUCT

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## The Significance of Codes of Conduct in Professional Organizations:

# Standards for Ethical Practice

### Part 2 of Series

BY STEVE A. GARNER, PH.D., CPA, CFE



Codes of conduct play a vital role not only for companies, but also for professional organizations in providing a framework for ethical behavior. This

article explores the importance of select professional organizations' codes of conduct. Specifically, it details codes of conduct for the American Institute of CPAs (AICPA), the Association of Certified Fraud Examiners (ACFE), the CFA Institute, and the Institute of Internal Auditors (IIA). Key details for each organization's code are explained with discussions on the similarities and differences between their codes.

### PROFESSIONAL ORGANIZATIONS AND THEIR CODES OF CONDUCT

Well-known professional organizations have their own codes of conduct to guide their members. These codes of conduct serve as vital tools for maintaining ethical standards,

fostering professional competence, and ensuring that members act in the best interests of their clients and the public. Let's take a look at four prominent examples.

### AMERICAN INSTITUTE OF CPAS

AICPA, the world's largest member association representing CPAs, has developed a comprehensive Code of Professional Conduct. Key aspects of the AICPA's code include the following.

**Principles** – The code is based on five fundamental principles: integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

- **Integrity:** The CPA should be honest and candid in all professional engagements, ensuring that their work is reliable and free of any intention to mislead.
- **Objectivity:** The CPA should not show partiality and avoid conflicts of interest

The ACFE's code is built upon five principles: integrity, objectivity, confidentiality, competency, and professionalism. These principles guide CFEs in their responsibilities, emphasizing the importance of impartiality and ethical decision-making.

in the performance of all professional services. In this regard, independence is particularly important for auditors, as it promotes confidence in the financial statements and ensures that decisions are not based on personal interests or external pressures.

- **Professional Competence** and Due Care stress that a professional should maintain professional knowledge and skill. CPAs should continually improve their competencies to provide high-quality services. They are committed to performing their responsibilities with due care and in accordance with the standards relevant to the service being rendered.
  - **Confidentiality** implies that information obtained by a CPA from a client should not be disclosed to unauthorized parties without proper authority. This principle ensures that sensitive financial and other proprietary information of clients is not disclosed to unauthorized parties.
  - **Professional Behavior:** CPAs are expected to follow not only the letter but also the spirit of the law and regulations and to refrain from acts that would bring discredit to the profession.
- These principles form the foundation of ethical behavior for CPAs.
- **Rules:** The code outlines specific rules addressing each of the above principles. These rules provide detailed guidance on professional conduct in various scenarios, such as maintaining independence in auditing and preparation of financial statements, conflict of interest, and accuracy of financial reporting.
  - **Interpretations:** AICPA also provides interpretations and ethical rulings that help clarify and apply the principles and rules outlined in the code. These interpretations assist CPAs in navigating complex ethical dilemmas.

#### ASSOCIATION OF CERTIFIED FRAUD EXAMINERS

The ACFE, an organization dedicated to combating fraud, has a Code of Professional

Ethics that guides the conduct of Certified Fraud Examiners (CFEs). Key highlights of the ACFE's code include the following.

**Principles** – The code is built upon five principles: integrity, objectivity, confidentiality, competency, and professionalism. These principles guide CFEs in their responsibilities, emphasizing the importance of impartiality and ethical decision-making.

- **Integrity:** Integrity is a cornerstone of the ACFE code. A CFE must be honest and conduct fraud examination matters in an ethical manner. A CFE shall not engage in activities that are misleading, which will adversely affect the fairness and accuracy of the investigations.
- **Objectivity:** CFEs shall not be biased while conducting fraud examination assignments. Given the sensitive nature of their work, they should avoid conflicts of interest and report findings based on facts and not speculations or biases.
- **Confidentiality:** CFEs safeguard confidential information. Since privileged or private information is often encountered in work, the CFE shall exercise reasonable caution to maintain the confidences of all parties with whom he/she works, releasing information only when compelled by the requirements of the law or professional responsibility.
- **Competency:** The requirement of competency in fraud examination is emphasized here. CFEs shall engage in continuing professional education programs that maintain present knowledge in the areas of fraud deterrence, detection and investigation.
- **Professionalism:** CFEs must discharge their professional responsibilities with due respect, integrity and fairness.

**Standards** – The code outlines specific standards that CFEs must adhere to, including ethical conduct, professional competence and confidentiality. These standards include upholding the integrity of the profession, maintaining impartiality and safeguarding the rights of individuals during the fraud examination process.



## CFA INSTITUTE

The CFA Institute, a global association for investment professionals, has a Code of Ethics and Standards of Professional Conduct that governs the behavior of chartered financial analysts (CFAs). Key features of the CFA Institute's code include the following.

**Code of Ethics** – The code sets forth ethical principles, including integrity, diligence and loyalty, which CFAs should uphold in their professional activities. It emphasizes the fiduciary duty CFAs owe to clients and the importance of maintaining the integrity of the capital markets.

- **Integrity:** The CFA Institute expects CFAs to be honest and fair in all professional dealings with clients; hence they should not use any professional advantage for personal gain or for obtaining an unfair competitive advantage.

in which they must put their client's interests before their own. The same principle applies in that CFAs will have to adhere to the strict professional conduct principles in terms of conflict of interest.

- **Fiduciary Duty** of care further explains that CFAs must act in their clients' best interests, offering complete transparency within the investment process and not taking any measures that may harm the financial interest of clients.

### Standards of Professional Conduct –

The standards provide specific guidelines for CFAs, covering areas such as professional competence and duties to clients and employers. These standards ensure that CFAs act in the best interests of their clients and maintain the highest professional standards.

These principles provide a framework for internal auditors to fulfill their professional responsibilities and maintain the trust of stakeholders.

- **Integrity:** Internal auditors shall perform their work with honesty, transparency and ethical conduct. It is important to retain stakeholder confidence and ensure the internal audit activity is reliable and credible.
- **Objectivity:** Internal auditors shall remain independent and impartial in their evaluations. Because internal auditors assess an organization's governance and risk management processes, it is essential they provide unbiased recommendations.
- **Confidentiality:** It emphasizes the safety of personal information received during the auditing process. This requires that internal auditors not disclose proprietary information, unless otherwise legally demanded or authorized.
- **Competency:** It highlights that internal auditors should have the professional proficiency to perform the tasks assigned to them. Continuous learning and professional development are very critical in the ability of auditors to be competent in handling complex audit tasks and emerging risks.

**Rules of Conduct** – The code outlines specific rules of conduct that internal auditors must follow, including independence, professional competence and confidentiality. These rules ensure the highest level of ethical conduct in internal auditing.

**The code of the CFA Institute requires its members to remain up to date about developments in general business conditions, securities markets and financial instruments to deliver competent services. The competency of internal auditing highlighted by the IIA's code requires the internal auditors to be informed on emergent risks and the best practices for governance and risk management.**

## COMMONALITIES OF ETHICAL PRINCIPLES ACROSS ORGANIZATIONS

The codes of conduct share a range of common ethical principles that form the foundation of professional integrity within their respective fields. While the areas of concentration differ, these organizations converge on several key aspects of ensuring trust, accountability and transparency.

**Integrity as Core Principle** – The most striking similarity among all four codes is *integrity*. All these organizations believe that integrity is the core principle on which

- **Diligence and Professionalism:** The member must conduct duties with due care, skill and thoroughness. Due diligence should be conducted prior to, but also while, rendering investment recommendations or rendering other types of financial counsel.
- **Loyalty** plays the most important role in the client-advisor relationship. CFAs are under a fiduciary duty

## INSTITUTE OF INTERNAL AUDITORS

The IIA, a global professional association for internal auditors, has developed the International Professional Practices Framework (IPPF), which includes the Code of Ethics for internal auditors. Key components of the IIA's code include the following.

**Principles** – The code is built upon four fundamental principles: integrity, objectivity, confidentiality, and competency.

the bedrock of all professional practices is laid. Whether it is in the financial, auditing, fraud examination, or investment sectors, professionals are expected to act with honesty, fairness and transparency in all their engagements.

For example, AICPA's code underscores the importance of integrity in maintaining public trust, requiring CPAs to provide honest and accurate financial reporting. Also, in the case of the ACFE, CFEs should execute fraud examinations with the highest degree of integrity, ensuring that their findings are based on facts rather than personal opinions. The CFA Institute, likewise, highlights the importance of integrity in maintaining client confidence and market protection, whereas the IIA's code highlights the role of integrity in ensuring that internal audits are credible and trustworthy.

The same underlying emphasis on integrity would mean there is a common professional duty to maintain ethical behavior since it is the foundation of public trust in each of these professions.

**Objectivity and Independence** – The second most important area of concurrence of these codes is that of *objectivity and independence*. All the codes necessitate that professionals be impartial and try to avoid any situations that could result in conflicts of interest that might affect their judgment. In professions where veracity and truthfulness of data are critical, objectivity ensures that decisions and recommendations are based solely on evidence and facts.

Codes of various professional bodies demand that their members undertake certain etiquette. For instance, AICPA's code requires that an auditor be independent of a client to preserve credibility on their financial audits. Similarly, the ACFE's code upholds objectivity in fraud examination and warns practitioners against self-interest that may compromise the outcome of an investigation.

The IIA's code of ethics emphasizes the need for independence. Internal auditors must remain free from external pressures to provide unbiased evaluations of an organization's governance and risk management practices. The CFA Institute's code highlights objectivity in investment

decisions, ensuring that CFAs act in their clients' best interests without being influenced by external factors.

By upholding objectivity and independence, professionals in these fields can ensure that their work is credible, reliable and free from conflicts of interest, ultimately reinforcing stakeholder trust.

**Privacy of Information** – Another such area of resemblance is the *confidentiality* principle that they all share. All four organizations have a requirement that their members maintain confidentiality and ensure the security of client information.

CFAs are expected to, at all times, put the interest of a client before their own, ensuring that they provide sound financial advice and make investment decisions that align with their clients' goals.

This becomes even more crucial, considering how professionals in each of these fields are likely to enjoy privileged access to confidential information.

Full client confidentiality is emphasized in both the AICPA and ACFE codes, and both CPAs and CFEs are expected to protect financial records and findings obtained during the investigation. The CFA Institute's code also protects client information in a manner that CFAs neither use the information for personal benefit nor disclose such information without proper

authorization. The IIA requires internal auditors to respect the confidentiality of the information they handle during audits, ensuring that sensitive business data is not disclosed inappropriately.

This common focus on confidentiality points to the ethical principle to protect stakeholder privacy and maintain trust, which is critical for professions that frequently handle sensitive information.

**Competency and Professional Development** – Another underlying similarity is that all these associations emphasize competency for practice and continuous professional development. They all acknowledge that maintenance and development of professional competence are crucial for providing high-quality professional services.

For example, AICPA's code requires that CPAs have a continuous process of acquiring professional knowledge and skills relevant to the services provided, maintaining their professional competence in those areas. The ACFE's code also emphasizes that a CFE should maintain current knowledge about fraud detection and deterrence.

The code of the CFA Institute requires its members to remain up to date about developments in general business conditions, securities markets and financial instruments to deliver competent services. The competency of internal auditing highlighted by the IIA's code requires the internal auditors to be informed on emergent risks and the best practices for governance and risk management.

This continuous learning allows the member of each entity to attain competence to offer accurate, reliable and ethical services to clients.

## DIFFERENCES

Despite the common ethical bases, there are striking differences in the codes of conduct that reflect the specific demands and challenges of the respective professions. These differences arise in areas such as the scope of professional duties, industry-specific ethical concerns and the focus on fiduciary responsibilities.

### Profession-Specific Ethical Concerns

– One of the most overt distinctions among these codes relates to the issues regarding *profession-specific ethical concerns*. Each or-



ganization tailors its ethical guidelines to the unique challenges of its field, resulting in variations in the ethical principles emphasized.

For instance, AICPA's code is particularly focused on issues of *financial reporting* and *auditor independence*. Considering the importance of the CPA's role in ensuring accuracy of financial statements, AICPA strongly emphasizes principles related to independence from the client, transparency in financial reporting and avoidance of conflicts of interest that could compromise the objectivity of audits. CPAs are also bound by very strict rules concerning preparation and disclosure of financial information, reflecting the high stakes of financial integrity in the accounting profession.

In contrast, the ACFE's code focuses on *fraud detection and prevention*, with a strong focus on *impartiality in investigations* and *ethical conduct during fraud examinations*. The investigations into fraud are very sensitive; hence, CFEs are required to maintain a high degree of objectivity, ensuring that their findings are based on factual evidence and not influenced by external pressures. This code also underlines the importance of protecting the confidentiality of investigation-related information.

CFA Institute's code targets *investment professions*, with a strong emphasis on *fiduciary duty* and *client trust*. CFAs are expected to, at all times, put the interest of a client before their own, ensuring that they provide sound financial advice and make investment decisions that align with their clients' goals. The code also addresses ethical concerns related to the critical issues of market manipulation, insider trading and conflicts of interest.

IIA's code focuses on the unique ethical challenges facing *internal auditors*, placing an emphasis on *governance*, *risk management* and *control*. In this respect, internal auditors are required to offer independent assessments of an organization's governance practices, internal controls and risk management frameworks, ensuring that these systems are functioning effectively. IIA's code also emphasizes objectivity and independence, as internal auditors must provide unbiased recom-

mendations to improve an organization's overall performance.

**Fiduciary Responsibilities** – Another key difference lies in the prime focus of the CFA Institute's code on *fiduciary responsibilities*. Given the critical role CFAs play in managing client investments, the CFA Institute's code places a strong emphasis on fiduciary duty, requiring CFAs to always act in the best interests of their clients. This is a very unique fiduciary duty in the investment profession, whereby large sums of money are under the control of CFAs who must make decisions with the interest of maximizing client wealth while adhering to ethical standards.

By contrast, the degree to which fiduciary duty is emphasized in the AICPA, ACFE and IIA codes is muted, since those professions do not typically involve direct management of client assets. Whereas all CPAs, CFEs and internal auditors are supposed to perform their work in an ethical manner and in the interest of a client or employer, the nature of the investment profession makes the point of fiduciary responsibility more central in the CFA Institute's code.

**Role of Interpretation and Guidance** – Another difference can be observed regarding the amount of *interpretation and guidance* given by one organization compared to another. For instance, the code issued by AICPA consists of *detailed interpretations and ethical rulings* that guide CPAs through challenging situations. These interpretations go a step further to offer practical advice on how principles of the code should be applied in specific situations, such as managing conflicts of interest or maintaining independence in auditing.

On the other hand, the ACFE's and CFA Institute's provide less formalized interpretations, relying more on the professional judgment of CFEs and CFAs to resolve ethical challenges. While both organizations offer standards and guidelines for ethical conduct, they do not provide the same level of detailed ethical rulings as AICPA.

The IIA's code also provides practical guidance for internal auditors, particularly in the context of governance and

risk management. However, like the ACFE and CFA Institute, the IIA places a greater emphasis on professional judgment, expecting internal auditors to apply the principles of the code in a manner that is tailored to the unique circumstances of each audit engagement.

#### **Focus on Professional Development**

– While all four codes speak to professional competence, the formalization of this competence is uneven across the different codes. For example, the CFA Institute has an explicit emphasis on continuous learning in order to adapt to changing financial markets and it requires their members to keep up to date with market changes. AICPA emphasizes continuing education as well, especially in cutting-edge areas of digital transformation and evolving accounting standards.

In contrast, ACFE and IIA place much emphasis on maintaining technical competencies needed for fraud examination and internal auditing, respectively.

#### **CONCLUSION AND PERSPECTIVE**

Professional organizations such as the AICPA, ACFE, CFA Institute, and IIA have developed codes of conduct specific to their members. These codes emphasize integrity, objectivity, confidentiality, and professional competence, providing a framework for maintaining ethical standards within the field. By adhering to these codes, professionals contribute to maintaining trust, mitigating fraud risks and upholding the integrity of the profession as a whole.



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**NEW \$130,000.** Bryan-College Station area tax practice. Caters to international clients in the TAMU community. Experienced staff available to support buyer after closing. Great cash flow with opportunities to expand services. Turn-key opportunity for an individual looking to start with a wonderful book of business. TXS5283

**NEW \$168,000 gross.** Wichita Falls area CPA tax practice. Revenues are comprised of a nice balance between individual returns (55%), business returns (39%) and others. The practice has a strong fee structure and is a great size for an individual starting. TXN5543

**NEW \$278,000 gross.** Flower Mound semi-virtual CPA practice. Revenue is generated from profitable tax services (90%), supplemented by monthly bookkeeping and payroll services. Robust fee structure and minimal overhead generating strong cash flow to owner. Utilizes cloud-based systems and ideal for an experienced individual or established firm in the DFW area looking to start or expand with a highly profitable business with significant growth potential. TXN5510

**\$265,000 gross.** Matagorda County tax and accounting practice. The service mix is a balance of both tax (72%) and bookkeeping (28%) that includes payroll. Great cash flow with an exceptional reputation in the developing community providing continued growth. Knowledgeable staff in place interested in working with the new owner. Buyer has flexibility to lease, purchase the building or move practice nearby if desired. Available for transition after closing as agreed with buyer. TXS5425

**\$477,000 gross.** West Houston CPA practice. CPA owner looking to semi-retire and is available for transition as agreed with buyer. Primarily tax services to client book. Year-round revenues in a prime location with great cash flow. An office share arrangement is available for the buyer. High-income, long-term quality clients who provide continuous referrals. Wonderful opportunity for an individual or firm looking to grow their practice. TXS5314

**\$1,500,000 gross.** East Texas CPA practice. Loyal client base of businesses and indi-

viduals, which should continue to generate referrals and opportunities for growth. Revenues are derived from a nice balance of accounting and tax services that provide steady, year-round income. There is a strong fee structure and a tenured staff in place. The seller is willing to stay on to assist after closing, prefers a 3-5 year transition, and is open to different buyout structures. TXN1631

**\$130,000 gross.** Bryan-College Station area tax practice. Owner available for transition as agreed with buyer. This is a tax practice with international clients in the TAMU community. Experienced EA staff ready to support buyer after closing. Great cash flow with opportunities to grow in accounting and bookkeeping. Buyer has flexibility to operate the practice from a nearby location. Turn-key opportunity for an individual looking to start with a wonderful book of business. TXS5283

**\$490,000 gross.** Far North Dallas CPA practice. Approx. 80% total revenue is derived from businesses and overall nicely mixed between tax work (38%), audits (12%) and accounting/bookkeeping services (40%) generating year-round income. Knowledgeable staff in place, including 2 CPAs, for a smooth transition. No long-term leases. Cloud-based systems. Turn-key opportunity for CPA ready for business ownership or profitable addition for any firm. TXN5200

**\$1,303,000 gross.** Midland-Odessa CPA practice. Revenues derived from 40% tax, 40% bookkeeping, 4% franchise reports and 16% payroll. Cash flow to owner 57% of gross. One owner retiring. One owner staying full-time and all staff will assist in transition. TXW1034

**\$861,000 gross.** Bryan-College Station CPA firm. Owner looking to sell to focus on consulting business. 2023 gross revenue estimated over \$900K! The service mix includes tax (57%), accounting (38%) and other (5%). Solid reputation in the community with growth opportunities. Knowledgeable staff in place for smooth transition. Buyer can lease or buy building. TXS5067

Continued on page 34

\$410,000 gross. Brownwood, Texas CPA practice. High-quality client base made up of large businesses provides room for growth. Balanced revenues of tax work (66%), accounting (14%) and other services (14%). TXN1638

\$285,000 gross. Brazoria County CPA firm. Good reputation in the area with excellent growth possibilities. Service mix comprised of tax (94%) and accounting (6%). Knowledgeable staff in place and seller available for transitional assistance. Turn-key opportunity for an individual looking to start with a quality book of business. TXS1326

\$450,000 gross. Houston CPA firm. Service mix includes tax (63%), accounting (36%) and other (1%). Buyer can operate from anywhere in the Houston area. Year-round cash flow with experienced staff in place to continue with new owner. TXS1315

\$253,000 gross. Far North Dallas CPA practice. Reputable firm that boasts a strong fee structure and desirable service mix between bookkeeping (38%) and tax work (62%). Experienced staff in place to assist in transition and provide capacity for growth. Perfect-size, turn-key opportunity for any experienced accountant or an easy profitable addition for an established firm. TXN5213

\$1,137,000 gross. South Plains Texas CPA practice. Long-standing CPA practice with 2 owners. 62% tax preparation (66% individual and 34% business returns), 38% bookkeeping. Cash flow to owner is 42% of gross revenue. Practice utilizes Sage and Lacerte. 3 FT degreed accountants who do tax preparation and write-up. 4 FT non-degreed accountants who do tax preparation and write-up. 1 FT office assistant. Office space is owner-occupied, seller is open to selling or leasing space to new practice owner. Owners anticipate assisting buyer through an appropriate transition period to maximize knowledge transfer and client retention. TXW5320

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THE DIGITAL TRANSFORMATION  
OF ACCOUNTING:

# Stay Ahead OR Fall Behind

By Randy Johnston

**T**

he digital transformation of accounting is happening now. Adopting modern technology is no longer optional for public accounting firms seeking to thrive in an increasingly data-driven world.

Leveraging advanced tools to enhance business reporting capabilities provides a competitive edge, streamlining processes and delivering valuable insights to clients. Firms can transform raw data into actionable intelligence by integrating innovations such as real-time analytics, predictive modeling and customizable dashboards. This approach improves operational efficiency and strengthens decision-making, positioning firms as trusted advisors in a fast-evolving profession.

## **SIMPLIFY INSIGHTS WITH DATA VISUALIZATION**

Visualizing data transforms complex information into accessible insights. Tools designed for creating charts, graphs and dashboards make it easier to

identify patterns and trends. This approach can help you present findings in a clear, concise manner that resonates with clients.

Additionally, interactive visualizations allow stakeholders to explore data independently, leading to more informed decision-making. Such visual tools also enhance transparency, making it easier to communicate key metrics effectively. By integrating these tools, you can create a visually compelling narrative for both internal and client use.

## **PREDICT THE FUTURE WITH ANALYTICS**

Predictive analytics tools help forecast trends and anticipate challenges before they arise. These technologies analyze historical data to identify potential risks and opportunities. For accounting firms, predictive analytics can uncover cash flow patterns, reveal seasonal revenue fluctuations or highlight areas requiring cost optimization.

With these insights, you are better positioned to provide proactive recommendations that strengthen strategic planning for your clients. This forward-





# Embrace Digital or Fall Behind

Accounting is evolving fast. Here's how digital transformation can give you a competitive edge:

- **Visualize Data** – Charts and dashboards turn complex numbers into clear insights.
- **Predict Trends** – Analytics help forecast risks, cash flow and opportunities.
- **Automate Processes** – Reduce errors and save time with smart automation.
- **Streamline Documents** – Digital storage improves organization and compliance.
- **Unify Data** – Connect finance, sales and inventory for a complete picture.
- **Real-Time Insights** – Stay agile with instant performance tracking.
- **Custom Dashboards** – Tailor reports for focused, actionable insights.
- **Mobile Access** – Get crucial data anytime, anywhere.

Adopting these tools boosts accuracy, efficiency and decision-making. The future of accounting is here – are you ready?

looking approach allows your accounting firm to deliver insights that drive proactive decision-making and client trust.

## STREAMLINE PROCESSES WITH AUTOMATION

Automating data collection eliminates manual entry and reduces errors, ensuring accurate and efficient reporting. Software designed for this purpose gathers data from multiple sources seamlessly, creating a unified repository. This functionality frees up time for your team to focus on analysis and strategy.

As a result, you deliver faster, more reliable insights while enhancing productivity. Additionally, automated processes can scale with your firm's growth, accommodating larger datasets and more complex tasks.

## ORGANIZE EFFICIENTLY WITH DOCUMENT MANAGEMENT

A document management system (DMS) enhances how records are stored and retrieved, reducing misplacement risks and supporting compliance. These platforms facilitate secure file sharing and encourage effective collaboration within teams.

Converting files between formats, such as transforming PDFs into spreadsheets, simplifies the adjustment and evaluation of structured information. After refining details, the file can be returned to its original format for efficient distribution.

## UNIFY DATA FROM MULTIPLE SOURCES

Combining data from various systems into one reporting platform simplifies analysis and enhances accuracy. For example, integrating sales, finance and inventory data provides a holistic view of a business's performance. This unified approach eliminates silos, allowing for more comprehensive insights.

By aligning disparate data streams, you are better equipped to deliver cohesive, actionable reports. Integrating systems also ensures consistency across reporting, reducing errors and improving data reliability.

## STAY AHEAD WITH REAL-TIME INSIGHTS

Real-time analytics provide the immediate visibility necessary for agile decision-making. These tools continuously update data, giving you a current snapshot of key metrics. Real-time insights can help identify discrepancies, measure ongoing performance or track compliance with financial goals.

Integrating these tools into your process ensures that stakeholders receive the most up-to-date information, enabling faster responses to emerging trends. Real-time updates help identify trends as they emerge, allowing your team to adapt strategies without delay.



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Learn more and schedule a demo on their website at [SafeSend.com](https://www.safesend.com).

### CUSTOMIZE DASHBOARDS FOR CLARITY

Customizable dashboards empower departments to focus on their specific key metrics. Tailored views ensure that stakeholders see the most relevant data for their roles. This personalization minimizes information overload and fosters more effective communication.

With the ability to create role-specific dashboards, your team delivers targeted insights that drive better outcomes. Dashboards can also include interactive features that enable users to drill down into specific datasets for deeper analysis.

### MAKE ACCESSIBILITY A PRIORITY

Mobile-friendly reporting tools allow stakeholders to access data from anywhere. This flexibility is essential in today's demanding environment, enabling timely reviews and decisions.

Whether in the office or on the go, mobile accessibility ensures uninterrupted workflows. By implementing these tools, you provide convenience and efficiency for your team and clients alike. Ensuring compatibility with various devices enhances collaboration and empowers decision-makers to act quickly.

### THE BOTTOM LINE

The integration of technology into business reporting processes offers public accounting firms the opportunity to elevate their service offerings and improve clients' operational performance. With tools that improve data accuracy, accessibility and visualization, firms can address complex client needs while staying ahead of industry demands.

Embracing these advancements ensures firms remain agile and capable of delivering the insights their clients need. As technology continues to evolve, forward-thinking firms will continue to lead the way, setting new benchmarks for excellence in the field. You can take advantage of the digital transformation of accounting now.

**About the Author:** Randy Johnston is a Shareholder at K2 Enterprises. He is a nationally recognized educator, consultant and writer with over 40 years of experience in Strategic Technology Planning, Accounting Software Selection, Paperless, Systems and Network Integration, Business Continuity and Disaster Recovery Planning, Business Development and Management, Process Engineering, and out-sourced managed services. Contact him at [randy@k2e.com](mailto:randy@k2e.com).



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