University of Mississippi

eGrove

Newsletters

American Institute of Certified Public Accountants (AICPA) Historical Collection

7-2006

InfoTech Update, Volume 15, Number 4, July/August 2006

American Institute of Certified Public Accountants. Information Technology Section

Follow this and additional works at: https://egrove.olemiss.edu/aicpa_news

Part of the Accounting Commons

InfoTech UPDATE

JULY/AUGUST 2006
VOL. 15, NO. 4

Newsletter of the AICPA
Information Technology Section

What's Inside

1 Content Management for CPA Firms: Part 1
What's your ideal way to manage content, and how do you begin the process? Michael Harnish discusses his perspectives, including a suggested structure and an introduction to the components of this daunting task.

5 I'm in a DR State of Mind
Was anyone *really* prepared for Katrina? Florida CPA Michael Kridel offers a case study on how his firm dealt with disaster recovery in the wake of last year's devastating hurricanes. His unique view is certain to have you second-guess your own systems and processes.

8 James C. Bourke, CPA.CITP, CISA
An *InfoTech Update* Profile

10 Ebitz: Sex, E-mail and Spam Hygiene
This isn't the latest show from Dr. Phil; rather, it's a processed way to deal with spam. Susan Bradley offers solutions to deal with this year's Top Technology #11: E-mail Filtering.

2005 APEX AWARDS FOR PUBLICATION EXCELLENCE

Content Management for CPA Firms: Part 1

By Michael W. Harnish, CPA.CITP, EnCE, CISA

Michael W. Harnish, CPA.CITP, EnCE, CISA, is vice president of Service Delivery for Fios, Inc. in Portland, Ore., where he oversees the development, operations, client service and quality services of the organization. Fios, Inc., specializes in providing electronic data discovery and computer forensics services to the enterprise and legal communities. Joining Fios only recently, his work entails not only assisting clients in securing and obtaining relevant electronic documents and other data, but also consulting with clients on the best way to manage their documents and other data internally with an eye toward evidence production. Prior to joining Fios, Mike worked with Plante & Moran, PLLC in Southfield, MI, and while with the firm, he wrote this article for *InfoTech Update (ITU)*. Mike has served on many AICPA committees and task forces, and currently is a member of the *ITU* Editorial Advisory Board and a consultant to the Examinations Review Board (ERB) for the CPA examination.

As the role of information grows more critical with each passing year and the quantity of data continues to increase, so do the challenges that come with managing it. We all know that the information we have in the form of documents, data, files, paper and electronic, e-mail, pictures, and reports is necessary, and in many respects, some of the most valuable assets we have. At the same time, it can be difficult and even impossible, to find the information once it has been committed to storage. In addition, clients increasingly expect their service providers to respond and have pertinent information available on an almost immediate basis.

We have wrestled with these issues for a long time; now, on top of these historically challenging issues, we must also grapple with the dictates of new regulations, such as Sarbanes-Oxley and the Health Insurance Portability and Accountability Act (HIPAA). Compliance with these new regulations is important, and in many respects, one of the driving forces behind the evolution of how we need to manage and think about information.

With all of this in mind, we must address the issue of firm content management and begin the process of implementing processes and a system that addresses the complete life cycle of information within a firm.

Continued on page 2

AICPA

continued from page 1

InfoTech UPDATE

July/August 2006, Volume 15, No. 4. Publication and editorial office: AICPA, 201 Plaza Three, Harborside Financial Center, Jersey City, NJ 07311-3881. Copyright © 2006, American Institute of Certified Public Accountants, Inc. Opinions of authors and the AICPA staff are their own and do not necessarily reflect policies of the Institute or the Information Technology Section. Any hardware or software products mentioned do not in any way represent an endorsement by the Institute or Section.

All rights reserved. You may copy and distribute this document subject to the following conditions:

(1) Copy all text without modification and include all pages.

(2) All copies must contain the AICPA copyright notice and any other notices provided therein.

(3) You may not distribute this document for profit.

Editorial Advisory Board

Roman H. Kepczyk, CPA.CITP, chair
InfoTech Partners North America, Inc.
Phoenix, Ariz.

Susan E. Bradley, CPA.CITP, MCP
Tamiyasu Smith Horn and Braun
Fresno, Calif.

David Cieslak, CPA.CITP, GSEC
Information Technology Group, Inc.
Simi Valley, Calif.

Chris Fraser, CPA*.CITP, MCP, MBA
St. Petersburg, Fla.

Michael W. Harnish, CPA.CITP
Fios, Inc., Portland, Ore.

Michael S. Kridel, CPA*.CITP, CFC
Daszkel Bolton LLP
Boca Raton, Fla
*Regulated by the State of Florida

Mary MacBain, CPA.CITP
Naples, Fla.

Mark D. Mayberry, CPA.CITP
BDO Seidman, New York N.Y.

Anne Stanton, CRM-MVP, MBA/ACC
The Norwich Group, Norwich, Vt.

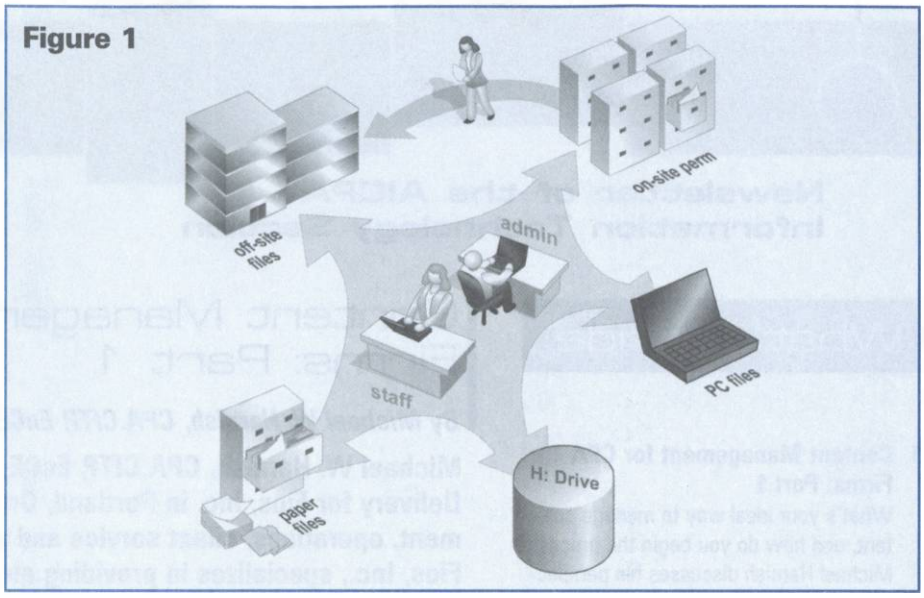
Nancy Cohen, CPA, executive editor, AICPA

Scott H. Cytron, ABC, editor
scytron@sbcglobal.net

If you wish to change your e-mail address or update your member profile, please send an e-mail to service@aicpa.org.

For questions about your subscription to InfoTech Update or other questions about your IT Membership Section benefits, please contact the AICPA at infotech@aicpa.org or leave us a voice mail message at 201-938-3828, option 3.

Figure 1



The Ideal Strategy

Most firms have already identified and developed a high-level Content (Records) Management Strategy. In going through the process of developing a strategy, many firms have a system very similar to that depicted in Figure 1 on page 2.

The system depicted above has the following characteristics:

- Multiple systems that vary by office and department/group.
- Systems are largely manual with very labor intensive processes to access, retrieve and destroy information.
- User-defined (i.e., non-standard) storage classification and hierarchy.
- On-site paper-based file room storage.
- Off-site paper-based file room storage.
- On-site electronic storage.
- Duplication of information.
- No way to efficiently retrieve information without previously knowing the storage location (e.g., content indexing and profile searching).
- No way to know information may exist, thereby reducing collaboration among staff.

The future of Content Management suggests the need for a new strategy as illustrated in Figure 2 on page 3.

The new strategy represented on page 3 has the following characteristics:

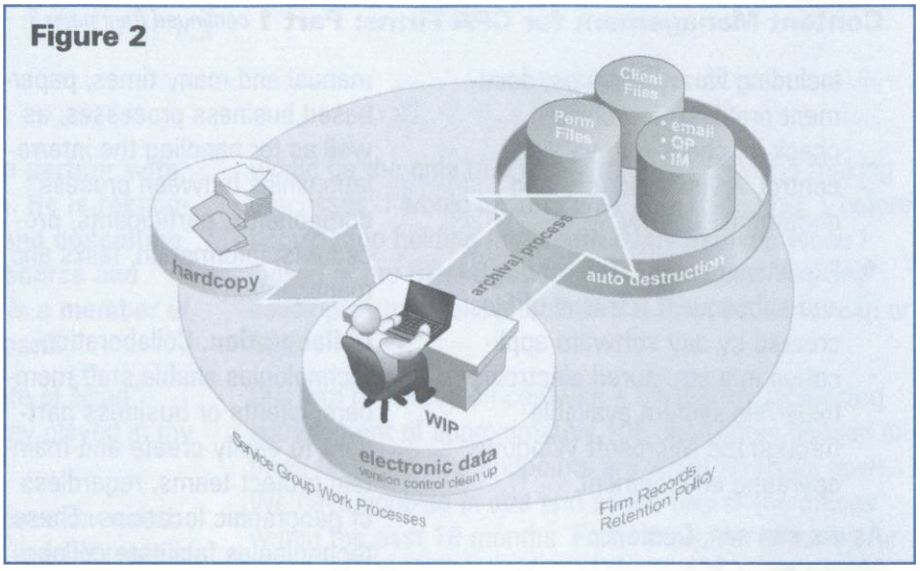
- 100 percent (or as close as possible) digital content.
- Easy and efficient retrieval of information from a (perceived) single access to ALL firm online content.
- Consistent application of firm-wide processes.
- Automatic records retention policy application.

Continued on page 3

- Appropriately addressed business continuance requirements.
- Accessible from external automated sources (i.e., provides seamless integration to existing applications).

The purpose of this article is to provide further definition to a Content (Records) Management Strategy so that firms can begin to define and build the systems that will enable management of the entire content life cycle on a firm-wide basis. Its continuation, Part 2, will be published in the September/October issue of *InfoTech Update*.

Figure 2



How Does it All Fit Together?

Although many firms discuss what to do with document, content (records) and file management, most of these conversations occur as the Content (Records) Management Strategy is being developed. For example, many firms began to plan for and implement their new audit and financial statement preparation tool (e.g., Plante & Moran chose CaseWare), but most, if not all of these discussions, occurred without clearly defining what a document, content and file management system was and what a firm expected it to do.

There is a wide variety of definitions within the business and IT world associated with these terms. As we discuss their use within a firm, it seems as though there are certain expectations implied — although not stated directly in the conversations. As a result, there may be a wide variety of expectations with respect to the capabilities and associated results of these systems. In order to ensure that professional staff obtain the results expected and needed, it is important that common definitions are adopted and associated with proper expectations of potential document, content and file management systems.

What is the difference between document, content and file management? Is a particular item a document or a piece of content? It sounds like a ridiculous question, but there is a certain amount of confusion over these terms, and much of it can be attributed to the IT industry — dreaming up and hyping the "next big thing" — sometimes even before the dust has settled on the "last big thing."

In a recent study where respondents were given the task of defining terms such as document management, knowledge management, records management and content management, there were nearly as many different responses as respondents! For example, document management was described as everything from "version control" and "word processing" to "records creation," while more than half of the respondents refused to even make a stab at what content management meant.

To have some sense of these definitions and the associated capabilities of these types of systems, we use the following definitions from the Association of Information and Imaging Management (AIIM):

- Content Management: The technologies, tools and processes used to capture, manage, store, preserve and deliver content across an enterprise. At the most basic level, content management tools and strategies allow the integration and management of an organization's unstructured information, when and wherever that information exists.
- Document Management: The technologies that help organizations better manage the creation, revision, approval and consumption of electronic documents. It provides key features,

Continued on page 4

Content Management for CPA Firms: Part 1 *continued from page 3*

including library services, document profiling, searching, check-in, check-out, version control, revision history and document security.

- File Management: The storing and subsequent retrieval of files created by any software application in a structured electronic folder/file system available through the Microsoft Windows operating environment.

As we can see, Content Management is a much broader term. Content management systems have five primary components: document management (definition included above), Web content management, workflow process management, collaboration and records management.

- **Web Content Management (WCM)**: Web content management technology addresses content creation, review, approval and publishing processes of Web-based content. Key features include creation and authoring tools or integrations, input and presentation template design and management, content re-use, management, and dynamic publishing capabilities.
- **Workflow Process Management (WPM)**: Workflow capabilities enable organizations to manage the content creation, management, approval and life cycle of the content through retention and disposition, as well as business processes surrounding the use of content. This technology provides a tool for automating manual and many times, paper-based business processes, as well as for handling the interrelationships between process components, participants, procedures, information, tasks and management.
- **Collaboration**: Collaboration technologies enable staff members, clients or business partners to easily create and maintain project teams, regardless of geographic locations. These technologies facilitate collaborative, team-based content creation through functionality, including discussion threads, whiteboard and annotation capabilities, instant messaging and chat, real-time meeting functionality, and virtual workspaces.
- **Records Management (RM)**: Records management technology enables an enterprise to assign a specific lifecycle to individual pieces of information. Some of its key features include record classification, retention and disposition schedules, and reporting capabilities.

In reviewing these definitions and descriptions, it appears as though most audit and financial preparation tools in use today would be most accurately described as an application with significant built-in file management capabilities rather than a content or document management system. Since most audit and financial preparation tools do not have the functionality described in our content and document management definitions, we are left with the question as to whether there are any unmet expectations.

As a result of considering the above definitions, our original strategic planning and discussions, it seems reasonable to conclude that there are some unmet expectations. Most firms need to work toward a firm-wide content management system.

Content Management System Framework

If content management is the integration and management of repositories of structured and unstructured information, then in order to establish a successful content management system, we must create a structure with appropriate business processes that will store multiple data types securely, accurately and for the required period of time. It must allow seamless retrieval via a perceived, single-query across firm-wide repositories. This system must integrate these repositories of unstructured information that have traditionally been separately managed and, in many cases, unmanaged.

System Objectives and Expected Benefits

Primary Objectives:

- Staff throughout the firm will be able to create, retrieve, manage and archive all of their content, including electronic and paper documents, e-mail, and computer reports throughout their business processes.
- Build knowledge-based environments to leverage firm know-how and expertise.
- Provide the necessary software functionality and technological

Continued on page 5

I'm in a DR State of Mind

By Michael S. Kridel, CPA*.CITP, CFC
*Regulated by the State of Florida

Michael S. Kridel, CPA*.CITP, CFC, is a partner with Daszkal Bolton LLP in Boca Raton, Fla. He is responsible for the firm's litigation services and consulting practice, as well as internal human resource and information technology systems. Mike is a member of *InfoTech Update*'s Editorial Advisory Board.

Although Billy Joel wrote "New York State of Mind" 20+ years ago, the words and the melody played in my head as I sat and watched the clock.

It was 11:57 p.m. on May 28, 2006 — three days and three minutes until June 1 — and I was in a DR state of mind — Disaster Recovery. After surviving the most brutal hurricane season on record, those of us living in South Florida will always take June 1 *very* seriously because it is the first day of the new hurricane season.

For those of us charged with risk management, disaster recovery and continuity practices for CPA firms and businesses, June 1 starts a hopefully slow ticking clock that winds itself up for six months ... then counts down for another six long months.

Serving as our firm CIO, I had a couple of days left before unmade decisions became critical and options began to fade or vanish. With any luck, I wouldn't regret anything our firm decided to do or pass on. Hindsight would be the only true measure of our decision-making processes; I would have to wait until December 1 before I could stop holding my breath every morning when I looked at my BlackBerry for an e-mail describing any developing tropical systems in the Atlantic, Caribbean or Gulf.

Our firm has three offices with a constantly increasing complement of approximately 105 associates housed in three facilities. The endpoints are about 50 miles apart. We have doubled in size and added two of the offices within the past 18 months. Fortunately, our planning for scalability proved valid and accommodated the growth in demand for IT resources with barely a hiccup. Measurable downtime, absent two years of multiple hurricanes and looking down a magnum caliber barrel of a possible third year of predicted and probable threats, was less than 1 percent. Our storm-related downtime in each of the preceding two years was five to seven business days, in part helped by weekend arrivals of some storms.

Last year's disaster recovery paradigm relied on the probability that a storm would not disable our (then) two offices simultaneously. Historically, storms have not caused mid-term (three days or more) multiple element infrastructure failure in a 35-mile diameter. Even

Continued on page 6

Content Management for CPA Firms: Part 1 *continued from page 4*

infrastructure to support the flow of all content in all domains of use.

- Automated compliance with the records retention policies of the firm and outside regulatory agencies for both paper and electronic documents.
- Content will be re-purposed for presentation and delivery through the firm's various Web-based environments (e.g., today that would include Web site and portal).

Expected Benefits:

- Sharing and reusing content across the firm.
- Searching multiple repositories of information across the firm.
- Compliance with firm and regulatory records retention requirements.
- Control of documents on a firm-wide basis.
- Establishment of consistent document types and firm-wide taxonomy.

Part 2 of this article will focus on an actual model, along with a suggested life cycle of documents based on regulations and requirements.

Contact Michael Harnish at *mharnish@fiosinc.com.*

I'm in a DR State of Mind *continued from page 5*

devastating Hurricane Andrew's path of massive destruction did not cut that wide. Our theory proved faulty. The storms in the past two years, swinging in from every geographical direction and running up the Florida peninsula, forced the National Weather Service, NOAA (National Oceanic & Atmospheric Administration), FEMA, state and county governments, and company risk management gurus to reassess their models and plan for the possibility of days in which there is neither power nor telephony (landline and cellular). Moreover, with three offices and a 50-mile diameter, both the issues and stakes were higher.

We, too, were forced to confront multiple disaster scenarios and as many variations in potential responses and solutions to them. Unfortunately, living in Florida, our ability to consider non-storm scenarios is limited because hurricane season lasts half the year; last year was the first in memory where there were tropical systems in each of these months. In fact, these systems persisted beyond the "official" December 1 end. Incredibly, especially for those of us charged with planning for these events, the first system of the current year developed in the Pacific in May — *before* the traditional beginning on June 1.

A little more background is appropriate before proceeding with this discussion. Our firms' main office is located between the two newer offices and is physically closer to one than the other. The main office — a freestanding building owned by a partner group — houses about 65. We are nearly ready to relocate from leased space to a newly purchased second floor in a condominium office building in which we will have 27 associates at the outset with capacity for 40 (we are leasing a substantial portion of the floor to tenants). Our south office has about 18 people and is leased.

Our decision-making processes are fairly decentralized and "pushed down" to the lowest appropriate level. Decisions impacting firm policy or of a financial nature are made by an Executive Committee (EC) consisting of four partners (we have eight equity partners and four non-equity principals). None of the EC partners is a technologist; instead, they rely on me and our IT group for information and recommendations regarding IT direction, development and strategy. The EC recognizes our remarkable uptime and are anxious from operational and financial points of view for this to continue in the wake of a damaging hurricane or tropical storm.

It is this concern that has driven our extensive research and evaluation of alternative disaster recovery solutions. Surprisingly, we have discovered in this process that an overwhelming number of South Florida firms and businesses have done little since last year to develop working recovery plans or systems. Many, in fact, are just now (as of late May) replacing windows damaged or destroyed last October. I have spent hours speaking with IT staff and executives in CPA firms and commercial enterprises, only to discover that they have numerous open loops, unmade decisions and loosely defined procedures. Here, perhaps more than anywhere, an unmade decision is, in reality, a decision made. And as I'm fond of saying when teaching, "You can choose your actions, but you can't choose your consequences." Here, more than anywhere, this is true.

What, then, is "a DR state of mind?" Perhaps it has its core in the first paragraph of *The Serenity Prayer* by Reinhold Niebuhr: "God grant me the serenity to accept the things I cannot change; Courage to change the things I can; And the wisdom to know the difference." Or, once you are able to live within this paradigm, the compelling charge is to focus on courage so that you can evaluate complex alternatives and commit to an explicable (to other partners) course of action for which there will be no judgment short of Monday-morning quarterbacking.

Unfortunately, this scenario means that Monday morning starts as soon as winds drop below 35 MPH and the quarterbacks are probably irritable, hot, edgy, hungry and worried because there is a financial hemorrhaging that has only just begun. This is where the third element of a DR state of mind kicks in: wisdom, fortified by a thick skin and absolute confidence in the information, gathering and decision-making processes, with a watchful eye on the consequences.

It is tempting, for the CIO and decision-making executive(s) to fall into the trap of Vegas-style decisions, playing the odds as a means of rationalizing compromised decisions. As we all know, the house *always* wins, but the house also always loses in this context. There is a substantial cost, before, during and after the event; a formidable combination of the magnitude of the total preparatory, rehabilitative expenditures and lost revenues that will determine whether it is a winning or losing bet.

Continued on page 7

This is risk management at one of its highest and broadest levels. The ability to deliver adequately researched, understandable and accurately quantified DR solution alternatives to decision makers is a critical part of that risk management. Interestingly, a well-designed DR solution may also become part of a year-round IT strategy that will support the firm or company at its current and projected operational levels.

Because the patient is overwhelmed, a significant driver for individuals who seek psychological counseling is a desire for someone else to "take over" and make life decisions. Similarly, as a litigation services specialist spending many hours with clients who traverse the chasms of divorce, fear is another significant driver for the parties. Fear, in fact, is one of the few shared emotions of soon-to-be former spouses because neither one knows what the future will bring.

DR solutions pose a delicate balancing of current and future costs, clear-eyed understanding of the firm's or company's operations, effective communication with personnel at all levels, and trust in IT. While we talk about DR, especially because it abbreviates well, what we are really talking about is continuity planning. Continuity as a concept is something that accountants have advised clients and executives about for decades, yet it is something that we have not implemented well ourselves.

Disaster is not a "one size fits all" issue, caused by events subject to varying levels of predictability and resulting in a spectrum of business interruption, ranging from a single hour to complete destruction. Continuity planning is disaster recovery planning made within a framework of short- and long-term enterprise-wide objectives tempered by thoughtful, effective management of expectations. It requires identification and stratification of the stakeholders' perceived and actual needs, available resources, environmental constraints, and outsourced opportunities.

There are numerous approaches to the mechanics and technologies of continuity planning, ranging from backup strategies to dynamic redundancies to hosted solutions. A follow-up article, coming soon, will address these approaches and the practical considerations of each. Meanwhile, the post-trauma of disaster becomes the pre-trauma of planning.

Begin now … and plan like you mean it. Begin now … because you will encounter resistance. Begin now … because you may not have a second chance. Begin now … because you can't choose your consequences. Our results are determined not by what happens to us, but by what we do *with* those results. Your best chance to determine what you will do is to have the plan in place. Courage also helps!

Contact Michael Kridel at *mkridel@daszkalbolton.com.*

"DR solutions pose a delicate balancing of current and future costs, clear-eyed understanding of the firm's or company's operations, effective communication with personnel at all levels, and trust in IT."

INFOTECH UPDATE PROFILE

James C. Bourke, CPA.CITP, CISA

James C. Bourke is a shareholder in charge of firm technology and IT consulting services at WithumSmith+Brown's Red Bank, N.J. office. Besides his knowledge in computer accounting, he has an experienced background in tax, management advisory and litigation support services for closely held technology businesses. In addition to serving on the AICPA's CITP Credential Committee, he is president of the New Jersey Society of CPAs and has held a number of offices at the state level. Bourke is a past president of the Monmouth/Ocean Chapter and is currently on the board of directors for the YMCA and the New Jersey Technology Council.

InfoTech Update: *You just attended TECH 2006 in Austin. What was the Number One surprise or "ah ha" you walked away with from the conference?*

James Bourke: Tech 2006 was a great experience. My number one walk away from the conference was actually noticing the overwhelming interest in the CITP credential. CITP information dissemination was obvious every day at the event. Beginning with the CITP booth on the trade floor, the "CPA.CITP" credential followed most of the speakers' titles, which included the CITP educational sessions and town-hall meeting, the CITP-only technology event, the CITP Banquet Reception the final full night in Austin, and the CITP information that was placed on every table during lunch. That was by far the big buzz at Tech 2006. It is my understanding that the event generated a significant increase in the number of CITP candidates looking to carry that credential.

ITU: *Based on your background, I have the feeling you and your team push technology to your firm, perhaps more than most other practitioners. Are your partners and staff resistant to new technologies?*

JB: I can honestly say that my fellow partners here at WS+B embrace technology. They do so because it works and it works well. A number of years ago, we made a decision to invest in our technology in order to provide our staff with the tools and resources that they need to do their job and to do it well. At WS+B, we believe in deploying state-of-the-art technologies and replacing these technologies on an agreed-upon replacement schedule.

The message needs to start at the top. If you have complete and total partner buy-in and consensus, as we have here at WS+B, the staff sees this, and in turn, embraces the technologies as we roll them out. We have successfully rolled out many new technologies, including Web-based tax preparation, practice management, electronic engagement management, data extraction tools, document/content management, and most recently, a client portal application. All of these have been very successful and well embraced by our staff.

ITU: *Has WS+B gone paperless (or less paper)? If so, tell me the processes you use and how the firm has benefited from going paperless.*

James C. Bourke
CPA.CITP, CISA

JB: Yes, we are about as paperless as a firm can be. About five years ago, we implemented a document management application — GoFileRoom by Immediatech. To date, all of our offices and over 350 staff use this application to store client and non-client related documents. We use an ASP (Application Service Provider) model to meet our needs. We wanted to have in place a virtual file room that would be open 24/7 and available to all of our staff, regardless of what office each of our staff calls "home."

Spread throughout the entire state of New Jersey, and moving and shifting files between offices sometimes becomes difficult, if not impossible. A firm such as WS+B very often has a need to share staff and resources between offices. Our Web-based document management application gives us the ability to access any document, anywhere, anytime, as long as we have Internet access. That could be in our office in Red Bank or Princeton, on my front porch, out of town, out of the country, or even enjoying the day at the beach. Our technologies allow us to attach to our resources,

Continued on page 9

wherever and whenever we have a need to access them.

ITU: *You are president of NJSCPA. What kind of agenda or discussion points do you find with regard to members using technology?*

JB: I speak quite often at various CPA Society shows and events throughout the country, especially here in my home state. Issues that are constantly surfacing regarding our members and their use of technology include:

Security — Our members are very concerned with security; this is by far the most widely discussed topic. With the huge growth in Web-based applications, skyrocketing use of PDAs and widespread use of wireless technologies, many CPAs are concerned about data security and unauthorized access to such data. It was no surprise to see this once again top the list on the "AICPA's Top Technologies" for 2006.

Disaster Planning — I believe that our state's proximity to the New York Metro area has given an all new meaning to disaster planning. With the tragedies that took place on 9/11 and other subsequent events, such as blackouts and major storms, CPAs are making sure that they are prepared for the continuity of their practices. CPAs are asking today, more than ever, for help on designing and implementing such plans.

Wireless Technologies — Today, you can't buy a laptop or mobile Windows-based device that doesn't have some form of wireless capability. CPAs are looking for ways to deploy more of these wireless technologies within their practices. Not a technology show, conference or CPE event will go by that will *not* include some presentation dedicated to wireless technologies.

Document/Content Management — Although it's been around for a good number of years, I am still surprised by the number of CPAs that have still not yet deployed some form of digital technology to manage client content. When asked to speak on CPA Firm Technologies, more often than not, I am asked to speak on this subject. I attribute this to the fact that the major providers in this industry initially focused on the larger firms. This approach created price points for this technology that were beyond the reach of the smaller practitioner. I am starting to see the pricing points move down. With the influx of CCH and RIA into this arena, by acquiring existing and proven technologies from others, we're finally starting to see movement of this technology down to the masses.

ITU: *Tell me a few technologies that you primarily find yourself working with clients on; in other words, "what's hot?"*

JB: Right now, it's all about "Portals." CPA firms throughout the country are searching for solutions on ways to securely transmit confidential client information to the end-user. Whether that end user is the client or designee of that client, e-mail is no longer the way to go. Too many states have passed or will pass legislation that impose significant penalties upon individuals who transmit confidential client information that ends up in the wrong hands.

With today's explosive use of e-mail, it is all too easy to add the wrong recipient to an e-mail, not to mention who knows how many people could potentially view a confidential e-mail that may include client financial statements or tax returns before it makes it to the final destination. CPAs are starting to find that portals allow them a secure way to allow the client to come and get the financial information they need. At WS+B, our clients enter our client portal directly off of our Web site. Our portal links with our document management application, thus giving us the ease to share information which we already have on file.

There is no doubt in my mind that the client portal technology will be the next big technology hit to sweep through our profession! ●

"Today, you can't buy a laptop or mobile Windows-based device that doesn't have some form of wireless capability."

E - B I T Z

E-Bitz focuses on practical applications of various technologies to enhance a practice or business. Her columns in 2006 focus on "Honorable Mentions" in the 2006 Top 10 Technologies Program.

E-BITZ WITH SUSAN BRADLEY

Sex, E-mail and Spam Hygiene

Sex sells; we all know that, right? Even spammers know that Sex as a "hook" sells more items, but sex also introduces risk and human resources issues into a firm. As a result, on a regular basis, when something spammy ends up in my firm's e-mail boxes, I'm tasked with trying to reduce that risk.

In the past few years, inbox spam has risen to such a degree that it now constitutes the bulk of the e-mail sent. Spammers also are finding new and innovative ways to reach us; in fact, the new spam threat is from image spam. Image-based spam contains its unwanted content inside of graphics, making it difficult for some spam filters to identify. Due to traditional spam filtering techniques, this type of new spam is getting through our traditional filtering techniques provided by anti-virus vendors, tools such as Microsoft Internet Message Filtering (version 2) and other traditional "on server" techniques.

These days, however, there's another tool — Exchange hygiene. Rather than depend on the cleaning tools inside your own network, many (including myself) are investigating and turning to a filtering option *outside* our networks. Having a dedicated service like Messaging Hygiene in front of our mail servers means that the e-mail is scanned, filtered and cleaned before it gets placed into our corporate mail servers. Here are some advantages and disadvantages.

Advantage of the community view: One of the greatest advantages of this hosted Exchange hygiene is that spam and other issues can be located. When I toured Postini, for example, this was definitely one of their strong selling points. They used the "community view" of connections by using the provided characteristics to spam rank an e-mail. If Aunt Gertrude's machine suddenly turns into a spambot machine flooding Postini's servers with e-mail, the servers will flag that machine with a higher value because it suddenly changed behavior.

AICPA Top Technologies #11

E-mail Filtering, including Spam and Malware scanning

Solutions (software, hardware appliances and/or managed services) that help reduce/eliminate unwanted, nuisance and malicious e-mail delivered to end-user inboxes by employing a number of strategies including white list, black list, content filtering, domain name authentication and real-time SMTP connection monitoring and blocking.

Advantage of the external cleaning: The major advantage of mail hygiene is that spam and potential viruses are first scanned and cleaned on a server that isn't part of your network. This ensures that there is a wall between you and one of the key entry points for viruses and social engineering malware. Messages are then typically sent into a review console that can be reviewed and handled appropriately.

Advantage of the limited access: The next advantage to such a setup is the fact that you can now set up your own mail server to only accept connections from that mail hygiene box. With this feature, you can limit the amount of connection attempts from unknown sources by filtering through this server and limiting the connection of your mail server to just the host's Internet protocol address. This enables you to limit your exposure to just that connection and not expose your mail server to authentication attacks.

Disadvantages of messaging hygiene: The external nature of the scanning of the messages is just that. External … there *is* no scanning of internal e-mail. Because there can be just as many viruses and spam sent internally, one should not only depend on external

Continued on page 11

scanning, but still maintain the internal scanning that many of us already have. Although this process will assist in the external hygiene, it won't help the internal side.

The vendors that provide this range from ISPs, such as Exchange defender, that license the technology from Postini, to Microsoft, who just purchased ForeFront for its external hygiene product. In order to set up Exchange defender and similar external mail hygiene, you need to inform the various vendors of your domain name and your MX record information. The host company also can act as a backup mail record so that if something happens to your mail server, the e-mail is saved on their server and forwarded when your server is back online.

What's the impact of this "message hygiene?" Keep in mind that Postini alone handles 1 billion messages a day. Microsoft's offers its new FrontBridge, proof enough that this is an increasing market space. E-mail is essential for firms to do business. From the mobile workforce that Blackberries and Windows Mobile have provided, e-mail is now portable and not just on desktops. This ensures that only the critical e-mail gets synchronized to these devices, keeping the connection costs to a minimum. If you are syncing spam and junk mail to your portable e-mail device, it's not exactly the wisest use of your firm's resources.

FrontBridge also offers offsite archiving of e-mail and encryption services as well. These days, even small firms can have a need for storage of e-mail for purposes of regulation. Even though you may not have the storage space on site or the technology for archiving, these hosted services give you the ability to mix the best of the online services with the services you need on site in your mail server. The ability to blend traditional server software with software as a service is just the beginning of the blurring of lines between your network and a hosted network.

Is this only a tool for the larger firms? No, because small firms can also add mail hygiene products to their e-mail systems for an affordable cost. Your ISP may already be providing some of these services and will review these offerings first. Even if your ISP does not support such services, you can still easily sign up for such services with a mail record. Exchange Defender, for example, costs around $40 a month, and depending on the number of users, could be as low as $1.50 per user. Their service is easy to set up because they do most of the hard work of changing the needed MX records for you.

Currently, the price is relatively inexpensive to add one more security layer and one more filtering layer to the daily bombardment of spam we receive. Those of us who run mail servers would be wise to consider it another security layer in front of our mail servers. While the price is reasonable and the worthwhile filtering ensures mobile devices are not receiving spam e-mail, the additional protection it provides to port 25 — a known targeted entry point — makes e-mail hygiene something that many, if not all of us, should seriously think about.

Susan E. Bradley, CPA.CITP, MCP, GSEC, is a principal with Tamiyasu, Smith, Horn and Braun in Fresno, Calif. Contact her at *sbradcpa@pacbell.net.* Note that the opinions expressed here do not reflect an endorsement or recommendation from AICPA.

Now Available Online

Generally Accepted Privacy Principles (GAPP) — a Global Privacy Framework.

The release of GAPP by the AICPA and the CICA is available in two versions, one for business and management, and the other for CPAs in public practice that provide consulting and attestation services.

GAPP expands the previous 2003 Privacy Framework. GAPP helps companies to assess their privacy-related risks, as well as to develop sound privacy policies and practices.

Visit ***www.aicpa.org/privacy*** for more information.

AICPA IT Section

American Institute of Certified Public Accountants
Information Technology Section
201 Plaza Three, Harborside Financial Center
Jersey City, NJ 07311-3881

ADDRESS SERVICE REQUESTED

ISO Certified

PRSRT STD
U.S. POSTAGE
PAID
Permit No. 5165
RIVERDALE, MD