Meeting Minutes: BDO
"Technology in Accounting"
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Presenters:

Hannah Stevenson   Audit Associate
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Royce Webber   Audit
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Presentation:

About them

- 1/3 venture capital in San Diego,
- 1/3 in life sciences 12 or 13 companies
- 1/3 other services

How does technology play a role in public accounting

- when implement appropriate technology creates efficiencies and provides for more effective and value-add services to be provided to our clients
- Enhances internal administration processes
- How does client view technology

Technology at BDO

- ADA (audit data analytics), main audit program
    - Big push by national office
    - 5 or 6 individual focused on using this technology
- IDEA
    - Holds administrative tools
    - On assurance side, it's like a population tool
    - How you can test on making samples of expense
- Knowledge sharing tools (AKB, Shared drives, etc)
- APT (audit software)
    - Housing
    - Examples: office in Chicago sends out template to get finalized, as a unified document to the offices
- Caseware
    - Trial balance tool to keep track of finances

- - others like sempra will use case ware also
  - Caseware and ABT will eventually merge into one
- years and you can be a manager and you can help make the templates that get shared around the office. Chicago and OC has 18 year program
- All these tools are investing a lot to help with efficiency

Visualization skills
- think of it as big data
- Each ledger has many transactions, takes the data and putting it into the program to come up with the visualizations
- With all the data it can show us visualizations to help with the audit
- Just starting piloting the technology
- To allow us to spend more time on more risky areas
  - There is a journal data that can investigate certain
- you are sampling general transactions, if you can see all the transactions above a certain threshold to see what you won't accept.
  - You can get more insight and become more comfortable with journal entries
- Would do a test for revenue, w/o ADA you have to match each document.
  - With ADA, the documents are matched, and can tell you if they are errors reporting over the process order.
  - The interns have to go through the data usually,
  - You want to look at specific anomalies and data away from the manual process
- Example, interns can provide a report on risk assessment data analytics, usually done at senior level.
- You can set criteria for the population and it can show the transactions. It can start at the lower level of staff
- ADA champions are at the national office and takes hours to learn the material.
  - Local office champions are typically lower senior level and act as liaison to national to help with corrections

From our client perspective
- Cybersecurity
  - Be aware of all technology efficiencies that you can offer
- Reduced headcount
- Cost allocation
  - Research and development
- marketing/sales approaches
- Data mining
- you can go to It department if client has an issue and how they might be able to help
- A prospective company send entire GL and used ADA to show where the areas to work on are
- The clients concerns for the company, how can the cost be reduced.

- With audits how can we get done, the controller at Rubios wanted to know more about how they could cut costs and what can I look at to be more efficient
- What can we bring to the table for the clients
- It incorporates finance while leveraging knowledge

Questions:

How do you guys balance what you charge since you have this great benefit? Is there less of you now

- We try to balance work with hour, goal is to be as efficient. 2 or 3 interns usually work on data, the interns can work on more companies. Challenge for the firm is to find more clients. It is helping us to perform our audit, there is still more manual work that needs to be performed. Our firm is ahead of the curb on technology, and can offer that new clients and hire more.