

2014 Reviews of Cloud Hosting Providers for Accounting Firms

By Isaac M. O'Bannon, Editor

Cloud hosting has been around since long before technology marketers made “going to the cloud” a slogan. Here at *CPA Practice Advisor*, we’ve been covering cloud solutions for more than a decade, but the concept goes much further back.

Even back in the era of mainframe computers (1950s-1970s), the practice of time-sharing was popular, since it helped maximize the usage of the computers. Even tax preparers were affected by this system, because many of the income tax service bureaus rented time on these mainframes to process returns sent to them by tax preparers. As technology advanced, many of those same service providers would become the major tax and accounting software developers serving the profession.

The more modern incarnation of hosting is focused on two areas: First, and the area that most professionals are at least somewhat aware of, is what used to be more commonly called an ASP, or Application Service Provider. In this model, a Hosting Provider makes it possible for a firm, business or individual to have online access to software that is normally installed and maintained on the firm’s own computers



Benefits of Hosted Programs

- ✓ **SCALABILITY** – Easy to ramp-up or ramp-down, depending on changing needs.
- ✓ **MAINTENANCE** – Firms no longer have to perform upgrades or maintenance.
- ✓ **EXPERTISE** – Cloud hosting providers are experienced at helping firms with these specific programs.
- ✓ **COST** – Implementation of systems can be less, or at least require less start-up capital, as they are usually billed across a specified period.
- ✓ **DESKTOP FUNCTIONALITY** – Allows use of the full system, with convenience of online access.

or servers (such as a desktop version of QuickBooks, Sage 50, ProSeries Tax, Microsoft Office or virtually any other program).

Whichever software the firm chooses to have hosted by the provider, the firm usually must possess its own user license agreement with each of the software providers. In some cases, the hosting provider can manage these licenses, as well.

The second usage of hosting is for private virtual servers, which let a business or accounting firm have more flexibility with scaling up its servers, but without the servers actually being in the firm. The servers are accessed online, but can be used in the same manner a firm would use internal servers, but without costs or hassles of IT management.

The Benefits of Cloud Hosting

While online variations on these and many other programs are available, some professionals prefer to work with the original desktop version, but also have the anywhere/anytime availability of a cloud-based program. Hosted solutions also

relieve the firm from having to install program updates, since these are managed by the hosting provider.

Hosting providers also offer their own live help desks staffed by experienced users of the programs being hosted, often at times and days outside of the software maker’s help desk hours.

For 2014, we looked at the services offered by the following cloud hosting providers. Check them out to see if they have the software and functionality that your firm needs.

- Cloud9 Real Time
- CloudVara
- InsynQ
- Right Networks
- Xcentric

In this issue, we also review online client portals for accounting firms. Some of these portals also include integration or partnerships with cloud hosting providers to offer a firm’s clients hosted access to the business software they use. So, your best bet is to find a combination of solutions that best fits the needs of your firm, while also helping you collaborate and serve your clients. ●

Cloud9 Real Time QuickBooks Hosting

BEST FIT

Cloud9 hosts a variety of accounting, tax and business programs, as well as virtual servers, for many industries, including accounting firms, law firms, and general small businesses. The company reports that 65 percent of its users work with professional tax and accounting firms. In addition to hosting U.S. versions of the most popular professional and business management programs, Cloud9 offers hosting Canadian versions, which can

be stored on servers located in Canada.

STRENGTHS

- Offer custom server hosting of more than 500 programs and databases used by accounting professionals, law firms, non-profit organizations, and other businesses.
- A standardized app hosting package is also available, providing a bundled option that includes QuickBooks, Sage 50, Microsoft Word and Excel 2010, as well as

SpringAhead, Bill.com, and SmartVault.

- Cloud9's is headed by a former accountant with experience operating his own practice.
- The company provides hosting to firms and their clients, with the income from client QuickBooks hosting offsetting the firm's total IT expenditures.

POTENTIAL LIMITATIONS

- New user setup would benefit from more automation, and

may require tech support for some firms when first implementing the system.

SUMMARY & PRICING

Standardized offerings for QuickBooks and Sage 50 hosting are priced at \$39.99 per month per user (Basic) and \$49.99 per month per user (Plus), and do not include Intuit hosting fees of \$5 per user per month. Users who prepay for these standardized hosting services receive a year of service for the price of ten months of

hosting (e.g. \$399 and \$499 for Basic and Plus hosting, respectively.)

Since Cloud9's virtual servers are configured to meet individual needs, the company prices these services on an individualized basis.

www.cloud9realttime.com

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/12013940

Cloudvara Cloud Hosting

BEST FIT

Accounting firms and service-based businesses that need to host a small number of non-standard applications in a high availability environment for access in multiple locations. The company considers itself a "boutique" hosting firm that understands clients' needs.

STRENGTHS

- Technical support is available

24 hours per day, 365 days a year from personnel in the U.S. and India.

- A broad range of applications can be hosted with Cloudvara, including QuickBooks, Microsoft Office, Windows Server, Sage, SQL Server, Drake Software, ProSeries Tax, Lacerte Tax and other business programs.
- Cloudvara's servers are hosted in a major U.S. data

center designed for high availability.

- At approximately \$37 per month (plus the cost of licensing), the company's single application hosting is affordable for those who want to host a small number of applications.

POTENTIAL LIMITATIONS

The company is not a member of the Authorized Commercial

Hosting Program for QuickBooks.

SUMMARY & PRICING

Cloudvara offers a number of hosting plans, beginning with a Starter plan (1 user, 1 application, 3 GB storage) for \$37 per month, and goes up to a Corporate plan (10 users, 4 applications, 30 GB storage) for \$349 per month. Additional applications can be added to all

accounts except the Starter account for \$10 per month per application, and extra users can be added for between \$34 and \$37 depending on the plan selected.

www.Cloudvara.com

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/12013957

InsynQ Cloud Hosting Services

BEST FIT

Firms that use professional tax and accounting applications from multiple providers. InsynQ has a good reputation for successfully managing the challenges of hosting Lacerte Tax and ProSeries Tax Professional, which challenge many providers. Also, as the only provider in this review which offers hosting of U.S. and Canadian tax and accounting applications (Canadian versions hosted on servers based in Canada), firms with operations

in both nations may be attracted to this feature.

STRENGTHS

- InsynQ offers many tools that automate company and user setup. Started in 1997, the company is well established and experienced in serving accounting professionals.
- The company offers hosting services for QuickBooks, Sage 50, Sage 100 ERP, numerous QuickBooks extensions, Microsoft Office, Microsoft Project, and

Microsoft Exchange. InsynQ can also host various customer management/CRM applications, including Sage ACT!, Goldmine, Results CRM, and Microsoft Dynamics CRM.

- The company supports a broad range of tax software, including U.S. income tax offerings from Intuit, CCH, Drake, and Thomson Reuters, Canadian income tax applications, and sales tax calculation and filing applications from CCH and Avalara.

InsynQ has an extensive library of self-help documents and white papers explaining common terms and issues surrounding hosted desktops.

POTENTIAL LIMITATIONS

- InsynQ's primary data centers are in the Northwest U.S., which may represent a drawback to firms in the Southeast.

SUMMARY & PRICING

InsynQ is one of the most mature hosting providers

servicing tax and accounting professionals, having been founded in 1997. The company can host a wide variety of tax and accounting solutions for both U.S. and Canadian accounting firms. Pricing varies by implementation and is listed on the company's website.

www.insynq.com

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/12013960

HOSTING PROVIDERS

Right Networks Hosted Accounting Applications Bundle

Read the full review and see expanded ratings for this product online at: www.CPAPracticeAdvisor.com/12013949

BEST FIT

Accounting firms and other businesses considering using cloud-based client collaboration tools, as well as those looking to expand their practice and provide higher value to clients by offering them a mobile, collaborative and managed cloud environment to access their desktop accounting applications.

STRENGTHS

- Right Networks is an authorized host for QuickBooks, Sage 50 U.S., Sage 50 Canada, Microsoft Office, Bill.com, SmartVault, Results CRM and Legrand CRM. Right Networks' hosting services can also be purchased directly through Thomson Reuters Virtual Office.
- Applications are installed by Right Networks with data

stored on data centers located in different geographic parts of the U.S.

- Live telephone technical support is available 24 hours a day, 365 days a year for all types of support requests.

POTENTIAL LIMITATIONS

- Right Networks does not create custom servers for clients, nor do they host many common professional tax

preparation programs or other common applications used by tax and accounting professionals.

- Each additional application added to a user's profile has a per-user monthly fee of \$5 to \$50.

SUMMARY & PRICING

The Right Networks Advantage hosting service is \$50 per user, per month, plus a \$5 per user,

per month hosting fee for all users who access QuickBooks. Subscribers are required to provide or lease their own QuickBooks license from Intuit. Leased licenses are priced at \$7.50 or \$12 per month, per user for QuickBooks Pro and QuickBooks Premier, respectively. Subscribers are charged \$5 to \$20 per month, per user for each additional application.

www.rightnetworks.com

Xcentric Cloud Hosted Solutions

BEST FIT

Accounting and tax-focused firms, as well as other service-based businesses, that want to have their software and IT infrastructure be managed by a company that can host a variety of professional programs, including tax, accounting and business productivity systems.

STRENGTHS

- Xcentric can host all of the major accounting and tax suites used by small and

mid-sized CPA firms, including Thomson Reuters, Intuit, and Wolters Kluwer, CCH. In total, the company can host more than 1,000 different accounting, tax and business programs.

- Xcentric's cloud services use Citrix hosting technology, which works well with a wide range of hardware devices, including scanners, printers, and mobile devices.
- The company's website includes a resource page with

white papers and templates for accounting firms considering a move to a hosting provider.

- Support staff are available 24 hours a day, 365 days a year, and phone-based emergency support for mission-critical applications is provided outside of the company's standard business hours (weekdays, 8 a.m.-6 p.m. ET).

POTENTIAL LIMITATIONS

- Xcentric does not certify its

hosting services as HIPAA compliant at this time.

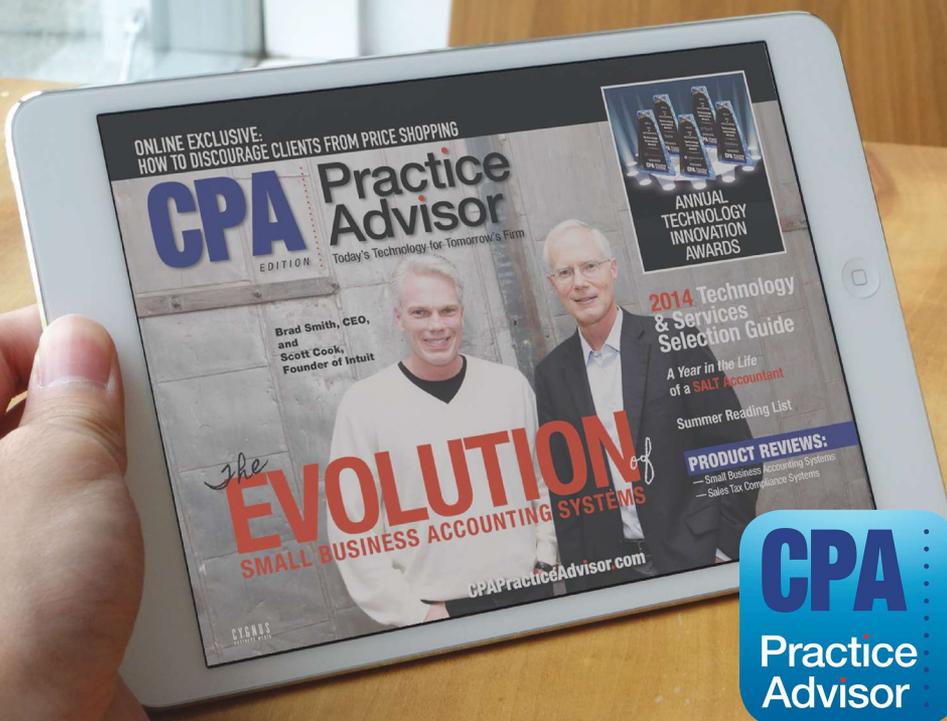
- Xcentric is focused on using its U.S.-based personnel to provide the server provisioning, maintenance, and hosting for professional accounting firms. The company does not offer retail hosting of single applications such as QuickBooks.

SUMMARY & PRICING

The Xcentric Cloud Core hosting option, designed for

firms moving only a few applications to the cloud, costs \$139 per user per month. Since Xcentric is focused on custom hosting exclusively, prices for its more extensive cloud services are based on specific firm needs.

www.xcentric.com



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