A BLUEPRINT FOR ADVISORY P.21 | PE: WHAT'S NEXT P.9

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MASTERING THE PUZZLE

The 2025 Top Firms by AUM are working to solve the complexities of wealth management

Contents

COVER STORY

SPECIAL REPORT

VOICES

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Top stories

AS WE WENT TO PRESS, REPUBLI-cans in Congress were working on the "big beautiful bill" on taxes touted by President Trump. A wide range of issues were still to be resolved, including an increase to the state and local tax deduction, along with the fate of the Public Company Accounting Oversight Board, the elimination of which was in a bill that made it through the House Financial Services Committee.

PAUL ATKINS (*PICTURED ABOVE*) was sworn as the new chair of the Securities and Exchange Commission; he is expected to bring a more deregulatory and crypto-friendly approach to the SEC. He was previously a member of the commission from 2002 to 2008, and is widely expected to be hostile to the PCAOB, though during his confirmation hearings he said the regulator's fate would be up to Congress.

ERICA WILLIAMS, THE CHAIR OF the PCAOB, issued multiple warnings against eliminating the organization or rolling it up into the Securities and Exchange Commission, saying the board's work is far from over.

MORE THAN 11,400 INTERNAL REV-enue Service employees have either received termination notices as probationary employees or voluntarily resigned, representing an 11% reduction to the agency's workforce, according to a report released by the Treasury Inspector General for Tax Administration. That includes 7,315 probationary employees who received termination notices and 4,128 employees who accepted the Deferred Resignation Program, a voluntary buyout program.

THE PCAOB POSTED NEW DOWN-loadable datasets that contain multiple years of information related to its inspections findings. This information was previously only available in the individual PDF versions of firm inspection reports. The two new datasets contain information from Part I.A and Part I.B of inspection reports for use in different applications, platforms or systems. The year-by-year information goes back to 2018 for annually inspected firms and 2019 for triennially-inspected firms.

THE FINANCIAL ACCOUNTING Standards Board released an accounting standards update to improve the requirements for identifying the accounting acquirer in business combinations such as mergers and acquisitions. The update applies to Topic 805, "Business Combinations," and Topic 810, "Consolidations," in FASB's Accounting Standards Codification.

PRICEWATERHOUSECOOPERS announced that it was laying off 1,500 employees, or about 2% of its U.S. workforce of approximately 75,000 employees. Most of PwC's layoffs are in the audit and tax practices, according to reports, with some job cuts in the products and technology group. The firm is also reducing its campus hiring.

ANDERSEN GROUP, THE RESUR-rected version of former accounting giant Arthur Andersen, has made plans to go public, submitting a draft registration statement on Form S-1 with the Securities and Exchange Commission. The number of shares to be offered and price range for the proposed offering have not yet been determined.

THE IOWA SOCIETY OF CPAS AN-nounced Carrie Steffen (*pictured above*) as its next CEO, succeeding Dawn Latham. A well-known consultant to the profession as co-founder and president of the Whetstone Group, Steffen was previously a national marketing director for RSM US.

Baker Tilly, Moss Adams merge

The combination will produce the sixth largest CPA firm in the U.S.

By Michael Cohn

Baker Tilly and Moss Adams have made their merger official, combining to form what promises to be the sixth largest CPA firm in the U.S. The two firms plan to combine under the Baker Tilly name. Moss Adams already has a large presence in the West Coast and the center of the country, while Baker Tilly dominates in the East and Midwest, and their merger will give them a larger national footprint.

Baker Tilly, based in Chicago, ranked No. 11 on *Accounting Today*'s 2025 list of the Top 100 Firms with $1.8 billion in annual revenue, over 600 partners, and nearly 6,900 employees. Moss Adams, based in Seattle, ranked right below it at No. 12 with $1.3 billion in annual revenue, over 400 partners, and more than 4,800 employees.

Baker Tilly CEO Jeff Ferro will be CEO of the combined firm until his retirement, while Eric Miles, who is currently Moss Adams' chairman and CEO, has been named CEO-elect. Miles will assume the role of CEO on Jan. 1, 2026, with Ferro remaining a director on Baker Tilly's board thereafter.

As part of the deal, private equity firm Hellman & Friedman, an existing investor in Baker Tilly, will make an additional strategic investment in the business, with existing shareholder Valeas Capital Partners also increasing its investment.

The deal was expected to close in early June. Once the deal closes, Moss Adams and Baker Tilly's audit business will combine as Baker Tilly US LLP and the firms' business advisory, tax and other services will combine under Baker Tilly Advisory Group LP. Both entities will remain partnerships, with all principals holding equity alongside H&F and Valeas in BTAG. **AT**

Student interest in acct'g rises

CAQ and Edge Research surveyed 3,487 high school and college students

By Paige Hagy

Total interest in accounting careers has risen across Hispanic, Asian American Pacific Islander and white students since 2021, while Black students have shown a minimal decrease in interest. The Center for Audit Quality and Edge Research surveyed 3,487 high school and college students for the latest edition of their annual "Expanding the Accounting Profession Pipeline" report.

The research indicates that Hispanic students have shown the most significant increase in interest — with their familiarity with accounting increasing from 37% in 2021 to 50% in 2024, and total interest rising from 29% to 37%. Meanwhile, Black students have been the hardest group to move, with familiarity shifting from 40% to 41%, and total interest tapering off from 33% to 32%. AAPI students' familiarity rose from 34% to 43%, and their total interest rose from 23% to 34%. White students' familiarity increased from 45% to 49%, and their total interest rose from 28% to 33%.

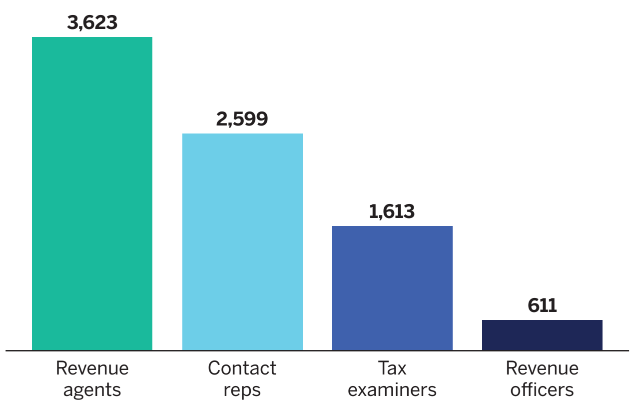
The data shows that Black students are the least likely to know an accountant personally (29%), compared to Hispanic students (37%) and AAPI and white students (38%). Additionally, Black and Hispanic students have less access to high school accounting courses (37% and 40%, respectively) but show equal interest when such courses are available.

In terms of perception, the research found improvements across all demographic groups, particularly in how they view accounting's value proposition, long-term earning potential, and work-life balance. The percentage of students who agreed that accounting careers offer good long-term earning potential increased 8.5 points on average across all groups from 2021 to 2024. **AT**

By the numbers

WHERE CUTS ARE

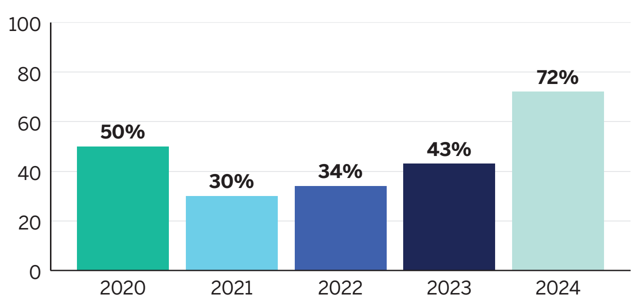
› The job titles seeing the greatest losses at the IRS



Source: Treasury Inspector General for Tax Administration

STUDENTS ON THE RISE

› Master of accounting degree programs reporting growth in applicants, in %



Source: Graduate Management Admission Council

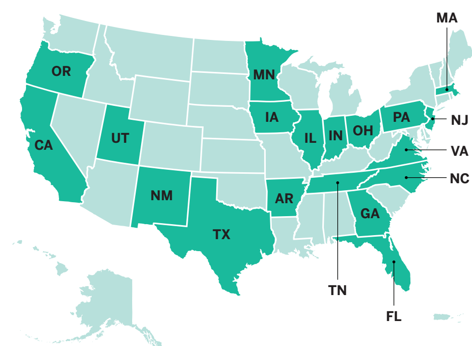
800,000

square feet

Projected size of Big Four firm Deloitte's new New York City headquarters

NEW PATHS TO CPA LICENSES

› States that have proposed or passed alternatives to the 150-hour rule

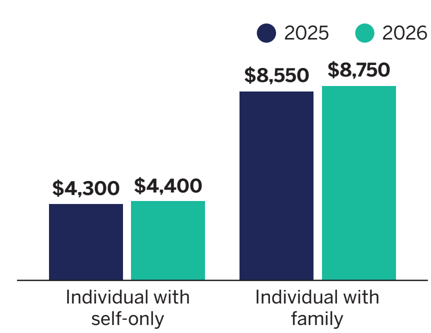


1,500

Number of U.S. employees laid off at PwC in May, approx. 2% of its 75,000 employees

A MODEST INCREASE

› 2026 HSA annual contribution limits, depending on coverage



Source: IRS

M&A roundup

EARNED WEALTH ACQUIRES CHAHAL

Hercules, California: Earned Wealth, a New York-based financial services firm that caters to health care professionals like doctors, dentists, veterinarians and podiatrists, acquired Chahal & Associates, a tax and accounting firm based in Hercules, California.

The acquisition will add Chahal's client base of approximately 2,500 doctors, business owners and high-net-worth professionals to Earned Wealth. Earned has six partners and 124 staff for a total of 130 employees, while Chahal has three partners and 32 staff members, totaling 35 employees.

KNAV ADDS AVENTUS PARTNERS

Atlanta: International accounting and consulting firm KNAV Advisory added U.K.-based firm Aventus Partners.

The deal strengthens KNAV's operations in the U.K. and continues its international expansion strategy. Aventus, with $5.3 million in revenue, provides audit and assurance, tax advisory, financial reporting and outsourced finance team services. The deal adds four partners and 27 employees to KNAV.

WITHUM MERGES IN CTM CPAS

Lincolnshire, Illinois: WithumSmith+Brown, a Top 25 Firm based in Princeton, New Jersey, is adding CTM CPAs & Business Advisors, a firm based in Lincolnshire, Illinois, a Chicago suburb, expanding Withum's presence in the region.

As part of the deal, CTM's four partners and approximately 50 team members will join Withum but remain in their Lincolnshire offices. The deal will increase Withum's Midwest footprint and strengthen its industry specialties.

REHMANN COMBINES WITH MARTINET RECCHIA

Willoughy, Ohio: Rehmann, a Top 50 Firm based in Troy, Michigan, has added Martinet Recchia, a family-owned CPA firm in the Cleveland suburb of Willoughby, expanding Rehmann's presence in Ohio and complementing its existing office in Toledo.

All of Martinet Recchia's shareholders intend to stay with the firm, along with the entire staff, and the firm will continue to operate in its current location under the Rehmann name. Rehmann has 60 partners and 1,099 staff, while Martinet Recchia has four partners and 26 staff.

CLA MERGES IN DEMBO JONES

North Bethesda, Maryland: CliftonLarsonAllen LLP, a Top 10 Firm, added Dembo Jones CPAs and Advisors, a firm with offices in North Bethesda and Columbia, Maryland, expanding CLA's presence in the U.S. Capital region.

The deal is part of CLA's plan to grow by $1 billion through the addition of new partner firms over the next five years. CLA has nearly 9,000 people and more than 130 U.S. locations, while Dembo Jones has over 80 team members and two locations.

GRANT THORNTON ADDS THREE MORE INT'L GT FIRMS

Chicago: Grant Thornton Advisors is merging together more of the international firms in its network, adding firms in the United Arab Emirates, Luxembourg and the Cayman Islands to the January combination of its member firms in the U.S. and Ireland.

EIDE BAILLY: THREE IN A WEEK

Fargo, North Dakota: Eide Bailly LLP, a Top 25 Firm based in Fargo, North Dakota, announced three deals in a single week, expanding in the Ohio, Texas and Southern California.

First off, it added Volpe Brown & Co. LLC, a firm headquartered in North Canton, Ohio, that specializes in serving McDonald's franchises. Eide Bailly's already has some employees in Canton, but as part of the transition, they will relocate to Volpe Brown's office in North Canton.

Then it added Roycon, a Salesforce consulting firm based in Austin, Texas, bolstering its technology consulting services. Finally, it added Hamilton Tharp LLP, a firm headquartered in Solana Beach, California, with four partners and 14 staff members.

More details on each deal are available on AccountingToday.com.

From club member to club advisor

Changing regs and member needs keep Richard O'Leary on his toes as he guides PP&Co.'s hospitality practice and its many club clients

By Danielle Lee

Relationships fuel so many businesses — including accounting — but for the clients of San Jose, California-based PP&Co.'s fastest growing industry specialization, they are the "lifeblood," according to assurance partner Richard O'Leary.

More specifically, for the Regional Leader's burgeoning private and public club industry clients, members are their foundation.

"Membership is the lifeblood and lifeline of the industry — keeping members, and especially always getting new members, is paramount to the industry," explained O'Leary of the firm's club clients, part of its wider hospitality group that includes private clubs as well as public golf clubs, city clubs, yacht clubs, equestrian/athletic clubs, hotels, amusement parks and conference centers.

O'Leary has worked with this type of client since the mid-1980s — first as part of a New York firm that specialized in hospitality and transferred him to the Bay Area, and later at their largest competitor in that niche in 2018, as PP&Co. was, according to him, "dominating the Bay Area in this particular industry."

And PP&Co.'s success has only grown in recent years, he reports. "We did have a very good 2024 in terms of new client opportunities," O'Leary said. "That comes from brand recognition, name recognition, all of these clubs and hospitality clients all talk amongst one another — 'Who are your auditors, your tax providers? Do you work well with them? Do you get along with them?' Opportunities come by word of mouth and reputation. And other firms — there isn't another firm in the state of California that does as many clubs as we do. We are dedicated to the industry. There are other firms that just dabble in the industry and don't provide [full] service and the clients can tell. It's only a matter of time before they want to change service providers."

Long before his decades serving these clients, he had an

Richard O'Leary (right) and Brian Richardson, general manager of Somersett Golf and Country Club

understanding of their business as a "country club kid" growing up in New York. It even led to his first accounting firm job.

"My parents belonged to a local club and I was kind of raised in the country club environment," he shared. "My pop referred me to the partner that did that particular country club's audits — my pop was treasurer at the time. I connected with the partner at the firm, and that's how I got the interview."

As a direct beneficiary of the powerful connections that can be formed at clubs, O'Leary can personally relate to the needs of his clients — the overriding one, again, being to maintain and grow membership. This has led to changing priorities as these organizations aim to bring in younger members.

"New members, the younger generation of their parents, belong to these clubs," O'Leary said. "Keeping membership strong is one of the challenges the industry faces. In order to attract younger members, the industry has to react to the changing trends of younger generations. We are seeing that happen within clubs providing things like casual dining versus formal dining, fitness facilities — things the younger generation is more interested in versus the older generations. There are a lot of changes in the industry."

Keeping pace

Recent changes to regulations, especially in the wake of COVID, mean O'Leary and his practice are kept busy as they keep clients up to date and informed. The firm provides traditional assurance and tax services to these clients, though that work has expanded to include more consulting work.

"There's always opportunity in the industry to educate your client base," he explained of his club clients, which he estimates to currently include about 45 organizations in the Bay Area. "Because a lot of clubs are tax-exempt, the industry comes with lots of rules and regulations that need to be understood to preserve tax exemption and to understand what aspects of the business are taxable, where to pay tax. With that, there is a world of opportunity to consistently and constantly advise clients on these rules and regulations."

While this year-round advisory work, including recently updated Internal Revenue Service regulations, keeps PP&Co. in ongoing conversations with clients, O'Leary aims to also strike up new ones with his involvement and board memberships in several local industry and networking groups.

In addition, he shared, "There are a myriad of opportunities for the firm and for myself to provide articles, webinars, to stay face-front to our clients and the industry itself."

Fluctuating regulations and membership numbers are not the only things keeping these clients up at night. "On a ratio basis, it is one of the most capital-intensive industries that exists," O'Leary shared. "[Clients] need to have a clubhouse where members can come and use the facilities, mingle with fellow members. They need to have a golf course, tennis facilities, swimming facilities … it's very capital-intensive."

Nationwide, the industry encompasses 5,000 to 6,000 clubs, O'Leary cited from a recent study, generating $32 billion of direct revenue to the economy.

"It's a very labor-intensive industry," he explained. "To where payroll expenses have been tabulated to be $17 to $18 billion, with the number of employees at almost 600,000."

O'Leary and Ed Winiecki, assistant executive director for Southern CA PGA

With this kind of reach, certain misconceptions about the niche abound, according to O'Leary.

"It's a very large industry," he explained. "The industry sometimes gets a little of a bad rap, from the public, from the media, because members are in the top 1% of the country and get an unfair advantage, or tax breaks. That's not really true. The industry is an incredibly large employer to the economy in the U.S. It often gets misunderstood. The needs of these organizations are solely that they get together and provide social and recreational activities to their membership group. It's why the organizations exist. Some are formed as tax-exempt organizations, some are taxable organizations. It's just specific to the voice of each individual club, and the path they want to go when the club is formed."

As for O'Leary's personal career path, his success can be attributed to "basic familiarity with the industry, being connected at a young age," he said.

"It's just kind of cool, as a young kid, a junior playing golf and using the club my parents belong to, it's just kind of cool to have turned that into your career," he shared. "There's just a lot of passion associated with working within the industry you grew up in. From the kid-of-a-member perspective, now providing those services and expertise, it's kind of cool." **AT**

PE: The end of the beginning

As the first wave of private equity investments in the accounting space winds down, the profession looks ahead to the next direction it will take

By Paige Hagy

The first waves of private equity investments in the accounting space are coming to the end of their terms, and it's time to see what direction the trend will take.

PE has enabled rapid rates of profitability and growth in the profession, and for firms with aging partners looking for liquidity, it offers multiples that are double, triple or even quadruple what they could take home on their own, with the ability to take cash off the table much earlier than expected.

The trend kicked off in August 2021 when Top 25 Firm EisnerAmper took a PE investment from TowerBrook Capital Partners. Later that year in October, Citrin Cooperman, another Top 25 Firm, took an investment from New Mountain Capital. Then, in January of this year, Citrin Cooperman announced it would receive an investment from Blackstone, which would acquire a majority stake in the firm from New Mountain. The deal was the first instance in the U.S. of an accounting firm transferring private equity ownership from one group to another. Experts expect EisnerAmper to follow suit with an exit in late 2025 or early 2026.

"They'll go down in the history books as grand-slam home runs. What they thought would take five to seven years got accomplished in three to four," said Allan Koltin, CEO of Koltin Consulting Group, who has advised many of these large PE deals. "What they underestimated — everyone did, me included — was how fast this industry would take off."

"I've watched, now, over 16 of these transactions go on. Every one of them is hitting or exceeding their numbers," he continued. "I'm not seeing the kind of stereotypical heavy-handedness or micromanaging that we always talk about when we talk about private equity."

While the wave of PE is unprecedented in the accounting profession, investments in the broader professional and financial services are not. Just look at insurance firms, brokerage advisory firms, consulting firms, appraisal firms,

valuation firms, forensic firms, outsourcing firms and recruiting firms.

"Many of those firms are already on their second, third, fourth, fifth flip, so there's a whole industry already with professional financial services," Koltin said. "They're all people businesses, so people seem surprised sometimes at how fast this has moved and question whether they'll actually be flipped. I don't think we have to look too far to see that this has actually been going on for multiple decades already, and it's working."

David Wurtzbacher, CEO of Ascend, echoed the sentiment: "There are deep capital markets for great companies and great industries." Ascend is a platform firm launched in January 2023 by Alpine Investors. It ranked No. 29 on *Accounting Today*'s 2025 Top 100 Firms list, with $314 million in revenue and over 1,400 employees.

"I have found that the profession questions who would want to own a big accounting firm, and that is a pretty uninformed view," Wurtzbacher said. "Having come from finance and investing, what I can tell you is that investors exist in all shapes and sizes, and some of them are very, very large investors that can own very, very large companies. From a starting point, there's going to be a market because this is a great profession. It's an essential service. It's very steady revenue; investors call that high revenue quality. It's quite profitable; a significant portion of the profit is actual cash flow, which is not true in every business. And it's an industry that's growing. So for all those reasons, there will always be demand in general for businesses in this space, no matter their scale."

Meet the players

There are two main camps of firms with private equity money: the "motherships" and the "roll-ups." Motherships are when large firms, like Top 10 Firm Grant Thornton or Top 25 Firm Aprio (or EisnerAmper and Citrin Cooperman), sell a majority stake to PE, and then use the capital that comes with the deal to acquire smaller firms. Roll-ups are when platforms, often PE-owned, acquire smaller regional players, who may often retain more autonomy than in a traditional acquisition — think Ascend and Springline Advisory.

Experts say private-equity backed firms have four main exit routes: Sell to a strategic investor (like Marcum selling to CBIZ), sell to a larger PE firm (like Citrin selling to Blackstone), trade into a continuation fund, or go public through an initial public offering. CBIZ is currently the only publicly traded accounting firm, but in 2023, Ernst & Young proposed and then abandoned a plan to split its audit and consulting divisions, and take the consulting business public. And in April of this year, Reuters reported that Andersen Group confidentially filed for an IPO in the U.S.

"The Big Four, ultimately, in the next two to three years — I think they're too big for private equity, [so] I think they'll all go the way of IPOs." Koltin said.

He also sees third-party buyers entering the space, like large family offices, sovereign wealth funds, pension funds and international buyers from Canada and Europe.

"One thing I do not think we will see is the exits of the PE firms in the roll-ups," Koltin said. "I do not see them going to what we'll call the 'mothership' CPA firm. I see them, rather, just going to the next PE firm that comes into the deal. The reason is, there's a level of autonomy that those firms wanted, and if they wanted to go into one of these big mothership firms, they would have done it the first time."

Myths, fears and truths

There are two sides to every story. While there is much conversation about the upsides of PE, there is also discussion of its downsides. The business model of private equity relies on return on investment, so some experts worry that the hyperfocus on scale and profitability may mean compromising firm culture, talent and values. Others worry that private equity does not have accounting firms' interests in mind, and, in the extreme, will load their books with debt and leave them high and dry.

"I think the myth or the fallacy is that the PE firms are running these accounting firms," Koltin said. "When I talk to the firms that have gone the way of PE, what they say to me is they're an independent firm with a financial sponsor. For many of these firms, they're still running their firms. The PE partner — which could be a minority partner, it could be a majority partner — what they've done is select firms that have really good leadership, and as the story goes, they've said, 'Listen, we have day jobs, too. The last thing we want to do is micromanage your business, so we're going to find the best in class, and you go run it. If you have a major capital or strategic issue, get us involved.'"

Firms have warmed up to the presence of PE in the accounting space. In the beginning, "I don't even think people were really that open to having discussions," said Tim Brackney, CEO of Springline Advisory, a Top 100 Firm with $89 million in revenue and 365 employees. Springline is a platform firm formed in January 2024 by Trinity Hunt Partners.

"It was more of a struggle to even try to have a discussion because the perception of private equity — some of it earned, some of it out of the zeitgeist — was, 'Hey, you've got barbarians at the gate. They're going to come in, and they're going to destroy your culture.' So a lot of that first phase was helping people understand that PE is not a monolith," Brackney said. "We spent a fair amount of time educating people about the different models within PE so that they would be at least open to having a discussion if the word 'PE' was in the sentence."

To be sure, there are potentially negative side effects to firms' long-term relationships with PE, particularly to firm culture. "There are some firms who are going to take PE money and who will lose some of their identity and have some degradation to their culture," Brackney said. "The soul of any company is the culture, which is the fabric of the operating norms of the people there. That has to be a lens through which you're making decisions. If you're not, you will lose that."

Private equity is also changing the market landscape as we know it. As large PE-backed firms eat up smaller and midsized firms, the middle hollows out. "I think that there are national firms right now who ostensibly are focused on the middle market, or taking in PE money, and that PE money is going to drive them upstream to hunt bigger game," Brackney explained. The issue there is that when PE-backed firms begin to scale, they try to take on the big firms and miss out on the client opportunity they're leaving behind.

Additionally, as more private equity firms chomp at the bit to get their piece of the accounting pie, firm valuations soar and PE firms overpay, Brackney said. Then, at the turn, they are stretched too thin. "Their time frame and their methods for extracting value are going to be under pressure," he said.

At the end of the day, the pros and cons come down to the unique partnership of the two parties involved.

Out there on their own

Still, some are resisting the phone calls of PE — enter the "fiercely independent" firms. Top 75 Firm Bennett Thrasher, for instance, is one firm choosing to stay independent. "From a financial perspective, it could be lucrative, but our view is that there are many cons, and the tradeoffs are probably not worth the potential extra liquidity that might be available to partners," said Jeff Call, CEO of Bennett Thrasher. "We believe that having a legacy firm, remaining independent and the entrepreneurial spirit that we have is probably more powerful than the external capital would be."

"You have an advantage," said Paul Peterson, CEO of Wiss, a Top 100 Firm based in Florham Park, New Jersey. "You have these relationships in place, so the question I think you have to ask yourself is, 'Do we have enough depth of services that we could compete against a PE firm?' We're playing aggressive defense, I would say, and really staying close to the customers that we have."

Some employees prefer to work for an independent firm as well. And in a profession with an ongoing labor shortage — fewer students studying accounting, getting their CPA license and staying till they make partner — recruiting and retention needs to be a top priority for all firms.

"It will be interesting to see what PE does — does it further exacerbate it, or will it be reduced over time?" Peterson said. "We've picked up incredible talent over the past two years that we never could have touched if this didn't happen."

Wiss ranked No. 5 on *Accounting Today*'s 2024 Best Large Firms to Work For, and Peterson says employees are a huge reason why they haven't taken PE money. "I think we'd lose a lot of people," he said. "Retention has always been high, we've always had a lot of great qualities, and I feel like we would be backstabbing our people that have been very loyal to us."

"I do think that there are a lot of positives with PE," he said. "And it's all great when it's good, and so the challenge is when it's not."

But firms like Bennett Thrasher and Wiss are increasingly a rare breed. "We're going to less and less independent firms by far," as PE-backed competition outmatches them, said Bob Lewis, president of The Visionary Group, a consulting firm. Talent will get poached by firms offering outsized salaries that independent firms can't match.

"I think what's going to happen is the really large firms are going to start going in and picking out all the superstars and overpaying them," Lewis said. Firms that are unwilling to make investments in new technology and talent "end up kind of standing still and getting run over. And I think that's what's happening right now in this market," he said.

Yes, there is value to staying independent, but it comes with great risk. "You can't stand still doing what you're doing," Lewis said. "You have to understand, if your competition is getting bigger, you've got to make some investments in people. You've got to make some investments in technology. You have to establish some kind of industry or service niche. You have got to get more aggressive on pricing because the cost of labor is going to continue to go up. You can't make the margin you need to make by keeping your prices the same and doing the same work. And if you don't get on track, you're going to end up in a power bid with all the other dinosaurs — we say, 'You're sliding into the tar pit.'"

'I worry about the firm that's got their head in the sand.'

Already, firms are digging into client niches with specialized services, and professionalizing business development.

"We see incredible opportunities on the horizon, irrespective of PE," Peterson said. "For me, I'm looking at it more as a Renaissance. … The homogeneity of accounting is changing."

"Historically we have not either had the need or have been unwilling to invest in the business," Koltin said. "That has changed. So I don't worry about the fiercely independent firm that finds a different way to capitalize their business. I worry about the firm that's got their head in the sand — and that's probably 50% of the profession — and thinks that they can grind and grind and they'll be able to do it forever. That's a big mistake."

"But that doesn't mean go out and do a PE deal," he was quick to add. "It means figure out a strategy of how you'll differentiate yourself, how you'll continue to be a value-added resource to your client. And the most important thing is, what's your mousetrap to recruit, retain and grow people?"

"Eventually everything changes," Lewis said. "Right now, this industry is in such massive change. People are having a hard time coping." **AT**

The 2025 Wealth Magnets

This year's collection of top CPA financial planners are focused on every different part of the puzzle

By Daniel Hood

Few puzzles are more complex that running a wealth management practice, which combines all the usual challenges of an accounting firm — from staff shortages and succession issues to the introduction of disruptive technologies like artificial intelligence — with volatile markets, skittish clients whose expectations change at the drop of a hat, an uncertain regulatory environment and an ever-fluctuating economy, and a constant flow of new and confusing investment options.

What's more, it's a puzzle that even CPA financial planners as successful as this year's Wealth Magnets can never hope to fully solve, since the factors impacting it are always changing — as is the practice area itself.

"I've had a front-row seat to the rapid evolution of wealth management, and it's clear we're at a critical crossroads," explained Matthew Delaney, managing partner of his eponymous firm in Santa Rosa, California. "One of the biggest challenges we face today is meeting the rising expectations of a new generation of investors … [who] want transparency, accessibility, and personalized guidance that fits seamlessly into their digital lifestyles. At the same time, increasing regulatory complexity and the ever-present threat of cybersecurity breaches add new layers of difficulty for firms trying to stay agile and responsive."

'I've had a front-row seat to the rapid evolution of wealth management, and it's clear we're at a critical crossroads.'

Making the puzzle even more complicated is that it needs to be constantly worked out over time, handling the immediate crush of work while also laying the groundwork for the future.

"We're focused on balancing long-term goals with daily responsibilities," said John Valleau, president of Skokie, Illinois-based ShankerValleau Wealth Advisors. "When clients need us, they come first. But it's easy to lose sight of the bigger picture amid day-to-day demands. To stay aligned, we now hold weekly team meetings to share ideas, discuss trends, and review our goals."

And all that has to be managed while firms themselves are changing, metamorphosizing as a result of their own success.

A good problem to have

In fact, the most common challenge that 2025's Wealth Magnets are puzzling over is how to handle being so good at what they do.

This year, the 150 top CPA financial planners in the country reported $311 billion in assets under management, up from last year's $295 billion, and 60 reported more than $1 billion in AUM, up from 53 in 2024.

Put simply, many of them are expanding rapidly, and that can strain an accounting firm in multiple ways.

At Steel Tower Investments in Pittsburgh, "Our greatest challenge is managing growth effectively," according to its president, Elizabeth Urish. "As we continue to scale, we remain focused on delivering meaningful value to our clients by strategically adding key talent and enhancing our infrastructure and processes. Staying disciplined and focused on the fundamentals is essential to sustaining long-term success."

Maintaining a personal touch as a practice grows is a concern for many of this year's Wealth Magnets, including Braintree, Massachusetts-based Napier Financial.

"One of the biggest challenges we're currently facing is scaling and growing the practice while maintaining the same high level of personalized client service," said business operations manager Prescott Busk. "As we expand, managing bandwidth effectively becomes critical. To address this, we're streamlining internal processes, leveraging technology for greater efficiency, and being strategic about team growth to ensure we continue elevating the quality of service our clients receive."

It's rare that expansion only strains one aspect of a firm; usually it brings pressure in multiple areas.

"Our firm is experiencing extreme growth, which is both exciting and demanding," explained Trevor Hodges, chief operating officer of Parsippany, New Jersey-based Sax Wealth Advisors. "With that comes the need to scale everything: systems, processes, communication, and most importantly, our people. Scaling the business intelligently is a top focus. We're investing heavily in infrastructure-tech, workflows, and operational support, to make sure the client experience remains seamless as we grow. We're also being intentional about who we hire, making sure every addition to the team adds both talent and cultural alignment. … In short, we're growing fast in a volatile environment, so staying client-centered, people-focused, and process-driven is what's keeping us on track."

"The biggest issue our wealth management practice is currently facing is finding internal efficiencies to better serve our clients," added Steve Neher, managing member of Wenatchee, Washington-based Cordell, Neher & Co. "As our practice continues to grow, we recognize the importance of sustaining our service quality and adapting to evolving demands. By leveraging technology, we strive to streamline daily tasks for our staff, allowing them to focus on meaningful client interactions and provide personalized solutions where they are most needed."

The strain of rapid growth is felt not just with high-level concerns like quality control and maintaining strong client relationships; growth also means more daily tasks for everyone in the firm.

At Frisco, Texas-based Cain Watters & Associates, for instance, "Managing growth is an ongoing issue, especially with the numerous investment operational tasks like requests to open new accounts, move money, and perform other investment operations tasks," said chief marketing officer Erin Jeffries. "To handle these issues, we are expanding our investment operations team and looking for a more efficient process."

Efficiency is available to everyone, and in multiple ways; finding extra staff, on the other hand, is as much a problem for the Wealth Magnets as managing their growth.

The people problem

Staff shortages are plaguing every part of the accounting profession, of course, and CPA financial planners are feeling the pain as much as anyone.

"Acquiring talent and quality advisors to execute the business model of building high-performing teams inside our accounting firm office locations" is a major challenge for Dallas-based Level Four Advisory Services, according to chief executive officer Edmon "Jake" Tomes. "We are investing in a recruiting and sales team to identify and secure talent from banks, wirehouses and regional brokerage firms, while executing an aggressive strategy for RIA acquisitions."

The solutions vary from firm to firm, from higher compensation and extra bonuses, to hir-

Notes and methodology

For our 19th annual ranking of CPA fims by assets under management, which starts on page 17, we received submissions from more than 200 firms. Such a large number of firms means, among other things, wide diversity in practice structure and in the information submitted. To start, in most cases — but not all — firm names are those of the financial planning subsidiary, not the affiliated CPA firm.

Firms have reported either their overall chief executive, or the leader of the planning practice. For simplicity's sake, we have listed both under "chief executive," though many bear different titles. In cases where a leader was not identified, we identified the leader of the planning practice from the firm's website, where available. In addition, some firms reported staff figures for just the planning practice, some just for the overall CPA firm, and some for both. In cases where we had a choice, we published figures from just the planning subsidiary.

Many firms gave a date for the AUM figure they submitted; these varied widely, from the date of submission to a recent quarter-end, but in no case was it earlier than year-end 2024.

Notes:
* Data provided by Ideagen Audit Analytics, a premium online intelligence service that delivers audit, regulatory and disclosure analysis to the accounting community. Reach them at (508) 476-7007, info@auditanalytics.com, or www.auditanalytics.com.

ing more nonaccountants or taking advantage of opportunities in technology or outsourcing. Among those who are focusing on hiring, some are taking a long-term approach to talent attraction and retention, like Minneapolis' Boulay.

"We have to stay focused on creating paths to ownership for our best people," explained its president, Jay Brown. "We are committed to staying independently owned and operated — and we believe that will be a key differentiator for talent."

That kind of long-term thinking can also uncover some long-term problems.

"We are good at developing staff into advisors, but the next hurdle is developing the next generation into people that can generate new business," said Joe Pitzl, managing partner of St. Paul, Minnesota-based Pitzl Financial. "Our founding partners have grown organically from scratch to where we are today. The next wave of growth falls onto the next generation of the firm."

At CRA Financial in Northfield, New Jersey, co-managing member Matthew Reynolds also noted the challenge of succession planning.

"Although it is more than a decade out, monetization for the founders is an issue because valuations make anything close to market value almost impossible for an internal transfer," he said. "We're still searching for a viable solution."

Finding the talent — whether to handle immediate work or to shore up the long-term viability of the firm — is only the first step; making sure they're up to the work is a perennial problem.

"One of the biggest challenges we are currently navigating is ensuring consistent training across our team, especially as we grow and onboard new talent," said Ryan McEntire, a director and chief compliance officer with Brown Edwards Wealth Strategies in Lynchburg, Virginia. "With the evolving complexity of financial planning and increasing client expectations, it is critical that our advisors and support staff are not only technically proficient but also aligned in how we deliver value and service."

"To address this," he continued, "we are building a more structured internal training program that includes ongoing education, case study reviews, and mentorship. We also launched an internship program designed to create a pipeline of future talent. This initiative allows us to train individuals early in their careers, expose them to real-world client work, and assess their cultural fit before moving them into full-time roles. The combination of formalized training and the internship program is helping us ensure we are equipped to meet client needs."

'We have to stay focused on creating paths to ownership for our best people.'

Problems and solutions

Challenges involving technology have the greatest potential upside for CPA financial planners: If they can solve the puzzles that come with new tech tools — from cybersecurity and data privacy issues to simply keeping up with the flood of new solutions — they stand to revolutionize their practices.

"The adoption of emerging technologies in wealth management has the potential to reshape our industry, and with it comes challenges and opportunities both internally and externally," said Laurie Peer, president of RKL Wealth Management in Lancaster, Pennsylvania. "From the responsibility to safeguard sensitive information to helping our clients navigate the use of digital tools with confidence, nearly every aspect of our work involves a degree of change management and technology adoption that's redefining the way we work."

"We're invested in fostering a culture of innovation, encouraging exploration of new technologies, and actively seeking feedback to refine our strategies," she continued. "Through strategic investments and client-centric solutions, RKL Private Wealth is well-positioned to deliver an enhanced client experience that leverages the efficiencies of technology while capitalizing on our true differentiator — personal connection and alignment around our clients' most significant aspirations."

‘The adoption of emerging technologies in wealth management has the potential to reshape our industry, and with it comes challenges and opportunities.’

Of course, no discussion of technology can avoid touching on artificial intelligence, which is still in its early days, but is taking up a lot of mindspace in the profession.

“As the development, availability and accessibility of AI-based applications has increased, we’ve had to evaluate the use case for said applications and devote time and resources to broadscale testing and deployment through to our end clients,” said John Lesser, group managing partner of Southfield, Michigan-based Plante Moran Financial Advisors. “While many of these applications can and will allow us to be more efficient as advisors, they also present unique challenges to a client-centric business, as ours is. First and foremost, we need to ensure we are doing everything we can to maintain client confidentiality and not expose our clients to unnecessary cybersecurity risks or data breaches. Second, we don’t want to lose our personal touch or have automation take away from our interpersonal relationships with our clients.”

The eternal puzzle

Of all the riddles CPA financial planners face, the one that truly can never be solved lies at the intersection of the volatility of markets and the economy, and the hopes and fears of clients.

Bryon Gragg, senior partner at Shelby, North Carolina-based Gragg Financial, shared a concern that keeps all of his fellow Wealth Magnets up at night, year in and year out: “Keeping clients focused on their long-term plan rather than current market conditions. We spend a lot of time educating clients upfront of the nature of investing; there are times that can be uncomfortable but it’s the price to get the long-term results.”

Sax Wealth Advisors’ Hodges echoed that: “One of the biggest challenges we’re facing right now is managing through market uncertainty while continuing to grow at an aggressive pace. Clients are understandably anxious, and staying ahead of their questions, while continuing to provide clarity and confidence, is a constant priority.”

This year, uncertainty in Washington, D.C., is playing a larger role than usual in challenging wealth managers, both in terms of client concerns and the tax and regulatory environment. This is making it harder to keep clients on track, and to help them manage change.

“The current political climate has resulted in some clients being very anxious about the market and others very optimistic,” said Kellie Masters, director of operations and chief compliance officer of Wealth Advisors of Iowa, in West Des Moines. “We try to temper expectations on both sides and are encouraging clients to stick to their long-term plans.”

“Our advisors have to balance investment advice with tax planning and tax filing deadlines,” added Morgan Tesoriero, chief compliance officer of Joel Isaacson & Co. in New York City. “With the current administration and the uncertainty in the market surrounding policy decisions, it was especially time-consuming and challenging to balance the tax work and client fears about the economy/market.”

Putting the pieces together

With so many pieces to keep track of, the puzzle of running a wealth management practice can seem insoluble — and as we’ve noted, in some ways it is; there are permanent challenges involved in helping clients achieve their financial goals (often coming from the clients themselves!).

But the search for solutions itself can yield benefits, according to California’s Delaney: “The good news? These challenges present real opportunities for innovation and growth. At our firm, we’re embracing technology not just to keep up, but to lead. … But technology alone isn’t enough — it’s the human insight behind it that makes the difference. That’s why we’re committed to a hybrid advisory model that blends digital efficiency with the deep, trusted relationships our clients value. The path ahead won’t be without its hurdles, but with the right strategy, we can turn today’s challenges into tomorrow’s strengths.” **AT**

AUM ($)	Firm name	Location	Staff	Chief executive
30,920,000,000	Savant Wealth Management	Rockford, Ill.	600	Brent Brodeski
21,786,469,785	Plante Moran Financial Advisors	Southfield, Mich.	186	John Lesser
18,200,000,000	Choreo	Rockford, Ill.	218	Roger Ochs
13,720,000,000	CliftonLarsonAllen Wealth Advisors[1]	NA	150	Clayton Bland
10,491,932,749	CBIZ Investment Advisory Services*	Cleveland	86	Chris Spurio
9,732,148,499	Great Valley Advisor Group*	Wilmington, Del.	333	James Spinelli
9,064,743,008	SignatureFD	Atlanta	126	Heather Fortner
9,030,636,924	Forum Financial Management*	Lombard, Ill.	140	Jonathan Rogers
8,922,002,847	Forvis Mazars Wealth Advisors*	Springfield, Mo.	117	Steve Toomey
8,070,490,509	Joel Isaacson & Co.	New York City	52	David Peltz
7,038,356,447	HBKS Wealth Advisors	Erie, Pa.	108	Christopher Allegretti
6,511,781,846	Aldrich Wealth	Lake Oswego, Ore.	40	Heather Wonderly
6,080,097,000	Andersen*	McLean, Va.	1,970	Mark Vorsatz
5,300,000,000	Level Four Advisory Services	Dallas	75	Edmon "Jake" Tomes
4,753,819,117	Moss Adams Wealth Advisors[2]	Seattle	60	Justin Fisher
4,479,128,948	Cain Watters & Associates	Frisco, Texas	329	Dan Wicker
4,408,957,456	Baker Tilly Wealth Management*	Madison, Wis.	27	Kelly Baumbach and Melissa Santas Peterson
4,270,170,000	Rehmann Wealth*	Lansing, Mich.	36	Ryan Sullivan
4,200,000,000	Provenance Wealth Advisors	Ft. Lauderdale, Fla.	55	Peter Mottek
3,500,000,000	Prosperity[3]	Owings Mills, Maine	50	Michele Martin
3,418,095,000	Sax Wealth Advisors	Parsippany, N.J.	40	Kyle Stawicki
3,196,312,574	RubinBrown Advisors	St. Louis	26	Tom Tesar
3,028,234,069	BT Family Office*	Atlanta	5	Lorrie Allegra
3,018,353,573	Frank, Rimerman Advisors*	Palo Alto, Calif.	5	Patrick Sullivan
3,000,000,000	Schneider Downs & Co.	Pittsburgh	29	Derek Eichelberger
2,935,000,000	Boulay	Minneapolis	40	Jay Brown
2,749,877,904	Gleneagles Family Office*	Atlanta	4	Stephen Riddell
2,723,131,280	GHP Investment Advisors*	Denver	25	Brian Friedman
2,656,293,459	CPS Investment Advisors*	Lakeland, Fla.	60	Peter Golotko
2,635,136,991	Aprio Wealth Management	Atlanta	38	Noah Marell
2,610,146,179	Lutz Financial	Omaha, Neb.	21	Jim Boulay
2,606,591,687	Fairway Wealth Management*	Independence, Ohio	22	Mark Weiskind
2,487,640,162	Windrose Advisors*	Waltham, Mass.	24	William Heitin
2,240,693,977	Cozad Asset Management*	Champaign, Ill.	29	Gregory Cozad
2,097,778,476	RKL	Lancaster, Pa.	667	Ed Monborne
2,011,723,719	Smith Anglin Financial*	Dallas	16	Steven Anglin
2,000,000,000	LBMC Investment Advisors	Brentwood, Tenn.	8	Greg Herman

* Data provided by Ideagen Audit Analytics
1 CLA has no designated headquarters location 2 Moss Adams is expected to merge with Baker Tilly in early June 3 An EisnerAmper company

TOP FIRMS BY AUM: WEALTH MAGNETS

AUM ($)	Firm name	Location	Staff	Chief executive
2,000,000,000	Withum Wealth Management	Red Bank, N.J.	20	James Ferrare
1,966,319,029	Jackson Thornton Wealth Management	Montogmery, Ala.	14	Shaw Pritchett
1,907,364,054	Beaird Harris Wealth Management	Dallas	22	Pat Beaird
1,898,214,989	Traphagen Investment Advisors	Oradell, N.J.	17	V. Peter Traphagen
1,773,051,090	Sikich	Naperville, Ill.	22	Andrew Paoni
1,735,509,190	CFO4Life*	Coppell, Texas	24	Levi McMellian
1,580,952,631	Citrin Cooperman Wealth Management*	New York City	5	Alan Badey
1,525,060,384	CRA Financial	Northfield, N.J.	15	Matt and Tom Reynolds
1,488,849,669	WBH Advisory*	Baltimore	16	Marc Hertzberg
1,423,796,795	Howard Financial Services*	Dallas	24	James Howard
1,415,526,316	GPS Wealth Strategies Group*	Centennial, Colo.	48	Jeff Payne
1,406,920,944	HHM Wealth Advisors*	Chattanooga, Tenn.	18	Travis Hutchinson
1,392,088,059	SPC Financial*	Rockville, Md.	33	Edward Sella
1,382,588,015	Rollins Financial Advisors	Atlanta	15	Joseph Rollins
1,322,181,149	D'Orazio Wealth Advisors*	Vienna, Va.	10	Joseph D'Orazio
1,312,705,819	RVW Wealth*	Los Angeles	13	Jonathan Gerber
1,302,024,713	PBMares Wealth Management*	Williamsburg, Va.	23	Rob Klingensmith
1,129,509,616	Werba Rubin Papier Wealth Management*	San Jose, Calif.	15	Jason Papier
1,128,274,401	SC&H Wealth*	Sparks, Md.	24	Andrew Thompson
1,084,067,745	HCM Wealth Advisors*	Cincinnati	9	Jake Butcher
1,058,629,800	H&S Companies	Fremont, Mich.	108	Chase Carpenter
1,058,282,823	KEB Wealth Advisors*	Springfield, Ill.	17	Phil Capps
1,029,544,005	WPWealth	Fort Worth, Texas	18	Shane Miller
955,000,000	Adams Brown Wealth Consultants	Wichita, Kan.	22	Justin Mitchell
909,761,204	KerberRose Wealth Management*	Shawano, Wis.	12	Daniel Wotruba
880,865,022	REDW Wealth*	Albuquerque, N.M.	15	Douglas Hatcher
863,000,000	Kemper Capital Management	Robinson, Ill.	17	Thomas Moore
860,227,526	Brass Tax Wealth Management*	Cincinnati	29	Nick Schulte and Leah Schulte
831,000,000	Delap Wealth Advisory	Lake Oswego, Ore.	9	Jared Siegel
824,730,230	Keller Wealth Advisors*	Victoria, Texas	12	Thomas Lane Keller
824,282,906	Brickley Wealth Management*	San Mateo, Calif.	7	Steve Brickley
819,277,781	PYA Waltman Capital*	Knoxville, Tenn.	16	J. William Waltman
809,666,561	Wiss Private Client Advisors*	Florham Park, N.J.	12	Stephanie Hughes
796,450,000	Bernath & Rosenberg	Cedarhurst, N.Y.	8	Jacob Rosenberg
753,733,591	Kuhn Advisors*	Durham, N.C.	8	Mark Kuhn
743,264,105	Oujo Wealth Strategies	Wall, N.J.	14	Jack Oujo
730,377,719	Droms Strauss Wealth Management*	St. Louis	9	Steven Strauss
730,154,643	McMill CPAs & Advisors*	Norfolk, Neb.	50	NA

AUM ($)	Firm name	Location	Staff	Chief executive
722,181,779	Leelyn Smith*	Geneva, Ill.	21	Drew Grider
700,000,000	Wealthspring Financial Partners	Sparta, N.J.	23	Damien Paumi
650,000,000	Johanson and Yau	Campbell, Calif.	65	Laura Lin
647,000,000	Smith + Howard Wealth Management	Atlanta	10	Tim Agnew
645,557,984	Dopkins Wealth Management*	Williamsville, N.Y.	7	Thomas Emmerling
616,684,135	AAF Wealth Management	Westborough, Mass.	9	Andrew Hammond and Carmen Grinkis
599,419,819	Brady Martz Wealth Solutions*	Grand Forks, N.D.	5	NA
590,638,330	Lauterbach Financial Advisors*	El Paso, Texas	6	Suzanne Lindau
589,272,258	BMSS Wesson Wealth Solutions	Birmingham, Ala.	9	Mark Wesson
575,364,391	McGowan & Co.*	Bryn Mawr, Pa.	3	Brian McGowan
560,000,000	Cordell, Neher & Co.	Wenatchee, Wash.	45	Steve Neher
560,000,000	Matthew Delaney	Santa Rosa, Calif.	3	Matthew Delaney
550,000,000	ShankerValleau Wealth Advisors	Skokie, Ill.	7	John Valleau
547,000,000	SK Wealth Management	Providence, R.I.	9	Jason Archambault
543,508,327	DHJJ Financial Advisors*	Naperville, Ill.	10	Paul Minta
541,186,105	Schubert & Co.*	McKinney, Texas	8	Kelley Schubert
539,087,689	Napier Financial	Braintree, Mass.	14	John Napolitano
505,696,988	Madrona Financial & CPAs*	Everett, Wash.	19	Brian Evans
496,814,868	HoganTaylor Wealth*	Tulsa, Okla.	11	Todd Wisdom
496,801,128	Andrews, Lucia Wealth Management	Danville, Calif.	2	Robert Lucia
493,941,180	Squire Wealth Advisors*	Orem, Utah	12	NA
490,786,468	Burkett Financial Services*	Rock Hill, S.C.	7	Kevin Smiley
453,651,668	Kraft Asset Management*	Nashville, Tenn.	7	Stephen High
453,096,614	Wealth Advisors of Iowa	West Des Moines, Iowa	6	Jonathan Pearson
439,945,283	AGH Wealth Advisors*	Wichita, Kan.	5	Brad Bechtel
433,347,404	BGM Wealth Management*	Bloomington, Minn.	8	Jon Meyer
427,505,173	John F. Suby Wealth Managemenet*	Madison, Wis.	3	John Suby
426,815,438	Onyx Financial Advisors*	Idaho Falls, Idaho	8	NA
425,000,000	Davie Kaplan CPA	Rochester, N.Y.	70	Jennifer Jones
425,000,000	Mark Sheptoff Financial Planning	Glastonbury, Colo.	2	Mark Sheptoff
405,676,340	Coston, McIsaac & Shea Financial Advisors*	Bar Harbor, Maine	10	NA
404,943,247	HRC Wealth Management*	Moscow, Idaho	8	Brad Lewis
404,000,000	Pitzl Financial	Saint Paul, Minn.	6	Joe Pitzl
403,663,706	Mowery & Schoenfeld Wealth Management	Lake Forest, Ill.	9	Kristy McCullough
402,376,008	Kassouf Wealth Advisors*	Birmingham, Ala.	10	Gerard Kassouf
400,000,000	KPM Wealth Advisors	Springfield, Mo.	7	Skylar Smith
378,295,537	Hungerford Financial*	Grand Rapids, Mich.	4	Thomas Price
377,857,588	McCarthy Asset Management*	Redwood Shores, Calif.	4	Steve McCarthy

TOP FIRMS BY AUM: WEALTH MAGNETS

AUM ($)	Firm name	Location	Staff	Chief executive
371,837,948	WebsterRogers Financial Advisors*	Florence, S.C.	10	Amy Fisher Urquhart
370,784,086	NBZ Investment Advisors*	Knoxville, Tenn.	6	NA
369,140,420	L. K. Benson & Co.*	Towson, Md.	9	Lyle Benson
363,756,323	Alexander Randolph Advisory*	McLean, Va.	7	Gary Schlaffer
359,307,704	LGT Financial Advisors*	Dallas	5	Miller Bentley
350,000,000	Saltmarsh Financial Advisors	Pensacola, Fla.	7	Christina Doss
349,000,000	TSSWMM Advisory Group[4]	Lebanon, N.H.	5	William MacDonald
342,193,883	Mezzasalma Advisors*	Tinton Falls, N.J.	3	John Mezzasalma
341,058,349	Lowery Thomas*	San Francisco	6	Mark Vicencio
337,000,000	Brown Edwards Wealth Strategies	Lynchburg, Va.	14	Ryan McEntire
336,786,863	Settanni Financial*	Katonah, N.Y.	5	Don Settanni
332,054,543	Practice CFO Investments*	San Diego	35	Wes Read
302,857,130	Kaufman Rossin Wealth*	Miami	9	Jay Pelham
295,715,661	Kilner Capital Advisors	Gaithersburg, Md.	3	Joseph Kilner
292,369,594	Mine & Arao Wealh Creation and Management*	Campbell, Calif.	4	Bud Mine
291,189,040	BBJS Financial Advisors*	Seattle	2	William Serres
290,690,076	Steel Tower Investments	Pittsburgh	6	Elizabeth Urish
288,497,342	Tate Private Wealth Advisers*	Sacramento, Calif.	4	Michael Tate
275,000,000	ORBA Wealth Advisors	Chicago	6	Frank Washelesky
273,673,217	Christensen, King & Associates*	Richland, Wash.	10	NA
270,877,513	Wealth Management CPAs*	Salt Lake City	11	Rob Beck
265,000,000	Hadad Milinazzo Financial Group	Denver	4	Ann Milinazzo
261,244,000	Enright Mollin Cascio & Ramusevic	Elmhurst, N.Y.	3	Douglas Mollin
255,000,000	Briggs Wealth Management	Glastonbury, Colo.	4	Mark Briggs
250,119,823	Jack B. Murad CPA	Agoura Hills, Calif.	1	Jack Murad
248,311,988	Maner Wealth	Lansing, Mich.	5	Michael Nordmann
242,395,217	PKS Investment Advisors*	Salisbury, Md.	9	Daniel O'Connell
235,000,000	M. White Financial Services	Baytown, Tex.	3	Matthew White
225,000,000	Joseph A. Cannova CPA	Toms River, N.J.	5	Joseph Cannova
225,000,000	M. Dean Owen CPA	Paducah, Ky.	6	Dean Owen
220,080,000	Wilkins Miller Wealth Management*	Mobile, Ala.	3	Greg Bowen
220,000,000	CDSF	Willmar, Minn.	3	Chance Hooper
220,000,000	Griffiths, Dreher & Evans	Spokane, Wash.	23	Deanna Dreher
210,000,000	Schexnayder Wealth Advisors	LaPlace, La.	3	Nolan Schexnayder
205,209,381	Gragg Financial	Shelby, N.C.	12	G. Bryon Gragg
204,570,207	Bland Garvey Wealth Advisors*	Richardson, Texas	5	John Garvey
202,906,224	Sanchez & Zures*	McLean, Va.	2	Paul Sanchez

4 Changed name from Portsmouth Wealth Management following a merger

Special Report

A blueprint for advisory

Advisory from the ground up

How to take a strategic approach to building an advisory practice

Voices

BOOMER'S BLUEPRINT

Leveraging assets to grow: A guide for firm leaders

By L. Gary Boomer

Growth in the accounting profession isn't just about adding more clients or staff; it's about thinking differently. As market demands shift and technology reshapes our work, firms that want to lead the pack must learn to grow smarter, not just bigger.

One powerful way to do that is to leverage assets. Inspired by the Exponential Organizations model, this strategy allows firms to scale rapidly, control overhead, and expand their impact without increasing what they own. At a time when efficiency and agility are competitive advantages, understanding how to make the most of resources you don't own could be the difference between stagnation and strategic growth.

What are leveraged assets?

Leveraged assets refer to resources a business uses but doesn't own. Instead of holding physical or digital assets on its balance sheet, a firm can rent, lease, borrow or access these assets through innovative arrangements. Examples of leveraged assets include:

- **Physical assets.** Accessing office spaces, IT infrastructure or shared client meeting rooms on demand.
- **Digital assets.** Cloud-based software for tax preparation, client relationship management systems, or collaborative work platforms like Microsoft Teams or Asana.

Big companies like Uber employ this strategy, building scalable businesses by accessing underutilized physical assets rather than owning them.

Accounting firms traditionally rely on owning resources, from office buildings to proprietary software systems. However, embracing a leveraged model can bring several benefits, including:

1. Cost optimization. By leasing or renting resources, firms can convert fixed costs into variable costs, reducing financial risk and improving cash flow.

2. Scalability. Leveraged assets help firms scale operations quickly to meet demand during busy seasons without long-term commitments.

3. Focus on core competencies. Outsourcing noncore functions like IT infrastructure or HR lets team members concentrate on delivering high-value advisory and consulting services.

4. Flexibility and resilience. Accessing on-demand resources gives firms the agility to adapt to market changes or technological advancements.

Applying leveraged assets in your firm

Here are four ways your firm can reduce costs, improve efficiency, and expand capabilities without increasing ownership.

1. Digital transformation. Start by embracing digital tools that remove the limitations of traditional infrastructure. Migrating to cloud-based accounting platforms like Xero or QuickBooks Online improves accessibility for your team and clients, and eliminates the ongoing costs of server maintenance and upgrades.

Layer in AI-driven tools to automate routine processes like document collections, data aggregation, tax calculations, and client communications. This frees up your team to focus on high-value advisory work.

2. Shared physical resources. Rethinking your physical footprint can also drive efficiency. Rather than investing in permanent office space in every market, consider co-working or shared spaces for occasional client meetings to create a more flexible and cost-effective approach.

Likewise, leasing equipment like high-speed scanners and printers gives you access to the latest technology without the burden of ownership, maintenance or depreciation.

3. Platform ecosystems. Tapping into established software ecosystems allows firms to deliver better service without building everything in-house. Platforms like Intuit ProConnect, Wolters Kluwer and Thomson Reuters offer integrated tools tailored to tax and audit workflows.

Add-on solutions like TaxCaddy and SafeSend enhance the client experience by streamlining document exchange, electronic signatures, and payment collection while keeping your core systems tightly connected.

4. Outsourced expertise. Not every capability needs to live within your four walls. Bring in outside consultants for specialized services like cybersecurity reviews and strategic planning. This lets your firm offer premium expertise without hiring full-time staff. This on-demand access to deep knowledge ensures you stay competitive and relevant, even as client needs evolve.

A leveraged assets strategy

Follow these steps to successfully integrate leveraged assets into your firm.

1. Audit current resources. Identify underutilized assets within the firm and assess opportunities for outsourcing or sharing.

2. Explore digital solutions. Research tools and platforms that align with your firm's "Massive Transformative Purpose."

3. Validate the market. Ensure sufficient demand for the services or solutions you plan to scale.

4. Build partnerships. Establish agreements with third-party providers for seamless access to assets.

5. Measure performance. Track the effectiveness of leveraged assets using metrics such as cost savings, client satisfaction, and revenue growth.

Leveraging assets offers several advantages, but it's important to consider potential downsides. For example, overreliance on gig economy workers for seasonal tax help may impact team culture or service quality. Make sure your growth strategies align with ethical practices and long-term client relationships.

Leveraging assets isn't just a tactic for tech startups; it's a transformative strategy your firm can adopt to unlock exponential growth. By strategically accessing physical and digital resources, you can enhance agility, reduce costs, and better serve clients in an increasingly complex financial landscape. The path to becoming an Exponential Organization starts with a single step: rethinking ownership and optimizing leverage.

Think — plan — grow! **AT**

__L. Gary Boomer, CPA, CITP, CGMA__, is the visionary & strategist at Boomer Consulting Inc.

TAX STRATEGY

Post-filing season update

By Mark A. Luscombe

It is getting a little difficult to talk about a post-tax filing season after April 15, 2025. With the use of tax extensions and the number of disaster-relief related extensions, many tax return preparers are seeing the tax filing season continue through the summer and fall.

It was the 70th anniversary of the April 15 tax filing deadline this year. Still, the statistics being reported by the Internal Revenue Service look fairly normal compared to the 2024 tax filing season. By April 18, 2025, the IRS reports that 140,633,000 tax returns had been filed, up about 1.1% from 2024. The IRS notes that typically an additional 10% of returns will be filed by the extended tax deadline of Oct. 15, 2025, representing an additional 16% of tax revenue.

Further, all or part of 10 states had filing deadlines extended due to natural disasters, with filing deadlines ranging from May 1, 2025, to Nov. 3, 2025. The IRS typically releases an additional filing update in mid-July.

Tax refunds for 2025 of 86,021,000 were similar to 2024. The refund amount was an average of $2,942, up 3.3% from 2024. E-filings by tax professionals were 72,504,000, up by

1.7% from 2024, while self-prepared e-filings were up more modestly to 63,726,000. One interesting statistic from the IRS was that visits to IRS.gov were down significantly from 571,496,000 in 2024 to 322,948,000 in 2025.

The 2025 tax return itself was not too different compared to 2024, except for the usual inflation adjustments. Additional Form 1099-K filings perhaps made the most significant change for 2025 filings.

There were a few provisions from prior tax legislation still coming into effect in 2024, such as the ability to transfer the Clean Vehicle Credit to the dealer, which did result in some confusion and at least temporarily rejected claims for the credit.

Congress in 2024 did not adopt any major tax legislation to add further changes. The 2026 tax filing season could look very different depending upon whether Congress manages to pass new tax legislation this year. Tax professionals will have the expiration of the individual provisions of the Tax Cuts and Jobs Act to deal with if Congress does not act, and potentially new changes to deal with if Congress does act, although it is not clear how many of those changes might be effective for 2025.

Congress

Congress has approved a budget framework for a budget reconciliation tax package with a focus on extending those individual provisions from the Tax Cuts and Jobs Act. However, Congress is also trying to squeeze in some or all of President Trump's tax proposals, including no tax on Social Security benefits, no tax on overtime, no tax on tips, a possible reduction in the corporate tax rate for domestic manufacturers, a deduction for interest on car loans, and perhaps a modification of the state and local tax deduction limit.

Possible revenue offsets to come within the budget framework numbers include spending cuts, tariff revenue, assumptions about economic growth resulting from the legislation, repeal of some clean energy credits, and using a budget gimmick to assume that extending current provisions in the Tax Code do not require revenue offsets, even though they add to the deficit.

It will be difficult to accomplish everything that congressional Republicans hope to include while also appeasing the deficit hawks among their members and Republican moderates vowing to preserve Medicaid.

The House has already introduced a series of tax bills addressing matters such as timing of receipt of electronic submissions, communication of math adjustments, disaster relief (including tying relief to state as well as federal disaster declarations), the ability to replace stolen checks electronically, and a bill to enhance certain administrative functions.

IRS

For the IRS, along with most of the federal government, it was far from a normal tax season. Having just staffed up for more enforcement, customer service, and technology improvements thanks to funding from the Inflation Reduction Act, the IRS is now facing a possible 25% reduction in its workforce through a deferred resignation program and a voluntary separation incentive program.

In addition, although it is still tied up in the courts, there may still be departures of provisional employees. Leadership at the IRS has also been unstable, with three interim IRS commissioners since IRS Commissioner Daniel Werfel resigned on Jan. 17, 2025.

Other changes announced by the IRS include elimination of the beneficial ownership information reporting requirement for domestic entities and declaring obsolescent a variety of old guidance.

Congress acted to overturn the IRS requirement for crypto broker DeFi reporting on Form 1099-DA. The IRS also announced the withdrawal of the final regulations on partnership basis-shifting transactions involving related parties as a transaction of interest.

However, Revenue Ruling 2024-14 appears to remain in effect, providing that the economic substance doctrine applies where basis shifting among related parties does not have economic purpose or substance. There are also indications that the IRS Direct File program, which was around for 2024 and 2025, will not be continued for future years.

Summary

The relative stability of the 2025 tax filing season is likely to be very different next tax filing season. Congress hopes to pass major tax legislation, some of which will preserve the status quo but other parts of which will present new tax filing challenges.

It is still too early to ascertain the impact on the IRS; however, the loss of so many employees and leadership turnovers point to less enforcement and compliance activity, and less revenue collected from such activities, including a pullback of the effort to increase partnership audit activity. There could also be a return to declines in customer service.

At the American Bar Association Tax Section meeting in Los Angeles in February 2025, no representatives of the Treasury or the IRS were permitted to attend or participate in the usual discussion panels.

At the time of this writing, the next meeting of the Tax Section was due in mid-May, in Washington, D.C. It will be interesting to see if government panelists are permitted to go the few blocks to the conference. Usually, the exchange of ideas is very helpful to the tax professionals in attendance and to the government personnel seeking comments on proposed guidance. **AT**

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TECHNOLOGY TOOLS

Don't be replaced by AI

By Ellen Choi

I have a confession: I am a little worried.

I'm worried because I don't believe we've been representing the situation with AI in accounting correctly. In our profession, we're fond of the mantra: "Accountants using AI will replace accountants not using AI."

But I don't think that's fully true anymore. Some types of accounting work, regardless of whether AI is being used by the human performing them, will be replaced by AI itself. Full stop. That's the dirty little secret we're not talking about enough.

This mirrors the broader trend in the corporate world. What was once whispered is now turning into public conversations, as evidenced by this recent viral internal memo from Shopify CEO Tobi Lütke, where he directly stated: "Before asking for more headcount and resources, teams must demonstrate why they cannot get what they want done using AI."

A prominent venture capitalist, Victor Lazarte (a general partner at Benchmark) put it even more bluntly on the "Twenty Minute VC" podcast: "Big companies talk about, like, 'AI isn't replacing people, it's augmenting them' ... This is bullshit. It's fully replacing people."

There is a new reality that is quietly emerging: Forward-thinking CPA firms are beginning to adjust their hiring strategies for entry-level roles — because AI is now capable of handling much of the foundational work those roles traditionally performed. These firms are seeing paths to grow and scale while holding steady, or even reducing their need for certain types of entry-level staffing.

It's a development that is uncomfortable to acknowledge — but it's also an invitation. Because this conversation isn't really about eliminating jobs. It's about how the shape of work is changing, and what that means for how accountants can rethink and reimagine the value we bring. How to not just survive, but truly thrive in this next chapter of the profession.

If you're a partner nearing retirement, maybe you can wax poetic about "how we used to do it before Copilot," and rest the laurels of your distinguished career. But for the rest of us, the question is: How do we future-proof ourselves for relevance?

The heart of the answer comes from understanding where AI is limited and understanding where humans can uniquely add value. It's not about rejecting technology, but about recognizing that accounting roles are not all created equal and the distinctly human layer that still matters and will continue to matter.

The most successful accountants will internalize that our jobs aren't to race against machines, but to work and collaborate alongside them — as orchestrators, strategists and creative thinkers.

With that, here are some tips.

1. Go where AI can't be trained quite yet — emerging and ambiguous arenas. AI thrives on well-structured data, heuristics, and historical precedent. That makes long-established fields with high data density the most vulnerable to AI takeover.

But new and emerging domains? Those are still being defined, and that's where humans can shine. Take crypto accounting or the evolving regulatory landscape around artificial intelligence itself. These areas are inherently immature from a modeling perspective, lacking the rich historical datasets AI needs to perform reliably. That means humans will play a larger role in setting the rules, defining frameworks, and shaping the profession.

If you want a moat, find the liminal spaces where the rules are still being written. That's where the highest human leverage will be for years to come.

2. Move up the judgment curve — into advisory. The advisory space remains rich with human relevance because it demands something AI still struggles with: context, nuance, judgment, and true (not mimicked) creativity.

Start asking:

- What requires interpretation and tradeoffs?
- Where do client goals and risk tolerance shift the answer?
- What calls for empathy or negotiation?

That's your opportunity zone.

Don't just run reports or surface insights; help clients understand what it means, what to do next, and what to watch out for. The most valuable professionals will be those who can interpret AI outputs and guide real-world action to truly step into the trusted advisor role.

3. Become a bridge between AI systems. As AI agents proliferate, each with specialized capabilities, a new skill set is emerging: stitching together outputs from multiple systems into something cohesive, creative and client-ready.

This is the human layer that machines can't easily replicate:

- Making unexpected connections across AI tools and outputs.
- Knowing when one system's limitations can be offset by another's strengths.
- Layering on storytelling, strategy or foresight that spans disciplines and technology systems.

Think of yourself less as the doer and more as the conductor, leveraging an orchestra of AI tools to produce something greater than the sum of its parts.

Final thought

Here's the truth we haven't quite said aloud yet: Your job description, the unique value you think your role brings, may already no longer exist. AI systems are furiously evolving. The technology is here. More importantly, businesses and firms are making different decisions based on those technologies today. What hasn't caught up yet is perception.

But that's also where the opportunity lies.

AI is reshaping the landscape of accounting, but not in a way that eliminates the profession. It challenges us to think bigger about what it means to be a value-creating accountant. The roles most at risk are those that are linear, repetitive and data-heavy. But those that involve deep client relationships, nuanced understanding, and strategic foresight? Those are not only safe, they're set to thrive.

Accountants who embrace this shift will find themselves on the frontlines of transformation, delivering greater impact than ever before. By leaning into judgment, creativity, and the ability to orchestrate across AI tools, we can elevate our work and our value. In doing so, you'll not only stay relevant — you'll thrive in the evolving world of accounting. AT

__Ellen Choi__ is the CEO of Edgefield Group, a consultancy that offers services at the intersection of AI, technology and business transformation.

ALTERNATIVE PRACTICE STRUCTURES

To PE, or not to PE: Is that the question?

By Kristen Rampe

Many small and midsized firms are seeking a sounding board for the myriad calls they are getting from private equity firms and others seeking to acquire accounting practices. They're exhausted. And the ongoing barrage continues to add pressure for firms to make a call on whether or not they should "go PE."

There are benefits to upgrading aspects of public accounting with an infusion of profit-oriented owners instituting goals, accountability and growth drivers. However, each firm would do itself, and the profession, the best service by reflecting thoughtfully about the options at hand.

Before seeing "Should we go with private equity?" as the question, firms should step back and review their specific strategy and position. Maybe whether to go PE is still a possibility, but only after they've answered preliminary questions that would drive them to consider private equity.

What does a firm need to know to determine its interest, or not, in PE (or another external capital partner)?

10 critical questions

1. How do you measure success (profitability/financial reward, client service, internal culture, lifestyle, professional contributions, community contributions, among others)? It's OK to measure success differently than your peers or industry benchmarks.

2. How satisfied are you with your firm's success? Rate each success area you identified above.

3. How confident do you feel in your ability to continue your success during your career, and for the ongoing legacy of your firm (after you've retired and been paid out)? Note: Many firms feel confident enough in continuing at a rate that meets their needs, whether they are above or below traditional or industry benchmark measures of success. This is a fine place to be, and "not to PE."

4. How much preference do you have for autonomy in strategy and decision-making versus having additional leadership and influences in these areas?

5. How much preference do you have for continuing to champion industry trends and challenges, such as recruiting and technology/artificial intelligence, with your current or projected internal resources?

6. How much preference do you have for continuing to do the ongoing work related to back-office operations like billing, collections and firm administration?

7. Do you have the internal leadership talent and culture of accountability to reach your goals?

8. If you could have more profitability and resources along with the involvement of outside capital and influence, would you want that arrangement?

9. If outside capital and influence are of interest to your firm, should you look at the pros and cons of mergers (equal or up), employee stock ownership plans, family office capital or others in addition to PE?

10. What are the pros and cons of each option as it relates to the impact on your success measures identified above?

Much like a choose-your-own-adventure story, the answer to each of the 10 questions above doesn't always lead where you might expect. You may find that PE is clearly the best choice for your firm. You may find that an ESOP is very attractive, or that selling to a larger CPA firm would be the best fit for your team and clients. You may feel more confused than ever. You may find that you remain content with your partnership-model firm, just as you were before.

Here are a few vignettes from firms I've talked with recently, and which options they are considering:

In one case, a $5 million firm wants to take a new step forward, something other than "what we've done" to propel it to future success. The partners want to continue to develop their next generation, allow current (not-quite-retirement-age) partners more opportunities, either via ongoing client service and less admin, or by moving from a client service role to an M&A role seeking out acquisitions for growth.

It's likely this firm's leaders would feel satisfied with their success but have some concern about their ability to continue it, especially in the realm of recruiting and the administrative work required to operate a CPA firm. They are interested in pursuing PE to expand their options and seek a secure future for retirees, partners, staff and clients.

In another case, an $8 million firm is content with its $600,000 average income per partner, and sufficient talent pipeline, including newer partners to replace upcoming retirements. The partners share a desire to keep buyouts at a reasonable price to allow newer partners similar current income success as earlier partners. They feel confident their in-house decision-making and governance will perpetuate the investments, profits, culture and client service they have enjoyed to date.

It's likely this firm's partners would feel satisfied with their success and are content with their leadership group's abilities and capacity to continue it. They are interested in staying independent to continue the legacy, including autonomous decision-making and profits that they've built to date.

Making a decision

Along with those firms that know which option they would choose, many are in the land of uncertainty. For this, I recommend continuing your quest to learn more about various options, engaging in a deeper strategic planning process, and ultimately making a call, even if it's for a limited time frame, like six months, at which point you can revisit.

Decision-making will allow you to move on with your goals and objectives and know clearly whether you should pick up that next inbound call offering the riches of capital, or continue to champion the business you've already built. **AT**

__Kristen Rampe, CPA__, is the managing partner of Rosenberg Associates.

WORKFORCE MANAGEMENT

Pay transparency leads to more engaged employees

By Dominic Piscopo

The taboo around discussing and comparing accounting salaries is slowly fading. New salary transparency legislation is being passed in states like New York and California. Thousands of accountants are using salary comparison websites to view and share salary data openly. Having more transparency around pay is a boon to employees and job seekers alike. But can pay transparency also benefit employers? The answer is a resounding yes.

When a firm is following a data-driven approach to compensation — for instance, by comparing its salaries to industry benchmarks for each position — it can help set reasonable compensation expectations for employees. For example, some of my previous employers committed to benchmarking our compensation to the 75th percentile, communicated it to employees, and showed the calculations they used to arrive at their conclusion. From that point forward, anyone who was unhappy about their compensation could no longer claim they were "underpaid." Instead, they had to approach their pay argument from a more quantitative perspective.

To justify being paid beyond the 75th percentile, a team member would have to show why their contributions to the business were well beyond the 75th percentile — and how their efforts were reflected in the company's performance. In this scenario, it's important for the 75th percentile to be based on data relevant to the employee. For example, according to our firm's data, a tax manager at the 75th percentile across the U.S. in 2024 has a base salary of approximately $150,000. But in the case of an employee working in-office in New York City, that same 75th percentile would be a $183,000 base salary to account for a higher cost of living.

Any increase in salary beyond the benchmark would need to be accompanied by a commensurate increase in company performance beyond that benchmark. As a result, the firm becomes more results-driven and employees become better aligned with the company's goals.

Being transparent when setting compensation is a great way to align employee incentives with firm performance. Further, it provides a great amount of psychological safety. There aren't many professionals who are more numbers-driven than we accountants. It's natural to wonder if you are optimizing your earnings by staying at your current firm or jumping ship. (More on that in a minute.) Just know that thinking about your comp takes up a lot more mental energy than you might think. Replaying your last compensation discussion over and over in your head can be stressful and counterproductive. It's easy to spend an inordinate amount of time thinking about your next steps for getting a promotion or perusing open jobs online to see if your current compensation is at the "market" rate.

You can put your mind at ease when you are confident that your firm is taking care of you and is making its best efforts to ensure your compensation is in line with market rates. When the psychological burden of pay equality is lifted, you can focus better and do your best work. That's great for you and great for the firm.

The loyalty tax

When employers don't take a data-driven approach to compensation discussions, however, pay inequity continues in two important ways:

1. Firms end up being reactive rather than proactive. If an employee comes forward with a competing offer, they try to match it; if someone negotiates harder, they capitulate. And they end up with a number of employees with the same job titles providing similar value, with comparable experience, but who are paid vastly differently. And these pay disparities inevitably come to light, which reduces the team's morale, productivity, and loyalty to the firm. They may also find themselves guilty of perpetuating a gender pay gap or succumbing to unconscious biases.

2. Employers inadvertently create a "loyalty tax." They are flexible on salaries to attract talent to the firm but are not offering the same salary bands to internally promoted employees. So, they end up creating a vicious cycle in which employees feel they must change jobs every few years in order to be paid competitively. That's a drain on all parties involved, as the firm loses institutional knowledge and must bear the costs of constantly recruiting, hiring and training new talent. Meanwhile employees feel they must leave a firm — no matter how happy they are there — if they want to be compensated competitively. This can be avoided when firms are transparent about their compensation policies and adhere to them.

So, where's the line?

If you're an employer, I'm not proposing you leave a spreadsheet in the breakroom containing everyone's salary information. Some firms opt for a radical level of transparency, but that's not necessary to reap the benefits I've discussed above. Just having a system you stand by can change compensation discussions from emotional to objective. This makes everyone more productive on your team and reduces hard feelings.

One way to do this is to share the way you benchmark salaries openly, and at what percentile you are looking to peg salaries. Even if you aren't meeting an aggressive benchmark like the 75th or 90th percentile, you can communicate clearly to employees that the firm is choosing a given benchmark because it makes up the salary gap by offering a generous vacation policy, reduced workload, or maybe reduced summer hours.

As my mom always told me growing up, honesty is the best policy. **AT**

***Dominic Piscopo, CPA**, is the founder of Big 4 Transparency.com and host of the "Big 4 Transparency" podcast.*

THE PIPELINE PROBLEM

Tackling the talent shortage with hands-on education

By Dan Luthi

The accounting profession is at a crossroads. Reports indicate there are 340,000 fewer accountants now, compared to 2019. Organizations like the American Institute of CPAs, the New York State Society of CPAs, CPA.com and Intuit have all raised concerns. In the Intuit QuickBooks 2024 "Accounting Tech Survey," 94% of respondents said hiring has been an issue across the board, up eight points from the 2023 survey. At the same time, the profession is seeing a wave of retirements. There just aren't enough new professionals coming in through traditional pathways to replace them.

Why is this happening? The perception of accounting hasn't evolved fast enough. Too many students think accounting is boring (32% actually report that a lack of interest or passion for accounting is a major reason they didn't pursue the degree), that success requires excessive hours, and that tax and audit are the only career paths. Add to that the complexity of becoming a CPA and it's no surprise people are choosing other careers in finance, tech and consulting.

Recognizing this challenge, I, in partnership with Brittany Brown at Ledger Gurus and Utah Valley University professor David Waite, created an accounting course that connects education with real-world experience. We created a curriculum that teaches students the skills they need to succeed in the accounting profession — whether they pursue a CPA or explore alternative pathways like advisory, technology-driven roles, or specialized financial services. And with the support of Intuit QuickBooks, we're using the free training and certifications through the ProAdvisor Academy and providing students with access to free QuickBooks Online accounts through Intuit for Education.

I'm personally invested in this because my own path in accounting has been anything but traditional. I never had an interest in tax or audit, and I never pursued a CPA. Instead, I built my career around working directly with small businesses, helping them solve real financial challenges. Over time, I became passionate about the role of technology in accounting and how it can drive efficiency and better decision-making. This program is an extension of that passion.

We designed the course with a clear mission: to equip students with real skills and meaningful takeaways. Here's how we structured it:

1. Industry-recognized certifications. We wanted students to walk away with something tangible on their resumes, so we built the course around Intuit's Bookkeeping Certification and the Intuit QuickBooks ProAdvisor Level 1 Certification.

2. Hands-on case study. Instead of just covering theory, we built a real-world case study where students work through the full accounting cycle of a small business. This program focuses on the transactional side of accounting — creating invoices, processing expenses, issuing checks and reconciling accounts. By using QuickBooks Online, students gain practical experience in financial workflows and develop an understanding of how money moves through a business.

3. Real-world business scenarios. One of the most significant gaps in traditional accounting education is the lack of exposure to real-world business challenges. As part of the program, we created the "Mastering Minute," where students work through actual problems accountants face — like distinguishing between contractors and employees, understanding 1099s, and advising businesses on financial decisions. This component focuses on client interactions, teaching students how to translate financial insights into strategic decisions and articulate accounting concepts to business owners.

4. Communication and articulation skills. Knowing accounting is one thing, explaining it to a business owner is another. Too many students graduate without the ability to communicate financial concepts in a way that makes sense to nonaccountants. Our program emphasizes articulation, helping students develop the confidence to translate accounting insights into real advice.

5. Technology and efficiency in accounting. Modern accounting is powered by technology. Throughout the course, we introduce students to automation tools, cloud-based solutions and real-world workflows that improve efficiency and decision-making. Showing students how accounting is using tip-of-the-spear, next-generation technology like generative and agentic AI creates excitement and evolves the overall perception of the work those in the profession do for their clients.

The UVU pilot program isn't just another accounting class — it's about reshaping how we prepare future accountants. By focusing on real applications, industry certifications, real-world problem-solving and communication, we're producing graduates ready to make an impact from day one.

What excites me most is the potential to change the way people view accounting. If we can show students this profession is full of opportunities — not just in tax or audit, but in advisory, tech and business strategy — we can inspire more people to pursue it. That's how we start solving the talent shortage.

This program is just the beginning. Our goal is to refine and expand it, bringing in more educators, professionals and organizations to help shape the future of accounting education. This pilot program, coupled with Intuit's recent announcement about the expansion of its free QuickBooks Online curriculum to educators, has the ability to expand potential career opportunities.

If we want lasting change, we need to take an active role in redefining what it means to be an accountant and ensuring the next generation sees this profession for what it truly is — dynamic, impactful and full of opportunity. **AT**

__Dan Luthi__ is a partner at Ignite Spot Accounting Services and adjunct professor of accounting at Utah Valley University.

A great time to cheat

Daniel Hood
Editor-in-Chief

I didn't want to say this before tax season ended, but my guess is this has to be the best time in all the history of the income tax and the Internal Revenue Service to cheat on your taxes. (Not that anyone should cheat, of course. They definitely shouldn't; taxes are the price we pay for living in a civilized society, and all that.)

But think about it: The IRS, already weakened by a decade or more of budget cuts that saw their top talent bleeding away through attrition, has lost a tenth of its workforce in just the past few months, and now that tax season is over, all the fired employees who were held over until April 15 will actually be leaving. Its leadership is in shambles, with five commissioners in as many months, and no sign of confirmation hearings yet for the man who is supposed to, eventually, take on the job full-time, as well as a number of senior leaders resigning over policy differences with the Trump administration and its Department of Government Efficiency.

(Again, I'm not saying that you should cheat on your taxes — you definitely shouldn't — but if you wanted to, purely hypothetically speaking, you could hardly pick a better time to do it.)

Audit rates, which were already ridiculously low, can only drop as experienced staff retire or are driven out, leaving no one to train new employees, which is fine because many of those new employees were themselves driven out right at the start of the current purge. Unless you fill out your return in human blood or ask for your refund to be direct-deposited to a numbered Swiss account, the likelihood of your being audited is almost negligible. (Still, you totally should not cheat on your taxes.)

Now hypothetically, you might be worried that, even though there aren't enough human staff to come after you, the IRS might be use technology to catch you, but all those staff cuts are hampering the agency's IT projects too, and much of the money they were supposed to get from the Inflation Reduction Act to help improve their tech has been clawed back, so I wouldn't worry too much about it. (Seriously, though, please don't cheat on your taxes.)

It's just that it really does seem like a once-in-a-lifetime opportunity to cheat. The one agency that can stop you — also the one that delivers almost all of the government's revenue — has been hobbled so comprehensively that if you were actually planning to create an environment for tax evasion, you could hardly do better. It's OK to talk about this now, of course, because tax season is over and it's not like any of the people on extension would want to cheat, or like anyone would try to cheat on their quarterly estimates or on the payroll taxes their company is supposed to hand over because they thought the IRS was so weak it wouldn't catch them. No one would do that, right?

— Dan Hood


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