AICPA

AI SYMPOSIUM

CPA.com™

OVERVIEW

AI in ACCOUNTING & FINANCE



WE ARE FOCUSED ON HOW THE PRACTICE AREAS ARE CHANGING

MOVING VERY FAST!

THE MOST VALUABLE USE CASES ARE YOUR OWN!

ACCOUNTING TECH IS AHEAD of the CURVE!

TREMENDOUS NUMBER of AI STARTUPS

OUR RESEARCH:

- BOOKKEEPING & AUTOMATION ALREADY AI-DRIVEN
- HUGE DISRUPTION IS UNDERWAY
- WORKFLOW & EFFICIENCY AI IS ALREADY ADVANCED
- AUDIT & RISK ADOPTING AI MORE CAUTIOUSLY
- ADVISORY LESS AI-DRIVEN

- UPSKILLING
- CAREER EVOLUTION
- COMPETITIVE POSITIONING
- CLIENT RELATIONSHIP FOCUS

TRUSTED ADVISOR!

THE AI LANDSCAPE

REALITY CHECK

AI ONLY KNOWS WHAT YOU TEACH it!

AI SUPPORTS "THINKING" TASKS

AI REQUIRES PEOPLE



BARRIERS to ADOPTION



- PEOPLE & SKILLS
- DATA QUALITY

WHAT STORY IS THE AI INDUSTRY TELLING?

AGENTIC AI

AUTONOMOUS AGENTS DEFINED by:

ROLE | DATA | ACTIONS | CHANNEL | GUARDRAILS

BETTER:

- MARGINS
- PRODUCTIVITY
- RELATIONSHIPS

AI in TAX

BUILDING A NETWORK of CONNECTIVITY

INCREASED QUALITY

LOWER COST

RESILIENT -AI- SYSTEM

IT'S A BUSINESS IMPERATIVE!

AI INNOVATIONS

AI in ADVISORY

MORE

- THOROUGH
- PERSONALIZED
- INTELLIGENT

SECURE, DIGITAL ACCOUNT LINKING

- CATEGORIZING
- ENRICHING



OPEN BANKING

DATA-CENTRIC AI

HYDRATE the DATA

SEMANTIC, VECTOR-BASED

AUTONOMOUS GENERAL LEDGER

REAL-TIME BOOKS!



REGULATORY LANDSCAPE

2 CAMPS



DOING NOTHING is NOT the RIGHT OPTION!

WIN THE RACE!

US: REMOVE BARRIERS

EU: RISK MITIGATION



NIST is the DEFAULT REGULATOR

IT'S A PATCHWORK of REGULATIONS & PROPOSALS

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REGULATORY LANDSCAPE

A LOT of HARD WORK NEEDS to BE DONE

to ACHIEVE OUR AI HOPES AND DREAMS!

PROLIFERATING AND PROGRESSING RAPIDLY

it WILL TOUCH EVERYTHING!

CURRENT AI POLITICAL CLIMATE

IT'S A PATCHWORK of REGULATIONS AND PROPOSALS

ECONOMICS: the COMPUTE is VERY COSTLY!

AI WILL BE A UBIQUITOUS, GENERAL PURPOSE TECHNOLOGY

DOING NOTHING IS NOT the RIGHT OPTION!

HARD to GET ANYTHING PASSED!

ADOPTION

★ REQUIRES SCALE!

WHAT DO WE WANT to CONTROL?

BUILD

CUSTOMIZE

USE

CONSUME

WHAT the AI INDUSTRY DOES WILL BE KEY

NATIONAL SECURITY

JURISDICTIONAL SQUABBLES!

PROCUREMENT

STATES

EUROPE

HOW WILL WE RECONCILE?

FORCE for GOOD 2 CAMPS RISK of EXTINCTION

TEMPERATURE (CREATIVITY) of THE MODEL

DIFFERENT REGULATORY OBLIGATIONS WILL VARY by GEOGRAPHY

WHAT IS OUR STORY?

NIST WILL BE the REGULATOR

NEW US ADMINISTRATION AIMS to REMOVE BARRIERS to DEVELOPMENT of AI

FOCUS ON US LEADERSHIP AND DOMINANCE

SETS "ACTION PLAN" in MOTION

EU FOCUSED ON RISK MANAGEMENT

Top Down

REGLATORY DESIGN PRINCIPLES

- TRUST
- RISK-BASED
- MITIGATE RISK
- INNOVATION
- DATA
- NEW LAWS
- INSTITUTIONS
- ENFORCEMENT
- SCOPE
- GLOBAL HARMONIZATION

CURRENT ADMINISTRATION

...THEN REGULATE

WIN THE AI RACE FIRST!...

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THE AI LANDSCAPE

AUDITING the AI

USING AI for the AUDIT

CURRENT STATE

2024: 58% of FINANCE TEAMS HAVE STARTED USING AI

NEW TECHNIQUES!

SUCCESS CAN BE ELUSIVE!

SPEED of ADOPTION is SLOWER than EXPECTED

PEOPLE & SKILLS

BARRIERS

DATA QUALITY

TIME SAVINGS DRIVEN by AI

NOT TRANSLATING INTO BIG PRODUCTIVITY GAINS...YET!

MARKET EVOLUTION

HYPE CYCLE



WHEN to INVEST? WHAT IS YOUR RISK APPETITE?

SUCCESS

TRACKING ACTIVITY

FINDING NEW DATA & INSIGHTS

AI REALITY CHECK

AI ONLY KNOWS WHAT YOU TEACH it

AI SUPPORTS "THINKING" TASKS

AI REQUIRES PEOPLE! (ONLY REPLACES PEOPLE WHO DON'T USE AI)

HUMAN in the LOOP!

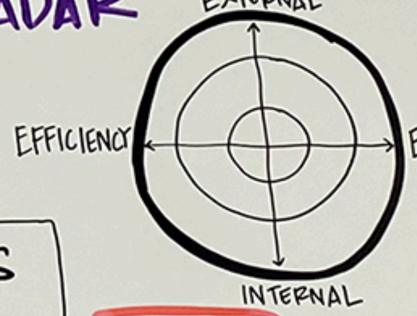
CHOOSE the RIGHT TOOL for the JOB!

OFF the SHELF VS. CUSTOM-BUILT?



THE MOST VALUABLE USE CASES ARE YOUR OWN!

OPPORTUNITY RADAR



LEVEL of RELIANCE

UNDERSTANDING the RISK LANDSCAPE ACROSS CLIENT'S — PLATFORMS —

FINANCIAL STATEMENT AUDIT GUIDANCE

CONSIDERATIONS for AUDIT & ASSURANCE

ETHICS & ADVOCACY PROJECTS UNDERWAY

THOUGHT LEADERSHIP

NAVIGATING the AI REVOLUTION: KEY UPDATES for TODAY'S CPAs

CLOSING the AI TRUST GAP

THE ROLE of CPA in AI ASSURANCE

ROLE of CPAs in STRENGTHENING AI GOVERNANCE AND RISK MGMT

WHITE PAPERS

WORKING GROUPS

ASEC

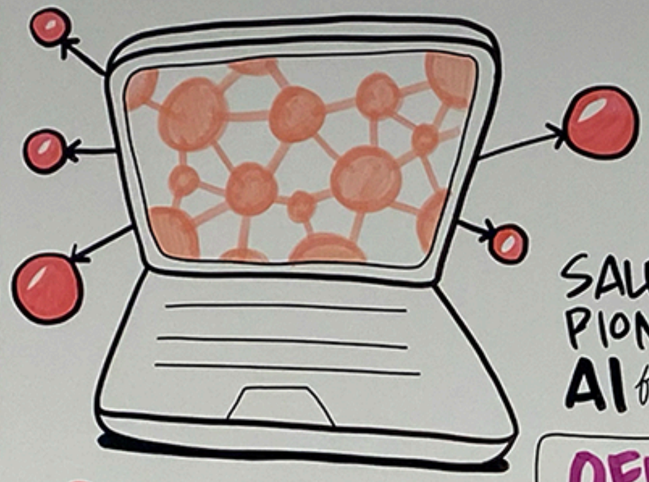
SOC 1
SOC 2

HOW WILL WE AUDIT the AI?

CONTROLS!?

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AGENTIC AI



PERMISSIONS ARE CRITICAL!

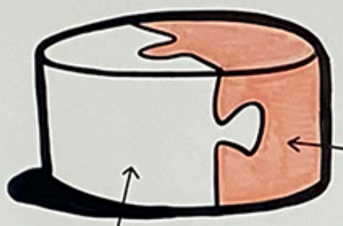
SALESFORCE: PIONEERING AI for CRM

OFFLOAD REPETITIVE TASKS

PERSONALIZE CLIENT INTERACTIONS

FREE UP TIME for MORE VALUABLE WORK

WHITE GLOVE



PROPRIETARY DATA

PUBLIC DATA

LEGAL CONSIDERATIONS:

CONFIDENCE BIAS & TOXICITY

CONTROL SECURITY & TESTING

COMPLIANCE EMERGING LAWS

THE FUTURE

WE WILL BE MANAGING AUTONOMOUS AGENTS ALONG WITH PEOPLE

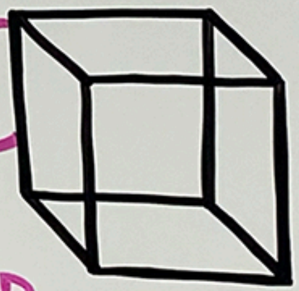
BETTER MARGINS

BETTER PRODUCTIVITY

BETTER RELATIONSHIPS

EXPONENTIAL WORKFORCE

BE TRANSPARENT ABOUT WHEN YOU DEPLOY AI



AGENTS DEFINED by 5 KEY ATTRIBUTES:

ROLE DATA ACTIONS GUARDRAILS CHANNEL

CPAs HANDLE CRITICAL INFO!

AGENTS MUST MATCH the STAKES!

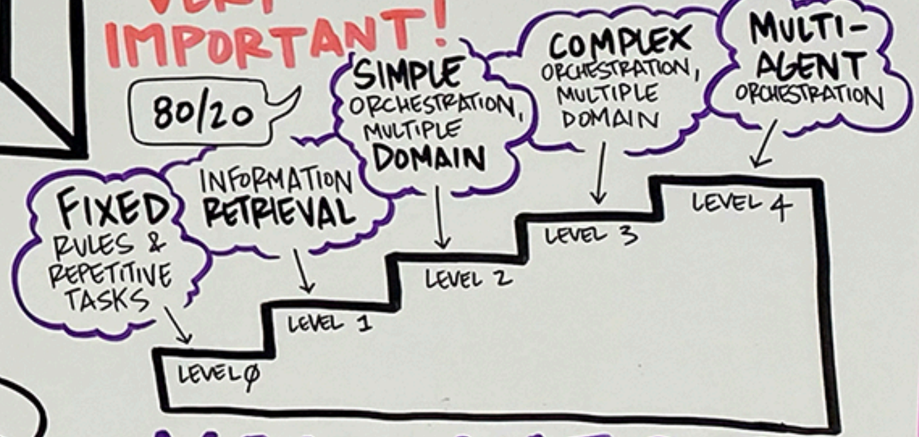
SITUATIONAL AWARENESS

CONSISTENT & ACTION-ORIENTED

ACCURACY & SECURITY

HUMAN in the LOOP is VERY IMPORTANT!

80/20



AGENTIC MATURITY

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DATA-CENTRIC AI

AUTONOMOUS GENERAL LEDGER

SOFTWARE LEADING THE CHARGE

SEMANTIC MODEL

VECTOR-BASED DATA MODEL

HYDRATE the DATA (ADDING CONTEXTUAL INFORMATION-METADATA)

REAL-TIME BOOKS!

IN-THE-MOMENT. DIRECTIONALLY CORRECT

DASHBOARDS

SECURE, DIGITAL ACCOUNT LINKING

OPEN BANKING

CATEGORIZING

ENRICHING

BANK CONNECT

LESSONS LEARNED

- ☑ ACCOUNTING IS NOT GENERATIVE
- ☑ 70% ACCURACY is EASY, DIFFICULTY INCREASES EXPONENTIALLY
- ☑ SHORTCUTS ARE TRAPS
- ☑ TRAINING DATA SCALE AND VARIETY MATTERS
- ☑ MODEL ORCHESTRATION > MODEL SIZE

LAYERED FRAUD DETECTION

- OWNERSHIP
- IDENTITY
- AUTHENTICITY

DIGITAL FOOTPRINT

GOOD AGENT?

LENDING

BIZ2X PLATFORM

HELPING LENDERS RUN THEIR OPERATIONS AT SCALE

ADVANCED SME SCORECARD

ML BASED DYNAMIC SCORING

- SCENARIO MODELING
- DRIVING FULL DIGITIZATION

TRADITIONAL MODEL

BURIED UNDER SOURCE DATA!

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AI INNOVATIONS IN ACCOUNTING AND FINANCE

AI in ADVISORY

- DO MORE BETTER
- DO MORE DIFFERENT

FREE UP RESOURCES to DO HIGHER VALUE WORK

MORE THOROUGH

REVIEW EVERYTHING

REVIEW UNSTRUCTURED, MULTI-MODAL DATA

EXPAND SCOPE

PATTERN RECOGNITION

MORE PERSONALIZED

INDUSTRY AND CUSTOMER-SPECIFIC MODEL TRAINING

TAILORED MODELS

EVOLVING MODELS

MORE INTELLIGENT

MORE POWERFUL SCENARIO PLANNING

MORE ACCURATE FORECASTS

MORE CONTEXT

GREATER SERVICE VARIETY

DEEPER CLIENT VALUE

AI in TAX

REVOLUTIONIZING TAX

REGULATORY COMPLIANCE

DATA-DRIVEN INSIGHTS

AI-POWERED TRANSFORMATION

INDUSTRY ACCELERATION

FINALLY ABLE to BUILD A NETWORK of CONNECTIVITY

INCREASED QUALITY at a LOWER COST

NEED to HELP CLIENTS UNDERSTAND the VALUE ADD of AI

CHALLENGES

CHANGE MGMT & UPSKILLING

FEAR!

COST: BUILD — OR — BUY?

FINDING the RIGHT USE CASES

RISK & COMPLIANCE

ETHICAL

LEGAL

AGENTS REVOLUTIONIZING WORKFLOWS

OPPORTUNITIES

TAX AS STRATEGIC DRIVER

ACCELERATED DECISION-MAKING

CROSS-FUNCTIONAL INTEGRATION

COMPETITIVE DIFFERENTIATION

TAX FUNCTION SCALABILITY

BE TRUSTED

ESTABLISH AI GOVERNANCE

PUBLISH YOUR AI COMMITMENTS

FOCUS CLIENT EXPERIENCE ON CONFIDENCE!

USE SYSTEMS YOU ALREADY HAVE WITH AN OVERLAY

RESILIENCE = ADAPTABILITY + ACCOUNTABILITY + TRUST

BUILDING RESILIENT AI SYSTEMS

IT'S A BUSINESS IMPERATIVE

NEED AI LITERACY AT EVERY LEVEL!

WHAT MAKES AI SYSTEMS RESILIENT?

- ADAPTIVE
- HUMAN IN the LOOP
- AUDITABILITY
- DATA GOVERNANCE
- PRIVACY & TRANSPARENCY

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