Mengali ACCOUNTANCY CASE STUDY

11:11 SYSTEMS

Accounting firm counts on DR for a competitive advantage.

SOLUTIONS: IaaS, DRaaS, 365

Going paperless meant Mengali Accountancy needed a Disaster Recovery and Business Continuity strategy to protect mission-critical client data. The innovative firm then transformed the need to thwart downtime into a unique client benefit.

Founded in 2003, Mengali Accountancy specializes in financial services tailored to real estate syndication and fund management clients. Although many of its clients are large in terms of the dollars and assets they manage, they typically employ a small staff and rely on Mengali to execute all back office accounting needs. By focusing its business model and embracing cutting-edge technology, Mengali has expanded its offices in Healdsburg and San Francisco, California, and continues to grow its client roster.

Mengali Accountancy enables clients to focus on their core business by delivering financial, tax, and payroll accounting services. "We're providing back office accounting support for over two hundred different entities," remarks Renee Mengali, CPA and president at Mengali Accountancy.

"The data we have is mission critical to our clients' businesses. We're processing employee payrolls; we're recording which investors have invested however many millions into each fund; we're logging and tracking the activity of all the investments of every fund; and we're consolidating that activity into fund-level financials that are distributed to hundreds of investors across the country."

THE RESILIENT
CLOUD PLATFORM

CHALLENGES

- Needed a more secure, reliable disaster recovery and business continuity plan
- Required DR data centers outside of California

SOLUTIONS

- [11:11] Cloud (IaaS)
- [11:11] Disaster Recovery for Veeam
- [11:11] Cloud Backup for Microsoft 365

BENEFITS

- Clients view Mengali's backup and disaster recovery capabilities as significant differentiators
- Can easily scale DR plan as business grows
- Gives the firm peace of mind

PROFILE

- Size: SMB
- Industry: Financial Services

> "[11:11] engineers reached out to us to ensure everything was working smoothly. That they walked us through restoring a corrupted data file, that we can easily test our disaster plan—and it's simple enough for me to give my team a laminated card with everything they need to know to recover from a disaster—gives me that peace of mind."
>
> **Renee Mengali, CPA and President at Mengali Accountancy**

Protecting Client Data

Although delighted with the growth and success of her firm, Mengali had to tackle the mounting challenges of moving, storing, and managing large amounts of sensitive financial data.

In addition, most of the firm's clients require third-party external audits. "In real estate syndication, when you're pooling together 150 people who don't know each other inside of a closed fund, they naturally want to make sure their money is being invested properly," says Mengali. "So, as part of the operating agreements, these funds are independently audited every year by an outside CPA firm."

That means Mengali has to efficiently retrieve documents and provide them to third parties ranging from other CPA firms to the IRS and other government agencies.

Initially the solution was an investment in a specialized, high-end document management application to enable a truly paperless office. "We went completely digital back in 2007," explains Mengali. "Now everything is digital with electronic workflows." Clients upload documents, Mengali processes them and provides auditors what they need at the appropriate time. This was an IT and business process advantage other accounting firms of Mengali's size just couldn't provide—and it drove even further growth.

Again, growth brought business challenges. Instead of boundless boxes of paper taking up warehouse space, Mengali's all-digital solution consumed gigabyte after gigabyte of hard drive space. The convenience of transferring and searching electronically was matched by the difficulty of keeping this trove of client financial data secure.

"Before iland [now 11:11 Systems]," recalls Mengali, "we had two types of backup: onsite and offsite. Onsite backup consisted of digital drives that were changed out nightly and taken home weekly by key staff members. Offsite backup was to a facility at the firm's ISP, located only about ten miles away.

"It became clear that the way we were securing our backup data wasn't secure," continued Mengali. "I had a client whose employee was in the process of porting home one of those infamous portable backup drives, and guess what? Her car got broken into. It was really a huge eye-opener for me to think about this critical data that's living on a device, leaving the office and going home with people. That is simply not the secure environment I wanted for sensitive client information."

She also recognized the firm's vulnerability of a disaster recovery backup site in such close proximity to her offices. "When hurricane Sandy hit—and I'm sure this is the genesis of many backup and recovery stories—it became appallingly clear to me that when there's an earthquake, a flood, or a natural disaster of any sort, chances are that our local ISP is going to be affected as well as us."

Finding the Right Solution

The search began for a comprehensive disaster recovery solution that would enable Mengali Accountancy to continue business operations and seamlessly provide the highest quality service to clients.

"I didn't want it to be onsite or on any local media that could be misplaced or stolen," says Mengali. "I also wanted the backup to be far away from California, redundant and work smoothly with our recent virtualization upgrade to VMware and existing Veeam software."

After consulting with the firm's local IT providers and investigating several vendors, Mengali Accountancy found [11:11 Systems] to be the only provider with a solution to meet its requirements. Now Mengali has secure data replication to the [11:11] Continuity Cloud in geographically diverse locations outside California and can restore both data and business services within its Recovery Time Objective (RTO) of four hours.

Disaster Recovery as a Differentiator

"The most important aspect of this for me is peace of mind," says Mengali. "Now our [11:11] solution is part of our service offering with new clients. I tell them that we have a suite of specific offerings in this space that no other CPA firm our size can touch. I can say 'Yes we handle your back-office accounting, allow for internal controls and audits, and handle your offsite backup and data recovery because we have a solution in place for that.' We can position ourselves as a financial services solution provider that has addressed every concern that keeps business owners up at night."

Scalable for the Future

As for the future, continued growth is definitely on the agenda. Mengali cites the baked-in scalability of the [11:11] Continuity Cloud as another point of confidence in the solution. "Because I know it's easy to scale the solution as we grow, I know I don't have to worry about it. We just need to keep delivering exceptional service to our clients, stay on the leading edge of technology, and we'll continue to thrive."

THE RESILIENT CLOUD PLATFORM

MODERNIZE PROTECT MANAGE

11:11 SYSTEMS

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