



What's New

While attending the Faith & Freedom tour in Washington DC, we learned about the MANY special activities related to celebrating our nation's 250th birthday this month. There's truly something for everyone.

Our Business Applications team has built some amazing tools, automation, and Power apps that are transforming how we deliver these solutions, and greatly reducing the time to turn them around to our clients.

Check out Chris's AI/Automation webinars going on all summer.

Enjoy your Fourth of July celebrations. Stay safe – **it's hard to work in construction (or technology) when you're missing fingers!** - *Catherine Wendt*



Making Sense of AI in the Workplace: What Should Your Company Allow?

Artificial Intelligence (AI) tools like Microsoft Copilot, ChatGPT, and Claude are quickly becoming part of everyday work. Many employees are already using them, often without formal guidance, which creates both opportunity and risk. On a recent call with a prospect, he mentioned they had purchased a Claude subscription for everyone because they keep **hearing that if they don't, they'll be behind their competition. I've heard the marketing hype saying that you have to start using AI or you'll be out of business before you know it.** This has a grain of truth but is NOT the whole story.

So, what do you want from AI? As contractors (and technology people), we buy tools to meet specific needs. If **you can't identify the need, why buy the tool?** Some sample goals might be that you want to increase productivity (emails, documents, summarizations);

another might be for automation of workflows or data processing; or maybe for analytics in support of decisions. These questions directly impact which tools make sense to explore. Microsoft 365 Copilot is designed for security productivity inside your environment. Third party tools often focus on flexibility and experimentation.

Maybe your answer to my question was, **'to experiment.'** That's actually a great answer! When we experiment at Syscon, we choose non-production environments. If you experiment with **a new tool, you usually wouldn't test it** on a current job without testing in a safe environment first. Same thing with AI tools.

Another question: Where does your data go? This is a BIG dividing line between the AI tools. Microsoft 365 Copilot operates within your tenant

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and respects your existing permissions, security, and compliance controls. External AI tools (ChatGPT, Claude, etc.) may process or store data outside your environment, **depending on how they're used. If employees paste company data into personal or unmanaged AI tools, that data is now outside your control entirely!** That means you have no audit trail, no visibility for IT/security, and **no data protection. There's even a word for this, 'shadow AI,' which means the AI usage is happening outside the company's governance.**

Unfortunately, you can't completely block AI tools or prevent personal account usage. Users can still access AI tools through personal devices, mobile apps, and alternative login methods (Google, Apple, etc.). Even with Microsoft 365 security tools in place, **there's no guarantee that all AI usage can be prevented.** Instead of trying to block it, we recommend you focus on what you can control and put policies in place. At a minimum, require compliance devices with Multi-Factor Authentication (MFA) for the tools you approve. Consider

monitoring tools to gain visibility into AI usage trends. You can also apply sensitivity labels and Data Loss Prevention (DLP) to protect sensitive information.

Like any tool, success and security will come down to clear policies, user education, and data protection. Be clear what is allowed and what use cases align with company goals. Restrict or even prohibit uploading sensitive or confidential data to non-approved tools. Clearly restrict personal AI accounts for company work with business data.

Many AI enthusiasts are expanding beyond chat into automation and workflows. In some cases, these tools can automatically take specific action; data can move between systems; **and if there's a mistake, it can scale quickly!** Any AI-driven automation should be reviewed and governed just like other business system integrations, especially with regard to security.

If you're still in the early stages of AI adoption, we continue to recommend Microsoft 365 Copilot since it honors


your Microsoft security guidelines **within your tenant. This isn't the right tool for everything, so providing a list of approved AI tools with some guidelines would be next.** We recommend you clearly prohibit personal AI accounts for business data. Consider adding sensitivity labels, DLP, and review what people are using and creating, just like you would monitor any other employee **output. It's pretty likely your people are using these tools.** Keep the communication open and provide the leadership and guidelines they need to help guide their journey. — CMW

"Once we rid ourselves of traditional thinking we can get on with creating the future."
— James Bertrand

Issues By O'Donnell, Hawkes, Young

We have been using the Traction Entrepreneurial Operating System (EOS) structure for several years now. Many of our clients follow this method, as well. In April, I attended their Annual Conference in Kansas City. The authors of this book are Master Trainers with years of experience working with companies.

In regular Traction meetings, there is an opportunity to bring up issues. These could be problems, challenges, obstacles, or opportunities. **This book is focused on how to 'IDS' those issues** — Identify, Discuss, and Solve — with an emphasis on solving them fast and permanently.



After a recap of the EOS Method made up of Vision, Data, Process, Traction, Issues, and People, the au-

Book Nook

thors turn their attention firmly to Issues. **We've struggled with our Issues list over the years, managing it, choosing the highest priority items when everything seems pressing, and digging in to find the root of the issue. There's a fun 'The 10 Commandments of Solving Issues' section, too.**

There are really only three options when it comes to an issue: live with it, end it, or change it. Making this list can feel overwhelming, but the authors remind us that issues are a gift and **can fuel growth. I love the 'Open and Honest' chapter. They define being 'nice' as Nothing In me Cares Enough to tell you the truth!** Ignoring the elephant in the room or the sacred cow might be easier, but will not grow the company. Lots of good reminders whether or not **you're an EOS user. Recommended!** - CMW



Managed Detection and Response (MDR)

We've written on this topic several times. This is an add-on layer of security that sits on top of the basic core protections for managed computers, watching for changes in behavior on Windows computers and Microsoft 365 accounts, with human beings watching 24/7 to take action quickly. We strongly recommend it for all our clients, and this summer, we're taking that a step further.

We've seen more account takeovers than ever, and AI has made phishing emails alarmingly convincing, the kind even careful people fall for. You can't stop every person on your team from clicking a bad link and typing their password. Nobody can. But with MDR in place, the moment an account starts acting oddly, things get locked down while your business keeps running.

These bad actors are very patient. The moment they take over an account, they wait... Sometimes weeks can go by while they learn how your money moves, often holding out for a big draw or a payroll day. This is just the kind of behavior MDR is designed to detect and shut down!

We've been running MDR within our own systems for a while now, and we've been very impressed with what it catches and how quickly. We have an email campaign that you'll see during July with more about this add-on security service and the importance of making it as standard as anti-virus and patch management! As always, we welcome your questions!- CMW

Installing Claude—a Word of Warning

We recently had a client call with a request to enable Developer for users with Claude—this is a BIG security concern, so we called to talk through their request.

They really just wanted to install Claude, which we helped them do, but without enabling the Developer mode. Turns out this special mode allows for control and the authority to make changes to the actual computer!

It's very important that users have the tools they need to get their job done. It's even more important that users cannot install executables on the computer (a malicious link is an example of why) and do not have the authority to make changes to computer configurations.

Any questions, or if you're unsure, please give us a call and we'll be happy to go through the choices and find a way to help you reach the goal! -CMW

Stay Vigilant When it Comes to Domain Names

Bad actors registered a domain lookalike using the two letters 'rn' instead of an 'm' - did you even catch that in this sentence? The lower case R and N look an awful lot like an M which allowed them to impersonate various vendors.

They edited invoices and swapped out banking details to redirect payments. They got in the account, took their time to learn the vendors and relationships, created what they needed, prepared all the 'fake' invoices, then attacked!

Please share this with your AP and PO team members. Continue to be leery of any requests for bank changes and demand that changes are only made after you call the number YOU have on file and initiate a conversation with someone you know at the vendor. — CMW



Shiny New Gadget Of The Month:



Crazy Aaron's Thinking Putty

Well this one is a little different for our Gadget of the month and is recommended by Dan!

On their website, they describe this as 'the most amazing mind-bending fidgets in the universe.' They claim this is fidget fun for everyone. Each product is creatively designed, carefully tested, and made of the highest quality.

They have over 100 varieties of Thinking Putty with 30+ different effects. There were picture of kids creating various fun things, and just plain stretching out the putty! They boast 100,000 tins of Thinking Putty made every day.

It's non-toxic, won't dry out, and doesn't leave a sticky or slippery residue on your fingers. Stretch it, bounce it, pop it, tear it, sculpt it, roll it, smooch it! Comes in a variety of colors, scents, some with sparkly pieces and one glows. Most tins are in the \$4 to \$15 range; stocking stuffers? CMW



Construction Corner



Common Accounting Entry Mistakes

When we assist with the monthly closing process or compilation for the CPA at yearend, there are some common errors related to various expenses. In a recent CLA article, the firm identified improper expense recognition as the second most common GAAP mistake they see, as well.

Let's talk about liability accounts. When you're entering an expense to a liability account, you're reducing the liability. That means the liability, the amount owed, had to have been accumulated to that account.

For instance, when you pay state withholding, the amount has been accumulated during payroll. Each person's deducted amount is put in the liability 'bucket' ready to pay to the state. So if what you're paying is a fee instead of what was accumulated, **you can't use the liability account—nothing was ever set aside for this. It's** an additional expense and should go to an expense account, not the liability.

Another one we see a lot is fixed assets. **In this case, there's a threshold** for fixed asset purchases, copy machines, computers, trucks, shop equipment, and this can vary by company. **For many companies, it's** \$2,500 or \$5,000 (check with your CPA for your cut off).

So if you are purchasing a computer for \$1,900 and your Fixed Asset threshold is \$2,500, this would be an expense, not a fixed asset. On the other hand, **if you're purchasing a copy machine for \$5,000, the entry should be to the Office Equip Fixed Asset account, usually in the 1000-range.**

Another item that made the CLA list I

mentioned is not recording expenses in the correct period. For our Sage 100 Contractor users, you are in luck! S100C does this well.

First, in the 1-8 screen, Sage added a feature that I strongly recommend you turn off — **'Set posting period from transaction date.'** This feature defeats the goal of posting expenses (and Revenue) in the correct period. Here are a few examples:

Our VISA bill is dated the first of the month. Every expense on there was in the prior month. When we enter the statement, we use the first of the month date, the date of the statement. Every item is posted to the prior month when the costs were incurred.

“If you're not sure, let's get on a short call and talk it through!”

Another opportunity is payroll! Again, S100C does this well. The first check of the month is often covering the last week of the prior month. If you post by check date, you have expenses in the new month but no work and no **billing. If you've estimated your** Progress Billing based on work completed through the end of the month, it would be mis-aligned if you post by check date.

Post the payroll based on the work dates. For those few months with five **checks (or three if you're bi-weekly),** just be sure each quarter only has 13 weeks. We actually have a nice Posting Period summary we put together at the beginning of each year **so we're all consistent.**

Then, create a journal entry to Debit cash and Credit the Accrued payroll

liability account and click the box to **'Reverse in next period.'** Your cash will be correct, the costs will be in the right month, and the entry is reversed for the new month.

Even if you are not formally trained in bookkeeping, with these guidelines, you can have confidence your entries **are correct. If you're not sure, let's get** on a short call and talk it through! - CMW

Corrections—Where and When to Make them

Recently we received a request for some help with a Progress Bill change. After it had already been posted from the 3-7 screen, changes were requested from the owner. Unfortunately, our contact voided the 3-2 record instead of going back to the source, the 3-7 screen. This voided the receivable for the aging, but did not re-open the progress bill.

In general, in S100C, corrections are made from the source, in this case, the progress billing screen. With the posted record on the screen, void the record to re-open the progress bill which will void the 3-2 record, as well. Make the changes you need, then **re-post to the original period if it's fairly recent. If it's from prior months that** have been closed, you may want to make a reversing record which would be posted in the current period, then the corrected record, again posted in the current period, which will result in a net difference for the current posting period.

The other one we hear a lot is clearing old checks. Create a reversing record—do NOT void the original entry from a prior period. Lots to consider here, so again, happy to get on a short call! - CMW

M365 Education Station

Copilot Cowork



One of the things we love about Microsoft 365 Copilot is that it honors the security already setup in your Microsoft tenant. You can have confidence that anyone using Copilot for research will only have access to the areas you've allowed, and the results will not be public! Now, add Copilot Cowork with skills from Claude and Microsoft built in to handle one-off tasks to repeatable workflows like a monthly budget review. With automation, you can run prompts on a schedule, so recurring tasks happen automatically.

How to work with Cowork: Open the Microsoft 365 Copilot app; go to the page called 'Apps'; in the top right corner, press 'Install Apps' then select "Get More Apps" and search for Cowork. According to the Microsoft Build 2026 June 23, 2026 article, here are the steps to work with Cowork:

1. Describe your task: Tell Cowork what you need. For example, "Send a meeting recap to my team" or "Create a slide deck summarizing Q3 results." You can also attach files by dragging them into the chat.
2. Watch Cowork work: Cowork breaks your request into steps and works through them one by one. You can follow along as each step appears in the conversation.
3. Interrupt, steer, or pause the conversation: At any point, you can interrupt Cowork to give it additional context or clarify your request.
4. Review the results: When Cowork finishes, review what it produced. Download documents, check sent messages, or ask Cowork to make changes.

That's it! There are quite a few videos and other tools at adoption.microsoft.com/en-us/copilot; check it out!

Become an Expert!

We took Chris's two-part webinar and pulled out the very practical tips and tricks, then packaged them in short segments, available on our website.

Check it out! →



How Did They Do It? Integrated Building Automation

The company provides, configures, and maintains controls for HVAC systems, making buildings more energy efficient. This is a fairly new line of work that is expected to grow quickly. Craig started doing this work as a union employee for another company, then decided to take the leap and open his own company. After interviewing a few people to find a business partner, the company was started in 2017. The work is focused on commercial and office buildings, schools, warehouses, and medical offices.

Craig attributes his success over the last nine years to a combination of being responsive to his customers and turning over jobs fully completed and on-time. Customer communication is very important, and several of his team members are excellent communicators. Winning bids usually comes down to keeping it fair; no gouging the customers. Some contractors go in with a low bid just to **get in the building, then they're entrenched** for ongoing support and upgrades. For Craig, he focuses on a fair price, and if his bid is a little high, works with the client to clarify or adjust to meet the need.

There have been some growing pains **as they've taken on** larger projects. There are often aspects of the work that push the **teams' boundaries** which helps them and the company grow. There have been a few unique requests including the set-up of an antenna on an outdoor practice facility that was designed to monitor the **temperature of the field**. **Although he's** never seen this before, Craig heard it is pretty common in Europe for monitoring soil temperatures.



Craig Cymerman
President

A recent change was moving Sage 100 **Contractor to Syscon's Cloud Hosting**. **The experience is '100 times better than what we had before,'** according to Craig. **He really appreciated Darren's extra help, too. Now he's watching to see how AI will impact his industry.** -CMW

Fast Facts
 Founded: 2017
 Specialty: HVAC Automation Controls
 Location: Lake Zurich IL

Read more at www.syscon-inc.com/how-did-they-do-it

Are you interested in having your story featured? Let's talk!

Upcoming Events

Event: App Building Tools – The Next Level Up, webinar

Date: Thursday, July 16th

Time: 11 a.m. CST

Register: www.syscon-inc.com/events

Event: Building Dashboards: Acumatica Construction, webinar

Date: Wednesday, July 22nd

Time: 11:00 a.m. CST

Register: www.syscon-inc.com/events



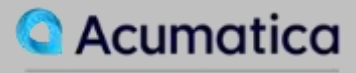
Take Note:

Syscon will be closed Friday, July 3rd

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We love this stuff!

We are committed to helping businesses use technology to run their organization successfully and profitably.

This monthly publication provided courtesy of Catherine Wendt, President of Syscon Inc.

