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**Town of Ashburnham**

**Community Compact Cabinet Grant**

**Project 2: Budgeting Software**

**June 20, 2018**

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# Project Description

The Town of Ashburnham had historically used an excel workbook to do its annual budget. The excel workbook of 200 sheets, although detailed, required redesign annually, constant oversight of calculation errors, and numerous weeks of manual data entry each year. As a result, the Town was interested in procuring a budget solution to assist in the municipal budgeting process and in providing more financial transparency to the Town’s residents.

Through the Community Compact Cabinet, the Town sought a vendor to provide a software that had the following functions/modules: Operating budget, Capital budget, salary/position planning module, performance module and an open book module. In addition, the Town sought a software that: was cloud-based; provided support, maintenance and the initial setup; and provided the design, analysis configuration, training, integration and IT services.

This project included an initial annual subscription to Questica Budgeting Software. The Software has been used to create the FY19 annual budget, compile all personnel job information and begin the Town’s Capital Plan conversion to the same system.

# Project Completion

The FY19 budget was prepared using Questica software. All benefited employees were added to the system with their start dates, job title, classification, pay, and benefit details. Capital projects are being entered as presented to the capital improvement committee. Due to our own financial software transition from MUNIS to VADAR on 7/1/2017, we are still working on syncing Vadar and Questica.

# Benefits to Town & Project Outcomes

This software has allowed the Town to benefit from the following:

1. **Detailed Employee Information and Calculations.** All benefited employee information is now linked to our budgeting data.
2. **Overtime and Modifiers.** For the first year, we were able to calculate automatically the cost for overtime by department based on eligibility and the expected hours. In addition, we were also able to add automatic calculators for health insurance costs per person based on plans, Medicare costs, holiday and other fringe benefits per person.
3. **Automatic colas**/**increases**. The software can be programmed to automatically increase wages based on a wage/comp chart by step and/or by an annual increase.
4. **Revenues.** Although still an internal work in progress, for the first time we were able to show complete departmental budgets that included all contributing revenue calculations.
5. **Straight forward reporting.** Reports by department are now easily condensed and easy to understand for department heads and residents alike. These reporting options range from a summary of the department’s budget, to line item details, to changes from FY18 to FY19 along with percentages and amounts.
6. **Employee reports.** We can now run reports to detail each employee and/or each department. We can run reports based on benefit (ie: health insurance, overtime, clothing allowance, etc).
7. **Conversion to excel.** All reports can be converted to excel files through one click, which allows us to move data around for custom tracking and to view information in alternative formats.
8. **Future 3 year projections.** The software has the capability of projecting out all lines according to rules on how each should be calculated.

# Project Deliverables

The project deliverables were the following:

1. FY19 Budget.

# Town’s Next Steps

The software has many capabilities that we are learning as time passes. The ones that we will be tackling next are:

1. **Forecasting**  –We are working to understand how to use the forecasting tool and create rules for each line item for expense and revenue.
2. **Capital**—We will continue to learn and work with the software company to enter in all of our capital projects.
3. **Finance Software Interaction** –As we continue to clean up the VADAR financial data and accounts, we will work on communication between the software, ultimately allowing data in one to move to the other, providing us with real time expense reports compared to budgeted entries and charts and other reports to share with the public on the current budget status.
4. **FY20 Budget**. For FY20, we will use the FY19 model and streamline the process and time spent on updating information and handling all of the employee based figures on the back end using the software.
5. **Budget scenarios**. For FY20, we will use the budget scenario module to provide multiple options which we can switch between when looking at FY20 figures.
6. **Compile all budget details and work towards GFOA compliant Budget**. With more detailed budgets, we will work towards a GFOA compliant budget over the next few years.