Town of Dalton

Financial Management Review

May 2024

DLS
Division of Local Services
MA Department of Revenue

PREPARED BY:

DLS | Financial Management Resource Bureau
www.mass.gov/dls

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DLS
DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

Geoffrey E. Snyder
Commissioner of Revenue

Sean R. Cronin
Senior Deputy Commissioner

May 15, 2024

Select Board
462 Main Street
Dalton, MA 01226

Dear Board Members:

I am pleased to present the enclosed financial management review for the Town of Dalton. It is my hope that our guidance provides direction and serves as a resource for local officials as we work together to build better government for our citizens.

If you have any questions regarding the report, please contact Zack Blake, Financial Management Resource Bureau Chief, at (617) 626-2358 or blakez@dor.state.ma.us.

Sincerely,

Sean R. Cronin
Senior Deputy Commissioner

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Introduction

At the request of the select board, the Financial Management Resource Bureau (FMRB) at the Division of Local Services completed this financial management review for the Town of Dalton. This request was initiated because the town has experienced staff turnover and retirements over the last few years, including a long serving town manager. To help attract and retain skilled employees, Dalton received an FY2022 Community Compact Best Practice Grant that enabled it to have a human resource study done, including updating job descriptions, conducting a salary survey, and instituting a new classification and competitive compensation plan. While this was a good step in the right direction, there are some concerns about operational delays in some offices and pondering if there are more efficient processes to be considered. The new town manager suggested requesting a DLS review, having benefited from the process in two other towns in which recommendations identified areas of improvement and opportunities to modernize practices.

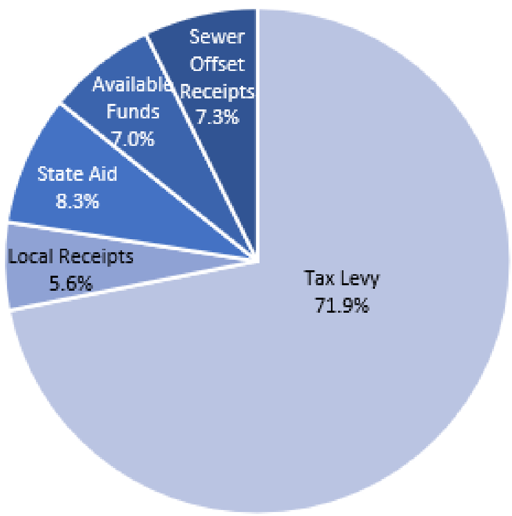
This management review's scope encompasses government structure, fiscal planning, financial policies, information technology, and operational practices of the town's financial offices. The observations and recommendations in the report are based on interviews with elected and appointed officials, department heads, and municipal office staff. We reviewed town documents and financial data, including town bylaws, locally accepted statutes, special acts, annual budgets, warrant articles, tax recapitulations, balance sheets, receivable reports, revenues and expenditures, and independent audit reports.

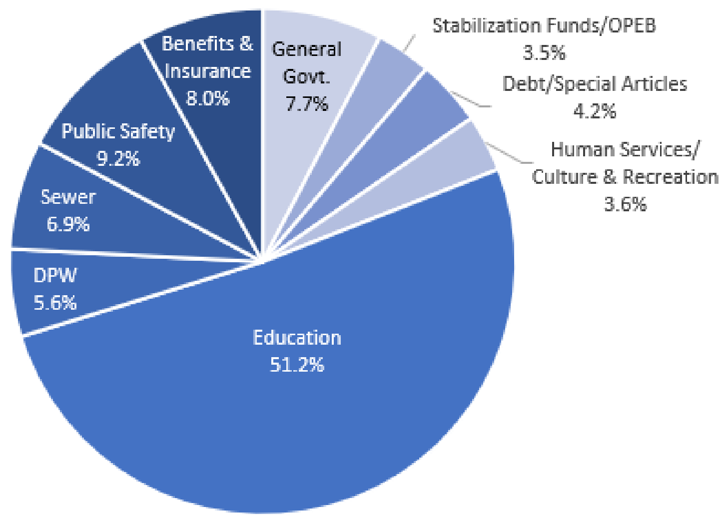
Community Profile

Dalton comprises 21.8 square miles and has a population of 6,290. Located in Berkshire County, the town is bordered by Cheshire, Windsor, Hinsdale, Washington, Pittsfield, and Lanesborough. Incorporated in 1783, it was a mixture of farmland and industrial development with mills located along the east branch of the Housatonic River. Most notably is Crane & Company, a paper mill that produces paper products, stationary, bank note paper used widely dating back to 1840s, and, since 1870s, has been the only supplier of paper for the Federal Reserve for United States currency. Today, Dalton is primarily a small residential town with community-based recreational facilities, from golf to fishing to hiking. The Appalachian Trail winds 11 miles through town and, while manufacturing has declined, Crane & Company is still the largest taxpayer and employer.

Dalton's $21.2 million FY2024 budget provides a wide range of municipal services. These include a full-time police force, a public works department, library, and council on aging. The emergency dispatch center is regionalized with the Town of Hinsdale and partially funded by a grant. The town is a member of the Central Berkshire Regional School District (K-12). Sewer services are funded with user fees to offset departmental appropriations (MGL c 44:53E), while fire, ambulance and water services are provided to residents by the Dalton Fire District (c.137 Acts of 1884).

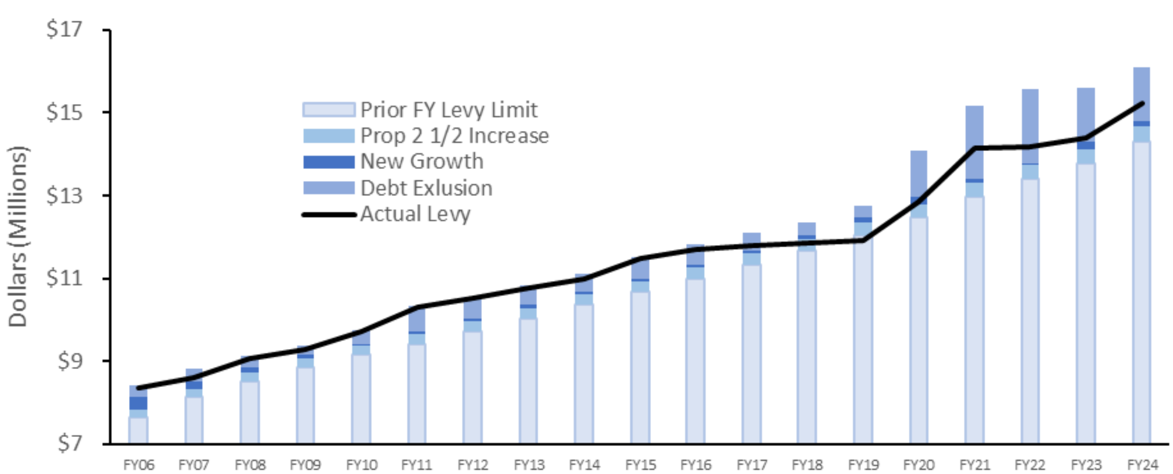
Dalton FY2024 Budget





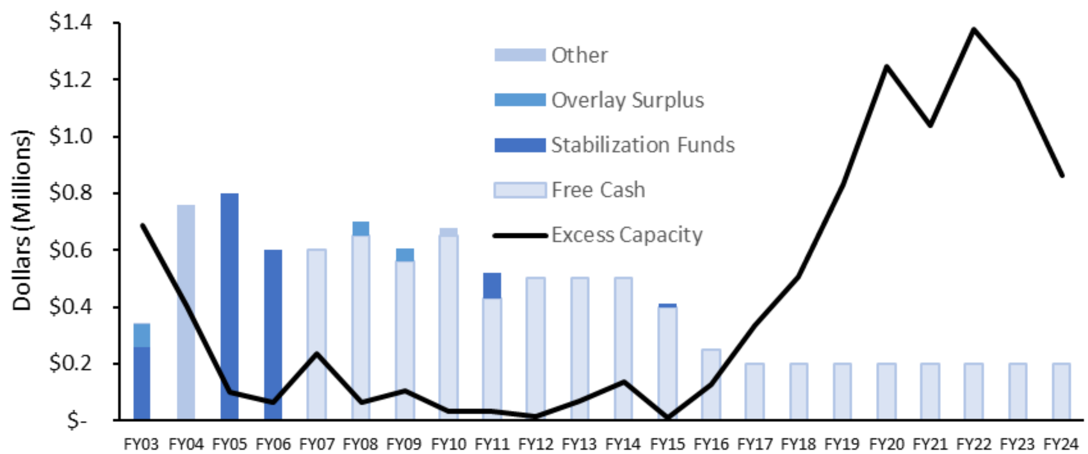
The town's largest revenue source, the property tax levy, has grown annually because of the automatic increases associated with Proposition 2½ and new growth from development and construction. In addition, residents have approved debt exclusions from time to time for much needed school and town building improvements, roads, and other capital projects.

Dalton Property Tax Limit and Levy



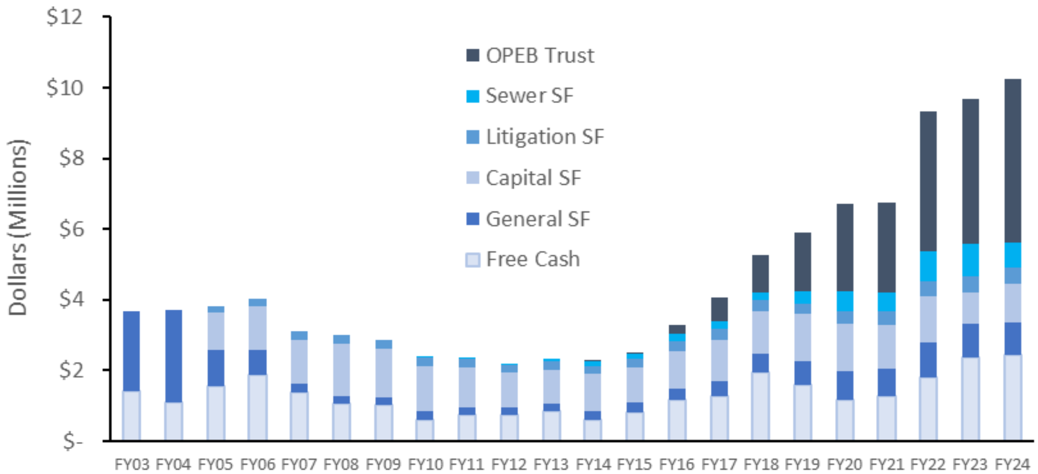
For many years, Dalton levied close to its maximum allowable levy, leaving little excess levy capacity. However, the combined recurring revenues were not sufficient to fund operations. Recurring revenues (levy, state, and local receipts) are those that can be reliably expected to occur again each year and should not include stabilization reserve funds, which are sums set aside to finance emergencies and other unforeseen needs. However, town meeting routinely appropriated reserves and other non-recurring revenues to fund the annual budget by "reducing the tax rate." They also continue to appropriate free cash to reduce anticipated tax levy increases and have more recently used free cash to offset the regional dispatch budget with Hinsdale in the event the grant is not received.

RESERVES APPROPRIATED TO REDUCE TAX RATE AND EXCESS LEVY CAPACITY



Considering the town's historic use of reserves for stabilizing its finances and maintaining operations during difficult economic periods, Dalton is committed to building and maintaining its overall reserve levels. Additionally, the town began funding its other post-employment benefits (OPEB) trust in FY2013, and was notified by its actuary, Odyssey Advisors, that the FY2023 actuarial valuation of Dalton's OPEB plan has a funded ration of 100.22%. A fully funded OPEB is rare, and the community should be commended for its endeavor.

AVAILABLE RESERVES AND OPEB TRUST



Dalton operates under a town manager special act (c. 137 Acts of 1995) that converted previously elected positions to appointed and created a strong town manager position to administer daily operations. There is a five-member select board whose members serve staggered three-year terms. The board serves as the goal setting, long-range planning, and policymaking body; appoints the town manager; exercises, through the town manager, general oversight of all matters affecting the community; and ratifies all town manager appointments and removals.

The town manager is the chief administrative officer responsible for preparing the annual operating and capital budgets, supervising financial operations, directing human resources functions, signing payroll and vendor warrants for payment by the treasurer, and coordinating the activities of various boards, commissions and committees. Dalton has an open town meeting, which functions as its legislative body to enact bylaws, approve the annual budget and specific expenditures, and authorize debt.

The town manager has an executive assistant and part-time interdepartmental clerk. The executive assistant handles monthly office invoices, posts town employment opportunities, is the liaison with the web service provider, and responds to public inquiries. She also prepares select board agendas, processes license applications, compiles the annual report, and provides support to boards and committees. The clerk provides office coverage, assists departments as needed, and produces the town’s newsletter.

Dalton’s accountant has worked for the town for over 23 years. She maintains the general ledger, processes vendor invoices, and reviews payroll submissions prior to the manager’s approval of the warrants. She reviews the monthly treasurer's report of revenues before uploading it to her InfiniteVisions system. The accountant reconciles cash monthly with the treasurer and tax, excise, and sewer receivables quarterly with the collector. The accountant participates in the annual budget process, maintaining the central set of spreadsheets and attending finance committee meetings. The accountant also prepares schedules for the independent auditor, which Dalton has performed generally every three years.

The accountant has a part-time assistant that has turned over twice in the last few years. This required the accountant to work alone for a period and then train the new employees. In addition, the accountant performed her job while also serving as the interim town manager for about nine months during FY2021. While she was able to complete the accounting-related functions for the community, the dual demands on her time contributed to delays in year-end closings and completing reports to DLS. The Schedule A (due 11/30) and balance sheet submissions to DLS, which historically were submitted between December and February, had further delays into April and May for three years. This year there has been a slight improvement with both being submitted by late March/early April.

The treasurer has worked in Dalton since 2007, having previously served as the assistant treasurer. She manages cash, oversees the weekly payroll and produces W-2s in-house using InfiniteVisions, administers employee benefits, maintains personnel files, handles workers compensation and unemployment claims, and is the custodian of tax title and foreclosure accounts. The treasurer attends professional development and training and has received her professional designation from the Massachusetts Collectors and Treasurers Association (MCTA). She has a part-time assistant, who has been in the office for three years. The assistant inputs payroll, updates employee records, prepares quarterly payroll reports, handles departmental turnovers, makes deposits, transfers funds to fund warrants, and assists the treasurer in balancing bank accounts.

The town collector has worked for Dalton since 2014 and has been in her current position for over six years. The collector attends professional development and training but has not yet completed her MCTA professional designation. She had a part-time assistant, who left town service this spring, but a replacement began at the end of April who is being trained.

The office prints and stuffs all mailings in-house—processing property tax bills quarterly, sewer bills semi-annually, motor vehicle excises annually, and municipal lien certificates throughout the year. The collector's office receives payments by mail, over the counter, and from escrow services, which are posted in the QDS system. The collector issues demand notices to delinquent taxpayers, warrants outstanding motor vehicle excise to a deputy collector, transfers subsequent taxes on existing tax title accounts, liens sewer balances on the tax bill, completes new tax takings before the end of the calendar year, and pursues small claims court action on personal property accounts. The police department also submits details worked by officers for the collector to prepare, mail and collect on. In addition, the collector bills and collects the real and personal property taxes and turns over funds for the Dalton Fire District, for which the office is compensated a flat $10,000 annually.

The assessing office is run by an appointed three-member working board of assessors, who are responsible for valuing real and personal property, calculating annual new growth increases in the community's property tax levy limit, participating in the annual tax recap process, and generating property tax and excise commitments for the collector. One member, who is an elected assessor in another town and has years of experience, serves as the part-time principal assessor and is responsible for overseeing daily operations, conducting some field inspections, maintaining the town's assessment records, reviewing abatement and exemption applications, and managing the appraisal contractor. The second member is the previous principal assessor, who returned from retirement, and the third appointment is the part-time clerk who was hired in 2022, has an appraisal background and has attended DOR's 101 training and the Massachusetts Association of Assessing Officers' (MAAO) 200 Course. The office contracts with Patriot Property Inc. to conduct revaluations and interim year adjustments; sales, permit and cyclical data collection; and valuation of utility and personal property accounts.

The financial offices have Microsoft Office applications and use a variety of specialized software. Dalton's financial offices use a variety of applications to manage their recordkeeping as detailed below:

- The accountant uses Tyler Technology's InfiniteVisions (formerly Unifund's BudgetSense until acquired in 2012) for the general ledger that generally is used as a school district application
- The treasurer uses:
  - InfiniteVisions for processing town payroll
  - Excel for managing department turnovers, deposits, receivables, and tax title accounts
  - Manual accounting sheets for bank accounts and cash book
- The collector uses Quality Data Service (QDS) for:
  - Generating property tax and excise bills, recording collections, and managing receivables since converting from Point Software in August 2023
  - Generating sewer bills, recording collections, and managing receivables since converting from Vadar in August 2023
  - On behalf of the Dalton Fire District, generating real and personal property fire district bills, recording collections, and managing receivables (since converting from Point Software in August 2023)

- The assessors use:
    - Patriot Properties' AssessPro computer assisted mass appraisal (CAMA) system for real estate and personal property
    - CAI Technologies AxisGIS for the assessors' maps, which are live on the town's website

Dalton has an elected, nine-member finance committee, each serving a three-year term. It holds hearings, prepares its recommendations on the omnibus budget, capital requests, and any matters with financial implications in a report advising town meeting. The finance committee also is authorized by bylaw to conduct reviews of the books, accounts, records, and management of any town department, and may vote to transfer monies from its reserve to pay extraordinary or unforeseen expenditures, including emergencies.

In view of Dalton's experience with staff changes and additional future possibilities, we offer the following recommendations to officials and residents to consider as they work to best position the town going forward.

RECOMMENDATIONS

1. Combine the Collector and Treasurer Positions

We recommend that the collector and treasurer positions be combined. Because there are so many parallels in responsibilities of these offices (e.g., collecting, counting, posting, depositing, and reconciling receipts), communities are combining the collector's and treasurer's operations to improve efficiencies and cash management accountability. Currently, over 80% of communities statewide have combined these office and all but one of the comparable communities (Appendix).

To consolidate the positions, a town meeting vote and acceptance by the voters at an annual town election are both required. Once enacted, the town's bylaws should be updated to reflect the change. This recommendation reflects our opinion that consolidating these offices would provide better coverage based on service demand (i.e., payroll, employee benefits, property tax and other collections) in the event staff is out for a brief or extended period as is the current situation with the recent resignation of the assistant collector.

2. Strategize for Succession Planning

We recommend that Dalton take proactive, concrete steps to plan for personnel succession in key positions. With each passing year, municipalities throughout the state must pay increasing attention to the potential service impact of baby boomer retirements. There are members of the town's financial management team that have served the community for years and are approaching traditional retirement age or have suggested retiring in the near future, which includes the current principal assessor who recently gave notice.

As such, we advise communities to take advantage of its current leadership to prepare a succession plan and ensure a smooth transition and continuance of service in the case of unexpected or anticipated vacancies. Based on discussions with department heads, the town manager should identify the positions that are operationally crucial and may be hardest to replace based on the required skills and knowledge.

In addition, we suggest officials take the following steps, as appropriate to each position:

- Develop procedure manuals with step-by-step instructions starting with the most critical tasks. For propriety software systems, reach out to vendors to see what material they can supply and the training sessions they can offer at what costs.

- Identify town employees with the skills, aptitudes, and interest in being promoted, including those who might currently work in other departments. Systematically develop the person's knowledge and competencies through mentoring, funding training opportunities and certification programs offered by local professional organizations, setting up job shadowing practices, and delegating increasing responsibilities within their departments.
- When informed of a pending departure, ensure time overlap if possible so that the departing employee can help orient and train his or her replacement.

3. Explore Opportunities to Regionalize Services

We recommend that Dalton explore opportunities to regionalize services. Dalton already participates in regional dispatch and veterans' services. Regional opportunities can enhance service efficiencies, promote sustainability, reduce costs, and expand town services more effectively than communities could accomplish on their own. More neighboring communities are engaging in regional partnerships given that the costs and complexities associated with municipal services continue to grow. We encourage the town to be alert to these opportunities and proactively evaluate areas of town operation that could benefit from shared servicing. Potential areas to consider include human resources and animal control.

4. Consider Biweekly Payroll

Town employees are currently paid weekly. An increasing number of employers in both the public and private sectors, including the Commonwealth, compensate employees on a biweekly basis. Although this will require collective bargaining and a 90-day notice to employees, paying employees every two weeks, or 26 times per year, reduces the processing time, saves money, simplifies reconciliations, and further frees up staff time. Any changes should be included in the personnel bylaw. We suggest contacting a community that has recently made the change to guide the process and develop employee communications.

5. Develop and Adopt Budget Bylaw

Both the town manager, by special legislative act, and the finance committee, per town bylaw, have roles in the budget process. The town manager is responsible for compiling the comprehensive annual operating budget and the annual capital improvements requests for all town departments and submitting the same with his recommendations to the finance committee. The finance committee reviews all matters presented to town meeting, holds hearings, and provides budget and other financial recommendations. However, town budget practices are not completely documented in its bylaws.

We recommend that the select board, finance committee, and town manager develop a bylaw that codifies the entire process into a lasting, effective model that ensures continuity past the tenure of any one official. The bylaw should establish a budget timeline, clearly define the responsibilities of various town officers, set out the order of tasks to be completed, and continue to assign the town manager with responsibility for managing the process as set out in the town's special act. The timeline should include major milestones such as:

- Complete and present preliminary revenue projections to joint meeting of select board and finance committee
- Develop guidelines and establish submission deadline(s)
- Distribute budget guidelines and prescribed forms to be completed by all departments
- Have town manager meet with each department on budget and capital requests
- Prepare a comprehensive, balanced operating budget along with multi-year capital plan and budget developed by the town manager with recommendations for the select board's approval
- Present operating and capital budget proposals to finance committee
- Hold budget hearings
- Update revenue projections based on new information
- Draft budget recommendations for town meeting
- Conduct joint meeting of select board and finance committee to discuss proposed operating and capital budgets with the goal of developing consensus
- Hold town meeting

As part of the bylaw, we recommend that the presentation of the printed budget include columns for all actions taken from the original departmental request through to the finance committee's recommendations. This will provide transparency and inform town meeting about each stage in the budget process.

6. Discontinue Use of Free Cash for the Operating Budget

With excess levy capacity, there is no longer a need for appropriating free cash to reduce the tax rate. Rather than inferring that the town is using free cash to fund the annual budget, we recommend that Dalton identify the specific purpose the non-recurring funding is being used for.

7. Develop and Maintain Multi-Year Capital Plan and Revenue and Expenditure Forecast

Complying with the town's special act, the town manager should develop and maintain a comprehensive multi-year capital plan and submit an annual capital budget with the operating budget to the select board and finance committee. These documents should: 1) prioritize proposed capital projects and purchases based on objective criteria; 2) estimate costs; 3) list the projected method of payment (direct dollar outlay, debt, or Proposition 2½ debt or capital exclusion) for each proposal. Regardless of funding ability, annual presentation of the capital budget in conjunction with the operating budget has merit. It serves to inform residents of the community's capital needs and make them aware of those projects deferred due to financial constraints.

To facilitate this long-term planning, we recommend that the town manager, with the assistance of the financial officers, produce a multi-year revenue and expenditure forecast. The forecast should span between three and five years, updating it routinely as new information becomes available. DLS has developed a template and user manual found on our Municipal Finance Tools and Templates webpage that will assist the town in this endeavor. Forecasting used in conjunction with the town's capital plan will enable officials to evaluate multi-year impacts on the budget.

8. Adopt Formal Financial Policies

Dalton does not maintain a complete set of documented policies and procedures to provide important guidance and consistency around local fiscal policy decisions and financial operations. At a minimum, we recommend the town develop and have the select board and finance committee adopt core policies on:

- Antifraud
- Capital planning
- Debt management
- Disbursements
- Financial reserves
- Forecasting
- Grants management
- Indirect cost allocation
- Investments
- OPEB
- Procurement conflict of interest
- Reconciliations
- Revenue turnover
- Tax enforcement

These policies will strengthen the town's internal controls, provide instructive guidance, and promote uniformity for all town departments. For examples of suggested topics above, DLS has developed policy manuals for other communities, which may be found on our website, mass.gov/consulting-reports.

9. Set-up Shared Drives on the Network

With a Community Compact Best Practices grant, Dalton had an assessment of its information technology (IT) servers, workstations, network, and backups completed, and with a subsequent Municipal Fiber grant, the town's had a fiber network installed to link its facilities. The town uses an IT consultant, Renatus Solutions, which secures, monitors, maintains, and backs up the town's business systems and networks, aids and advises officials upon request, and installed the fiber network.

With the improved networking capabilities, we recommend that the town work with Renatus Solutions to establish a dedicated network drive for the financial officers. This will enable the town manager and financial team to store, access, and search information and data for budgeting, fiscal planning, reconciliations, and reports. Dalton officials may also want to explore other shared drives opportunities for department heads and employees.

10. Explore Integrated Financial Management System Options

As previously outlined, the town's financial offices use a variety of computerized applications and manual systems to manage their recordkeeping. Although town hall computers are connected to each other through a local network, there is limited connectivity for electronic transfer of information between financial applications, there is frustration with some features of the new billing/collection system, and hard-copy reports require data entry. Consequently, the existing situation is time-consuming, has caused some delays, and can be subject to human error.

The town should consider looking into an integrated suite of applications that allows the community to eliminate inefficiencies while also reducing opportunities for error. Dalton officials should begin with reviewing and discussing the pros and cons of the current financial operational systems and support services, and then meeting with existing software vendors to identify potential improvements (e.g., developing bridges and/or other applications) that better connect the existing systems. If not satisfied with what is presented, the town may want to explore other options in the market. In this event, our guide to converting to a new financial system that details issues to consider when pursuing a new system is in the Appendix. It should be noted that acquiring a new ERP system could be costly, depending upon the system, so this may require long-term planning for the funding.

Being able to benefit from technological advancements should be a goal of this exploration. Each financial office should be responsible for its duties and then transmit essential data seamlessly to the appropriate official. The recipient should be able to review prior to accepting transmittals, thereby improving efficiency, and freeing up staff to perform other functions.

11. Automate Cash Book

We recommend that the treasurer converts the cash book from a handwritten ledger on loose leaf accounting sheets to a computer-based system. There are advantages to keeping an automated versus manual cash book. An electronic cash book can import financial information rather than the time-consuming process of hand entering from outside sources that can be subject to keying errors, monthly reconciliations would be faster, and cash balances would be available instantly at any point in time. Electronic data can be backed-up, stored and recovered in the case of disaster, whereas an office that keeps manually maintained documents typically only has one copy. The cash book may be set up and maintained in computerized applications such as Quicken or QuickBooks or in Excel spreadsheets.

12. Develop Standardized Turnover Sheet

In the absence of direct entry into the financial management system, we recommend that the treasurer in conjunction with the accountant develop a standardized turnover sheet for all departments using Excel. The sheet should be customized to the extent that a department's name, a list of revenue account codes and fund number specific to the department would be used, plus spaces for the department head signature and subtotals for checks and cash turned over. If completed in Excel, a formula can automatically total the entries and the cells can be protected to prevent changes.

13. Review Tax Title Accounts

We recommend that the treasurer review the tax title accounts to determine if the information is current and accurate. During our review, we were provided with a detailed report for all properties in tax title. We found that three properties no longer exist in the assessors' database, and one appears to have been split from an adjacent lot and sold. The treasurer should work with the assessors to verify the accuracy of these accounts and may have to seek an 8 of 58 from the Commissioner of Revenue as needed.

14. Update License Denial, Revocation and Suspension Bylaw

In 1993, town meeting accepted M.G.L. 40:57 that enables Dalton the authority to deny, revoke or suspend any local license or permit to any person delinquent for more than 12 months in the payment of taxes, fees, assessments, betterments, or other municipal charges. Per the bylaw (Article I § 150-1, Licensing—Delinquent Taxpayers), the collector distributes an annual list of delinquent taxpayers to the license- or permit-granting departments, which then carry out the denial, revocation, or suspension actions. As a part of the Municipal Modernization Act in 2016, this enabling statute was amended, allowing the collector to report outstanding charges existing for less than 12 months and to do so more often than annually, provided that the town's bylaw is updated accordingly. Therefore, we recommend the town revise its bylaw to reflect the change in the law.

15. Discontinue Authorizing Chapter 90 Funds

We recommend that Dalton discontinue placing Chapter 90 funds before town meeting for authorization. As a result of the Municipal Modernization Act, all reimbursable grants from federal or state governments are available for expenditure once approved by the granting agency. This includes Chapter 90 funds that no longer need the Director of Accounts or town meeting approval to expend.

APPENDIX

Comparable Communities

Municipality	RSD	Population	2024 Total Revenues	Single Family Tax Bill	DOR Income/ capita	EQV Per Capita	Select Board	Administration	Combined Treasurer/ Collector
Dalton	K-12	6,290	21,191,403	5,357	37,609	116,389	5	Manager	No
Ashburnham	K-12	6,341	23,639,995	5,847	39,153	134,432	3	Administrator	Yes
Barre	K-12	5,526	15,558,175	4,808	30,154	105,616	3	Administrator	Yes
Boylston	PK-12	4,882	23,958,468	8,036	65,579	209,683	3	Administrator	Yes
Groveland	K-12	6,737	27,647,303	8,312	46,444	186,344	5	Administrator	Yes
Hampden	K-12	4,935	16,961,209	5,911	46,559	153,743	3	Administrator	No
Mendon	K-12	6,251	26,619,892	8,350	61,823	196,937	3	Administrator	Yes
Merrimac	K-12	6,705	25,599,205	8,385	44,435	158,580	3	Finance Director	Yes
Paxton	K-12	5,028	17,283,045	7,376	42,698	130,816	3	Administrator	Yes
Rowley	K-12	6,131	31,221,289	8,340	54,626	221,940	5	Administrator	Yes
Shirley	K-12	7,279	19,473,013	6,060	35,497	116,435	3	Administrator	Yes
Upton	K-12	8,050	32,823,553	8,466	60,961	177,778	3	Manager	Yes
Williamstown	K-12	7,813	28,940,236	7,473	37,710	146,450	5	Manager	Yes

Steps to Consider when Converting Financial Management Systems

Purchasing a new financial management system takes a team effort—internal staff, the software vendor, and potentially specialized consultants—to plan and execute a software conversion efficiently and effectively, while also performing ongoing daily financial office work. When deciding such a move, the community should consider the following.

Contact Other Communities: Reach out to communities that have converted to the proposed system to discuss the planning process, successes, and things they would have done differently.

Create a Timeline: Work with the vendor or consultant to develop an implementation schedule that balances ongoing operational needs, while allowing adequate time for the conversion and enough training for each module. Factors to consider are the services offered by the vendor, time requirements, how much data will be brought into the new system, and an allowance to reconcile the data across the two systems. The timeline should be module specific to ensure the data quality is checked and the system is fully implemented before moving onto the next module.

Review Chart of Accounts: Review the chart of accounts to make sure that it is designed to meet the uniform standards for financial reporting, budgeting, and accounting. Work with the vendor and external auditor, if applicable, to make sure the chart of accounts provides for a comprehensive, flexible, and systematic arrangement of accounts and adequate levels of detail for use in recording and reporting financial transactions, programs, and activities.

Research/Close Older Accounts: Review all accounts with department heads to determine which accounts should be closed prior to converting to a new financial management system. This should be a collaborative effort between the accounting officer and the chief administrative officer and/or finance director.

Prioritize Essential Modules: Identify modules that should be implemented and tested first to ensure they are fully functioning sooner than later. Key among these is revenue entry to enable independent recording and tracking of revenue transactions and the payroll system to record time and attendance, code and calculate payroll types, and track accrued absences centrally and accurately.

Require Conversion Documentation: Develop a detailed crosswalk of accounts, documenting old and new account structures, as well as prior system and new system balances. The crosswalk should be developed before the conversion begins and updated as any changes are made during the process. This documentation is important with a change in the chart of accounts and closing of older accounts.

Schedule Training: Make sure initial and ongoing training is scheduled. Following the vendor's recommended training guidelines, instruction on the functionality and features of the new system will lay the cornerstone for understanding how it is designed, integrated, and best used towards continuous improvement in the workflow process.

Confirm Sufficient Funding: The project budget should include supplemental funds for potential change orders, unforeseen conversion issues, staff training, and required post-conversion support not covered by the original contract. An unfinished conversion is not a successful conversion.

Ongoing communication with the vendor following the conversion is important. The ultimate success of any product depends on the users' ability to use it as expertly as possible. Post-implementation, the team will identify areas of success, but also recognize issues that require additional work and follow-up training needs. With appropriate time and attention from the team, the new system can meet the intended goals of the community to streamline financial management activities for more efficient operations.

ACKNOWLEDGEMENTS

In preparing this review, DLS spoke with the following Individuals:

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