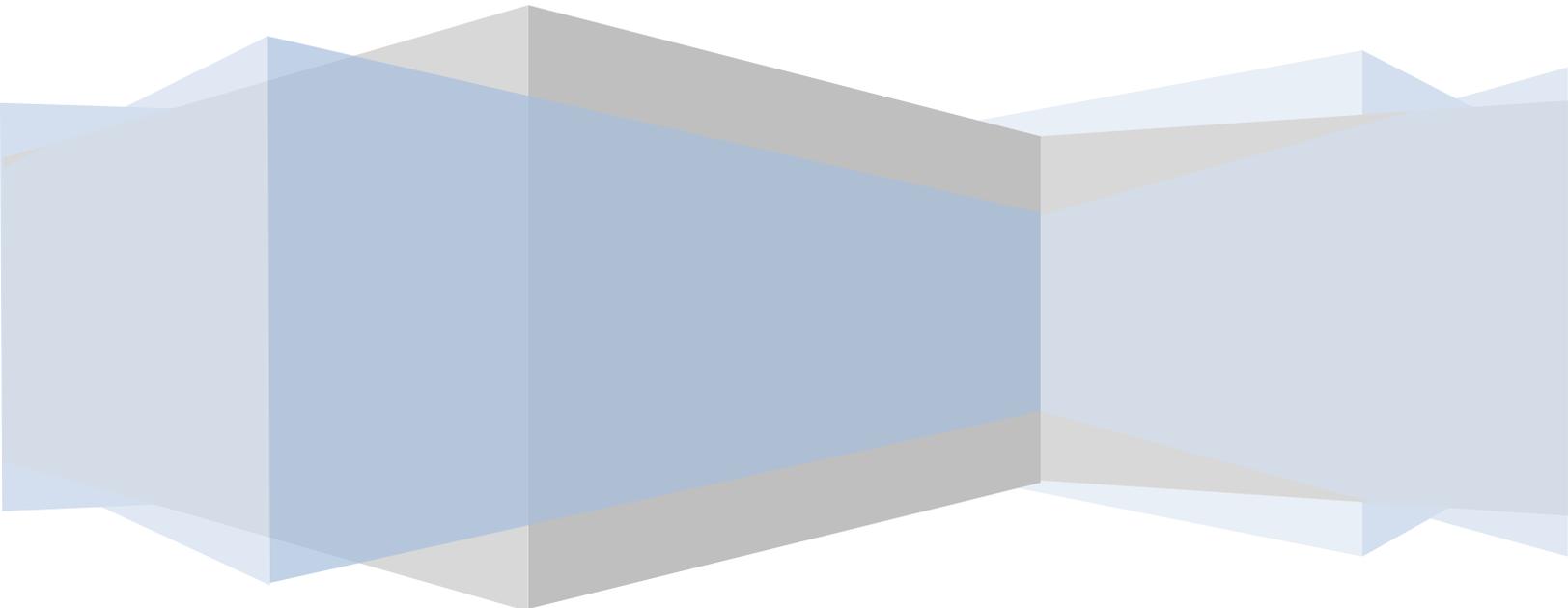


**TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
FINANCE AND ADMINISTRATIVE FUNCTIONS**

**MLBCPA, LLP**

**Certified Public Accountants and Advisors**



# **TOWN OF MANSFIELD, MASSACHUSETTS OPERATIONAL REVIEW REPORT**

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# TOWN OF MANSFIELD, MASSACHUSETTS OPERATIONAL REVIEW REPORT

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## **EXECUTIVE SUMMARY**

MLBCPA, LLP conducted an operational review of the Town of Mansfield, Massachusetts finance and administrative functions. The review focused on utilization of technology and systems; application of best practices; compliance with laws and regulations; integration of systems and operational efficiency, among other functions and practices. The accompanying sections of this report provide further detail to the procedures performed and the results of those procedures. A summary of the significant issues and recommendations considered are as follows:

- The Town's current organizational structure is largely "silo'd" contributing to an effectively decentralized administrative and finance operation.
- Although each A&F department is largely meeting its statutory responsibilities, lack of inter-department coordination and management at a functional level is limiting organizational effectiveness and efficiency.
- MLB recommends the Town improve its organizational effectiveness and centralize/coordinate its A&F function through the appointment of a Finance Director. Several organizational models have been presented in Appendix A to begin and guide this discussion.
- In addition to provide additional oversight, expertise and coordination to A&F activities, MLB noted improvement was needed in the administration of the Human Resource & Purchasing function. MLB recommends additional organizational restructuring in order to improve operations, as well as minimize lost opportunity cost, risk and liability.
- As is commonplace among Massachusetts cities and towns, MLB noted limited documentation of systems, policies and procedures over operations, as well as internal controls. Throughout the report, MLB documents the types of policies, procedures and internal controls that ought to be considered by management for development. Furthermore, Appendix C provides the Town with a Policies & Procedures Matrix, and examples of how to document workflow as a basis for further development of Town-wide A&F policies and procedures.
- The Town has been struggling with a recent implementation of SoftRight FMS across several town departments. MLB attributes a lack of consistent standards in its utilization, lack of training and acceptance among supervisors and staff as the key factors with these struggles. Review of SoftRight applications, interviews with users, company personnel and surveys of other users indicate a FMS that is growing and building on its capabilities, but adequate for the needs of the Town. Appendix B provides an overview of FMS utilization in Town.

Utilization of technology resources/applications and modernization of administrative practices are noted as a key element of necessary change throughout our report

TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT

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- MLB review of School Business operations together with the overall Town internal control systems, compliance requirements and financial reporting requirements indicates opportunity for improvements in coordination of Town/School financial operations. However, change in this area should be made slowly and incrementally. Throughout the report, particularly Sections 2 and 8, areas have been identified that can begin to build a foundation for collaboration and trust that will allow larger changes to occur in the future.
- As part of the review and evaluation, the extended operations of the following departments/functions were reviewed: Accounting; Treasurer/Collector; Human Resources & Payroll; Assessing; Purchasing; and School Finance.

Each of these departments had specific comments identified and recommendations for improvement provided. Sections 3 through 8 of the report provide an overview of these departmental/functional activities and the associated comments and recommendations

- Based upon work performed and the comments and recommendations provided, MLB prepared an implementation plan to guide the changes and implement the recommendations provided. Appendix D lists and prioritizes each of these items and provides a suggested timeline for implementation.

MLB CPA, LLP

## FORWARD

### TOWN HALL OF THE 21<sup>ST</sup> CENTURY

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The business of government is changing. Long standing practices and forms of government have slowly evolved over the years and now with dramatic technology advances occurring within the last 10 years, changing demographics, and with renewed focus on managing organizational human capital throughout the public sector, the winds of change are blowing harder than ever.

*The pessimist  
complains about the  
wind; the optimist  
expects it to change;  
the realist adjusts  
the sails*  
- William Arthur Ward

With these changes comes a renewed interest in local government operations. Citizens are demanding a high level of service, improved efficiency, transparency and accountability from their local leaders and public servants; while at the same time holding the line on non-service related costs.

Municipalities that address these concerns will improve relationships with key constituencies and provide an environment conducive to achieve active organizational planning; setting of long-term goals and policy; and adopting short-term strategies (and budgets) that produce results.

Municipalities that do not address their constituents concerns will continue to face turmoil in achieving day to day results, which will ultimately have a negative effect on adopting appropriate budgets to accomplish short-term goals and strategies. This

situation renders long-term planning and policy making ineffective.

In addition to changing constituent demands and expectations; the winds of change are also blowing in the regulatory environment. Over the last 10 years, changes in state and federal laws and regulations have required municipalities to adapt. Information systems, technical knowledge in several administrative and programmatic areas, and reporting and compliance requirements have had to be updated; and knowledge transferred to those responsible for maintaining and monitoring compliance.

Welcome to the 21<sup>st</sup> Century, where the winds of change move swiftly. We are in a time where on-demand, real time information is expected, and accountability and compliance is demanded. To meet these expectations and demands, local governments must evolve traditional operational practices as legacy systems based on incompatible components are often unable to efficiently handle workload requirements and at the same time meet rising constituent expectations.

In the 21<sup>st</sup> century, we have seen the advent of government 2.0 applications, and greater utilization of enterprise-wide resource planning (ERP) systems in the public sector. These systems become the platform to meet expectations and demands, maintain compliance and provide the necessary information to undertake long-term planning. Your platform should become the back bone of your operations and empower employees to effectively complete their work and provide customer service, minimizing the time and effort expended on non-productive administrative functions.

# TOWN OF MANSFIELD, MASSACHUSETTS OPERATIONAL REVIEW REPORT

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So what does the town hall of the 21<sup>st</sup> century look like? How do ERP systems improve operations? These are key questions to answer if you are to meet the demands and expectations of your constituents.

In our view, the town hall of the 21<sup>st</sup> century needs to be a collaborative space. Town hall will foster an organization that focuses its core mission on providing customer service to constituents; provides back office support to its programs and services; and integrates operational requirements with administrative platforms.

Local government leadership will rely on current, timely information and long range planning to ensure its goals, objectives and policies are being met. And, with ready access of data and information to staff and constituents alike, the goals of transparency and accountability will be achieved.

Achieving these ideals will be achieved through applying lean principals and through the utilization of constantly evolving technology and applications. Work force needs are addressed following basic principles that are promoted through all levels of the organization.

In the accompanying pages, we report on the results of our operational review of selected departments of the Town of Mansfield. These departments represent the core operations of the Town and provide a representative sample of the various administrative systems and procedures utilized in achieving organizational goals. We hope the results of our review, implementation roadmap, ideas and ongoing support will assist the Town in providing a town hall of the 21<sup>st</sup> Century.

## Characteristics of a 21<sup>st</sup> Century ERP System

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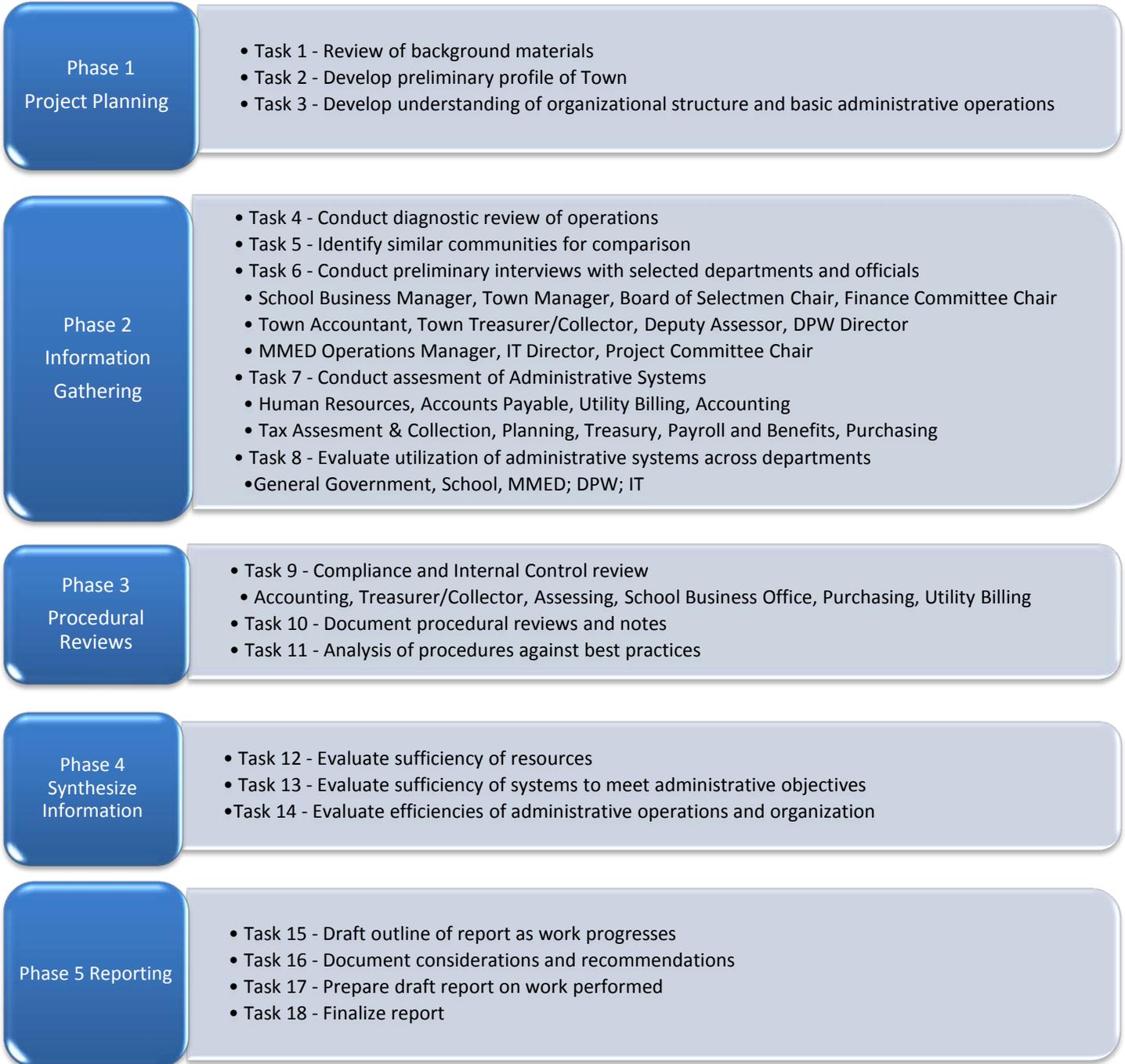
- Improves Delivery of Service
- Empowers productivity
- Adapts easily to constituent needs
- Enables transparency & open government
- Delivers accountability & performance
- Integrates administrative & operational requirements
- Searchable content management system
- Scalable with changes in workforce
- Affordable total cost of ownership

## Characteristics of a 21<sup>st</sup> Century Town Hall

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- Eliminates Barriers
- Eliminates non-value added activities
- Addresses variable work loads
- Avoids overburdening staff
- Promotes automation and integration
- Increases workforce visibility
- Collaborates with constituents and multiple internal departments and functions
- Effectively manages change through pro-active long-range planning

**Section 1**  
**Scope of Services**



## SECTION 2

### Organizational Overview

The Town of Mansfield, Massachusetts is governed through the use of a home rule charter. Under the Charter the Town Manager is responsible for:

- overseeing 15 departments, which include administrative, operational and planning activities
- serving as manager of the Electric Light Department
- serving in ex-officio capacity on 3 town committees
- acting as a liaison between numerous boards and committees.

The Town Manager has administrative support in the form of an Executive Secretary. See appendix A for the town organizational chart.

The School Committee serves as the head of the School Department, as required under Massachusetts General Law and appoints the School Superintendent to run the day to day operation. The school maintains administrative positions/offices separate from the Town to assist it in meeting its administrative requirements and specific needs. The positions within this administrative function report to the School Superintendent.

The administrative functions of the town include the following departments and offices:

- Selectmen's Office
- Town Accountant's Office
- Treasurer/Collector Office
- Assessor's Office
- IT Department

These offices are responsible for carrying out their statutory responsibilities; processing of payroll; human resources; providing administrative support to operational departments, among other responsibilities.

One administrative and compliance function that interfaces with the accounting office is the procurement and compliance function. This function is handled by an operational department, in this case the DPW as historically the DPW was required to have this expertise on hand due to the types of projects/procurements being handled by the department.

To assist these departments the Town uses various, decentralized software applications. The primary financial application utilized by the town is Soft Right Financial Management System. This system provides for the Town Accountants general and subsidiary ledgers, the Treasurers cash receipt system, tax billing and collections, budgeting and appropriations and financial reporting. See an overview of the Soft Right FMS at Appendix B, including a description of current modules utilized.

Some departments utilize administrative and FM systems separate from the Soft Right system to handle department specific requirements and financial accounting and reporting needs. See appendix B illustrating the current utilization of financial and administrative systems.

Based upon our interviews of department staff and our walk-through of procedures and systems we noted that each administrative office is individually being successful in meeting its statutory requirements, to varying degrees. However, as a governmental function on the whole, we noted a general lack of direction, goals and outcome measurements in the administrative function, as well as a lack of transparency in what should be readily available information. Separately administered offices also set up informal barriers, which in our view, is limiting the dissemination of information as a matter of routine and inhibiting long-range planning.

Coordination of efforts and common goals will help to facilitate the conversion of the Mansfield administrative function to a 21<sup>st</sup> century organization.

Examples of the lack of coordination include multiple financial departments separately reporting to the Town Manager, lack of documented goals and objectives, limited documented financial policies and procedures and different software applications utilized between decentralized departments.

It is clear to us that the major contributing factor to the communication and coordination issues noted above is not inherent within each department or function themselves, but rather is a result of an organizational structure that is not working together to support the administrative functions as an essential service as a whole.

The following sections of this report will comment on our specific considerations and recommendations of each function. However, a key part of improving municipal efficiency, performance and operational results lies within improving the current decentralized organizational structure which, in our opinion, does not provide for adequate leadership or management at key levels.

We recommend the town take careful consideration of some organizational changes that will form the basis of improvement in all administrative functions in the years to come. In our opinion, not appropriately considering these organizational changes will limit the ability of the town to substantially improve its operations in the areas of operational efficiency, transparency, and accountability especially as the town continues to grow and service demands increase.

## **Recommendations and comments**

### **2.1 Consolidate Finance and Administrative functions under the supervision of a Director of Finance and Administration**

As indicated, we noted a lack of coordination of financial and administrative activities. Although each of the departments appear to be working together as necessary the department heads report separately (operationally) to the Town Manager.

Given the depth and breadth of the Town Managers responsibilities for overseeing, coordinating and acting as a liaison to numerous town departments, boards, commissions and committees; our observation is that effectively supervising and coordinating the activities of the towns administrative functions is best performed by a separate management level position with specific training and expertise in municipal finance.

In today's environment each administrative department is required to work together to meet departmental goals and objectives. These activities, goals and objectives are best managed by a professional Director of Finance & Administration responsible for directing the administrative departments under a clear set of policies and procedures.

This will provide the administrative offices with the direction and oversight needed as well as provide the Town Manager the time to focus on overall administration and leadership to town operational departments and citizens.

See appendix A for a suggested organizational chart.

**Recommendations and comments (continued)**

Typically, these positions are filled under one of three arrangements:

**Director of Finance only** – focus on planning & policy issues with primary responsibility for operating and capital budgets; supervision of self-sufficient administrative offices; financial planning and on-going risk-management

**Finance Director/Town Accountant or Finance Director/Treasurer** – in these positions the statutory responsibilities of an existing office are expanded with more management and oversight responsibilities in order to improve coordination between administrative departments.

With respect to the Town of Mansfield, the Towns Charter provides for the Selectmen to appoint the Town Accountant and the Town Manager to appoint the Treasurer. In either case, we feel the Town can meet the requirements of the Charter through a dual appointment process in which the respective parties appoint the Accountant and Treasurer, and the Town Manager appoints the Finance Director under the local option statute of MGL Chapter 43C, Section 11.

For the short-term, we recommend the town provide for a dual appointment until such time as sufficient consideration may be given to whether a full-time Director of Finance & Administration will be supported by Town Meeting.

Generally, a dual position of Finance Director/Town Accountant is a preferable appointment due to conflicts with effective internal control inherent with other dual appointments.

**2.2 Provide for a dedicated Human Resource Function**

Currently the town does not maintain a separate human resources department/position, which would generally be responsible for directing employee relations; maintaining, updating and reviewing employment records, inclusive of step and grade documentation, withholdings and compensated absences information.

Rather, the Town Manager is responsible for directing employee relations, managing workforce issues and collective bargaining negotiations. Town employee wage and benefit records are separately maintained by the treasurer's office and school department employees' records are maintained at the school department's business office. In addition the town utilizes a third party payroll service, Harper's Payroll Service, for the generation of payroll and checks.

Implementation of a dedicated human resource function allows for more focused efforts on the attraction, selection, training, and assessment of the town's workforce. Additionally, an appropriately trained HR function oversees a multitude of complex and constantly changing issues affecting the workforce such as: employment and labor compliance issues as well as acting as a coordinator of the "working culture" and liaison between management and unions in collective bargaining arrangements.

**2.3 Consider re-organizing current purchasing function as town-wide purchasing officer**

Under the present organizational structure the Board of Selectmen have delegated the authority of the Chief Procurement Officer to the Town Manager. In addition, we understand the School Superintendent, School Director of Finance & Operations, the Public Buildings Manager have received delegations of authority as well.

**Recommendations and comments (continued)**

Based upon our interviews with town staff and a review of procurement files it appears the coordination of effort is selective and when there is coordination it includes the participation of the Town Accountant, Town Manager, Public Buildings Manager and the Department Head. We recommend a process where there is a standardized practice for all purchases and that all purchases receive the necessary attention to ensure they are properly procured, contracted and monitored. Such a practice will minimize financial and legal risks, minimize administrative burden on the whole, and ensure and document compliance with laws and regulations as applicable. In addition, proper administration of the procurement process will provide the assurances needed to limit the Town Managers and Town Accountant's involvement only to those matters which are necessary.

To achieve these goals, we recommend the town consider re-organize the current position of Public Buildings Manager. This position is currently informally filling the role of a chief procurement officer for selected municipal procurements under the supervision of the DPW director.

We recommend the Town consider making this position a town-wide procurement officer under the supervision of the Director of Finance and Administration. This will necessitate a change in process to town-wide purchasing procedures that will need to be addressed and formalized.

**2.4 Adopt comprehensive financial policies and procedures**

Throughout our work we requested documentation on policies and procedures in place over various administrative functions. Although each department and staff knew what needed to be completed to keep their respective offices running and to perform their respective jobs, there was very little documentation to formally document the day to day operations of each department.

Documented policies and procedures are key to establishing:

- Efficiencies
- Departmental cooperation
- Accountability of employees and management
- Internal controls
- Credibility and transparency with constituents
- Expectations

In addition, documentation of policies and administrative procedures provides a basis to evaluate and to improve upon internal controls, as well as the basis to set goals and objectives.

In each section of this report we have commented on recommended policies and procedures applicable to each financial office. We recommend these be completed on a department by department basis and then aggregated for consistency and completeness.

**Recommendations and comments (continued)**

**2.5 Work towards improving town-school relationship to enable collaboration in the future**

Throughout our work we were provided with anecdotal opinions with regard to “consolidating” town-side and school department administration and finance functions. Whether such a consolidation would in fact save money or improve operations requires further analysis and is not as obvious a conclusion as one might assume on first consideration.

However, before one can even arrive at the conclusion that such a consolidation would be beneficial; one must ask, can a consolidation be undertaken and successfully completed in the current environment and organizational structure?

For a number of reasons, our opinion on this matter is that the town is not prepared to undertake a consolidation of school and municipal finance and administration functions at this time.

The efforts to consolidate administrative and financial functions of two large municipal operations often competing for the same limited budgetary funds has to be built upon a foundation of trust and a history of working together. From our observations, Mansfield has not yet developed this relationship between town and school officials necessary to undertake a consolidation. This trust must be developed through a series of smaller successes where possible. As this trust develops the decisions that follow with the remaining, more complicated consolidation issues becomes easier to resolve.

In addition, before the town contemplates undertaking such a large transition, it needs to ensure its own administrative operations are in

top order to avoid poor execution of transition plans. This includes reviewing and updating the Town Charter for possible changes as well as consideration of the recommendations and comments contained within this report.

Some of the areas we believe represent opportunities for the town and school to begin building trust include:

- Continue budget team meetings
- Continue elected official dialogue and liaisons
- Continue to improve sharing of departmental data
- Continue efforts to improve efficiencies and administrative operations.
- Explore possibility of sharing newly created Human Resource function
- Explore possibility of sharing newly created Procurement & Risk Management function
- Explore possibility of sharing buildings & grounds resources
- Explore possibilities to share and coordinate IT efforts and systems.

**2.6 Complete implementation and training on Soft Right system applications**

One objective we were asked to consider as part of our work was the continued viability of utilizing the Soft Right FMS to perform financial and administrative functions.

Based upon our work, including interviews with town personnel, Soft Right representatives, inquiry of other Soft Right users, a demonstration of key features, as well as hands-on use of some applications we have concluded that Soft Right FMS is appropriate for the use by the Town of Mansfield to accomplish the functions for which it was purchased.

Based upon our work, many of the issues communicated by town staff we attribute to:

- a rushed implementation schedule
- incomplete implementation on certain aspects of the FMS
- not enough training upon implementation to feel comfortable with processing transactions and appropriate reports
- typical cultural issues associated with change.

As part of our work, we met with Soft Right representatives at their offices in Westford. We had received only a handful of specific, actionable problems/complaints from Town staff with regard to Soft Right functionality. All of the issues we brought to the table were easily solved and/or rectified by Soft Right customer service and we found their staff to be knowledgeable and professional in addressing the issues raised.

Throughout this report, we have noted instances where Soft Right functionality could be utilized to improve current operations. In general, we recommend the Town continue to work with its Soft Right representatives to ensure all applications of the FMS are properly set up and implemented, including access and permissions.

Based upon our interactions with Town finance personnel we believe additional training on specific Soft Right best practices and utilizing the documented Soft Right workflows would improve staff performance.

### **2.7 Re-evaluate financial management system needs and available products in 3-5 years**

Even though we believe the Soft Right FMS is appropriate to meet the Town's current FMS needs, technology solutions are rapidly being developed for government. Even the current FMS provider has recently released a cloud-based version of its server based FMS software that provides additional utilization opportunities.

Over the next several years, we are aware of several applications that are expected to be released that are aiming to improve operational efficiency. Many of these are cloud-based products that are offered on a Software as a Service (SaaS) model. This delivery of applications is a significant change from providing licensed software products which reside on Town owned servers and will require a whole new thinking on how to best integrate the various solutions. Some of the areas where municipal applications are drastically improving and/or changing include:

- Taxpayer self-service
- Permitting
- Assessing and GIS
- Purchasing/Procurement Management
- Document Management Systems
- Human Resource Management Systems
- Financial Management Systems
- Customer Relationship Management
- Mobile applications for citizens and officials

Although our recommendation is to maintain the Town's relationship with its current FMS provider, Soft Right, over a mid-term basis it is clear a new generation of technology is emerging that will make a large impact on how governments process, manage, interpret information and transactions. This transformation of systems is occurring now and will begin to take hold over the next 5 years.

As the Town begins to implement some of the recommendations included in this report it will put itself in a better position to see the benefits of new integrated systems and technologies. We recommend the Town monitor these changes over the next several years and provide for a comprehensive implementation plan to integrate new solutions as they emerge with existing infrastructure.

**2.8 Re-evaluate Administration and Finance  
organizational structure in 3-5 years**

As part of our report, we offer several recommendations that provide for changes in the current organizational structure of the Town. Some of these suggested changes represent only partial steps, which could be expanded further or limited. Each Town has its own requirements and there is not necessarily a one size fits all solution to managing municipal operations.

We recommend the Town adopt and implement some of the organizational changes we have suggested, however, we also recommend the Town continue to evaluate the impact and effectiveness these changes have on operations.

Over the next several years it will be important to monitor the results of these changes and to make modifications, or provide for further structural (i.e. charter provisions) changes as necessary to accommodate the needs of the Town of Mansfield.

### SECTION 3

#### Accounting Function

Appointed by the Board of Selectmen, the Town Accountant in Mansfield plays a key role in managing the Towns financial books and records, as well as performing and maintaining compliance with various laws and regulations of federal, state governments and contractual arrangements. Some of the Town Accountants statutory responsibilities include (largely Chapter 41 of MGL, various sections):

- Examining and approving warrants
- Determining that all charges are correct and are for goods received or services rendered
- Amounts are not fraudulent, unlawful or excessive.
- Responsible for custody of all contracts of the town
- Maintenance of a record of all indemnity bonds given to the town
- Maintenance of a detail record of the town's debt.
- Maintenance of ledgers and journals under a prescribed method to keep a complete record of town financial transactions.
- Financial reporting as determined by the Director of Accounts (currently free cash certifications and Schedule A)

In Mansfield, the Town Accountant also plays a key role in developing, processing and monitoring of town budgets. In addition, the Town Accountant has been the go-to person for most departments and officials when it comes to financial questions and assistance, including the Finance Committee with regard to their ongoing financial analysis and financial planning efforts.

Currently, the Town Accountants office is operating with a staff of three full time equivalent (FTE) positions. These include the Town Accountant, an Assistant Town Accountant and a Bookkeeper.

Some of the core, statutorily required, financial functions performed by the Town Accountants office include:

- Processing, verifying and recording payroll warrants (town and school)
- Processing, verifying and recording vendor warrants
- Recording receipt transactions
- Authorizing procurements and verifying to contractual provisions

These processes have been examined and a flow chart detailing each of these processes is included at Appendix C.

In addition to these essentially required functions, for internal control and reporting purposes, the Town Accountants office spends significant amounts of time proofing and verifying the completeness of the processed financial transactions. Methodologies to complete these processes include:

- Reconciliation to other departmental records or balances
- "Zero-balance" reconciliations
- Verification of documents and amounts
- Budget analysis and comparisons

Significant amounts of time and effort are also spent meeting the offices required financial reporting functions. These include:

- Monthly appropriation reporting
- Interim reporting as requested/ necessary
- Year-end reporting to the DOR
- Year-end audited financial statements
- Year-end Schedule A report
- Town portion of the School Department End of Year Report

Based upon our walk-through of procedures, observation of work performed and review of financial reports and other work product produced it is evident the Town Accountant's office is meeting its statutory requirements and performing the functions typically expected of a municipal accounting office.

However, in the context of our engagement, we are also cognizant of the systems, efficiencies, best practices and internal controls utilized in meeting the offices statutory requirements, as well as the expectations and needs of Town officials and constituents.

## **Recommendations and Comments**

### **3.1 Adopt departmental financial policies and procedures**

As part of our procedures, we noted the accounting department does not have any formally adopted operating policies or procedures. The department does informally refer to the Commonwealth issued UMAS manual as its “accounting manual.” Documentation of workflows and charts provided by the Soft Right FMS are available, but have not been utilized or adopted for use in a formally adopted policy and procedures guide.

Other key provisions of a policies and procedures manual that currently do not exist include:

- Documentation of expected outputs and other accountability measures
- Documentation of key internal controls
- Responsibility for performance
- Responsibility for supervision
- Notification if not performed
- Calendar of departmental tasks and requirements
- Fraud and/or suspected financial abuse reporting procedures.

Establishing such procedures provides clear communication of practice and expectations and serves as a basis for evaluation of departmental results. They provide guidance and training in the event of employee turnover and help to ensure practices are efficient and conventional. Furthermore, documentation of policies, procedures and systems allows decision makers to evaluate existing practices, including staffing and systems.

### **3.2 Restrict General Ledger posting controls**

In our review of the accounting office we noted a weakness in its system of internal controls. Currently, access to the accountant’s general ledger is not restricted to accounting personnel in all respects. Certain Treasurer and Collector transactions are posted directly to the accountant’s ledger without further review or approval.

Sound internal control practices dictate that those personnel responsible for processing transactions do not have the ability to also post those transactions to the accounting ledgers without some sort of review or approval. This is a key aspect in the concept of segregation of duties.

Not only does maintaining a segregation of duties aid in reducing instances of malfeasance, it is a key component of ensuring accuracy and timeliness in reporting; therefore increasing efficiency by reducing subsequent re-work by verifying, reviewing and reconciling source documents as they are received.

We also noted occasions where “daily work” recorded by non-accounting personnel is sometimes needed to be reversed or corrected. These instances lead to additional verification or reporting problems for the accounting office and oftentimes do not follow a set practice or procedure.

To follow up on these access and posting issues, we reviewed the current system settings and capabilities of the Soft Right FMS and determined the capability to restrict general ledger access and subsequent change to previously entered transactions is available. The appropriate town personnel should evaluate these permissions and make changes as necessary.

**Recommendations and Comments (continued)**

**3.3 Limit changes to approved transactions**

A key component to maintaining efficiency is to minimize re-work. In the case of the accounting department, re-work refers to changes to transactions once they have been authorized, approved and properly posted by the accounting office. Not only is re-work inefficient, but in a municipal environment there are also approval and compliance considerations.

Based on our review of accounting procedures, ledger transactions and verified by our interview with the Town Accountant, we noted the accounting office posts a significant amount of journal entries to correct or reclassify transactions that had previously been approved, and posted. This amount of re-work is inefficient for the accounting operation, and leads to untimely and potentially inaccurate financial reporting.

Eliminating direct posting to the general ledger by non-accounting personnel and additional software training should alleviate some of the problem. However, we also suspect part of the re-work is due to the administrative culture that has been allowed to exist in the past. All attempts should be made to properly classify transactions as they occur and the accounting office should have the ability to hold departments that continue to misclassify transactions, or make additional re-work for the accounting office, accountable.

Additionally, we remind town officials that all disbursements are statutorily required to be approved through a signed warrant process, which includes the appropriation that is to be charged for each disbursement. Any change from the approved warrant should also be approved.

**3.4 Improve periodic financial reporting**

Currently, the town does not have any requirement or policies with regard to interim financial reporting. Accordingly, there has been very little complete interim financial reporting or analysis performed over the last three fiscal years. Although perhaps understandable with the turnover in the accounting office and implementation of a new FMS, this condition should not continue for an extended period of time.

During our work, the town was completing its fiscal year 2010 audit, and will be beginning the fiscal year 2011 audit during fiscal year 2013. We also noted certifications of free cash for fiscal year 2011 were late in the calendar year. During these time frames the accounting office did provide appropriation reports and financial account balances as requested, but did not prepare complete interim financial reports.

Complete interim financial reports provide for an analysis of all funds activities for the fiscal year to date, as well as reconciliation and analysis of key accounts and balances. Interim financial reporting is an important part of an ongoing internal control and risk assessment process. It provides an opportunity to identify misestimates, errors and inconsistencies on a current basis that makes detection and correction more likely and timely. Ultimately, interim financial reporting not only provides a degree of transparency and legitimacy to financial operations, but it makes year-end financial reporting more efficient and timely.

**Recommendations and Comments (continued)**

**3.5 Utilize financial dashboards for effective communication**

Although interim financial reporting is key for financial managers and those with the required expertise to review the reports, it is oftentimes cumbersome and not useful to other town officials or constituents.

Interim financial reports should be readily available, however, to improve information sharing and transparency financial dashboards reporting key metrics and financial information should be developed for easy dissemination and explanation of financial position and results.

Currently, the towns FMS, like most commonly used FMS in the municipal environment, does not provide for dashboard creation or reporting. This gives the town the opportunity to manually develop its own reporting that it can use to participate with its software vendor when these capabilities are ultimately developed for the municipal environment.

**3.6 Improve capability for financial planning and projections**

While interim financial reporting is important in evaluating the present, it is also important to know what lies ahead. Currently, the Town Accountants office does not prepare any financial projections. Historically, this function was carried out by the Finance Committee who utilized its own forms and templates to prepare a five year financial projection model. The Town Accountant did provide information to the Finance Committee in these efforts, however, the projection and its presentation was coordinated by the Finance Committee.

While we applaud the Finance Committee for its efforts and expertise in preparing its five year budget projection, we recommend the preparation and presentation of financial projections be handled with the towns in-house financial staff. Of course, soliciting input and presenting results to the Finance Committee and others will be of high importance to the process.

We feel the utilization of the in-house staff with the use of an open process improves the credibility of the projection, eliminates some of the politics sometimes involved in a projection process and improves transparency. It is also more likely that professionals who are charged with this responsibility, are properly supervised and accountable, will be trained and aware of all aspects of what may affect the projection process.

We recommend the Town maintain and update, annually, a five and ten year financial projection. This will include budgetary, tax levy and tax rate considerations and will contemplate capital project plans and requests, changes in policy decisions and changes in financing sources and requirements.

**3.7 Allocation of costs to enterprise operations and other funds**

As part of our work, we noted the Town has no formal policy with regard to the direct charging of costs or the allocation of costs to enterprise operations or to other benefiting funds.

Under current regulations, it is very difficult to utilize surplus fund balance from any fund, including enterprise operations to subsidize the general fund operation. In addition, the issue of charging appropriate fees vs. excessive fees has arisen in Massachusetts governmental organizations several times in recent years and has given rise to the question “when is a fee really a tax?”

To the extent a Town is going to utilize the enterprise fund statute, we recommend careful consideration be given to the funding policy of the activity and to what extent the Town can reasonably charge to reimburse the general fund for costs incurred.

Some communities have gone so far to even consider PILOT agreements for the forgone tax revenues from property that is exempt and not on the tax roll.

**Recommendations and Comments (continued)**

In addition, similar logic is now commonly also being applied to grant and revolving fund programs that may cover the costs directly charged to the program, but often do not charge costs such as employee health insurance or other benefits; increased utility usage; rental fees; custodial and/or maintenance costs that are being borne by the general fund and not being recognized.

**3.8 Maintenance of capital asset records**

Currently, the Town Accountant's office does not maintain an up to date record of town capital assets. Although typically only required to be reported annually as part of the town's audit of its financial statements, Not maintaining the proper record necessitates a separate, non-routine effort at year-end to compile the activity and balances using a manual spreadsheet.

We recommend the town utilize capital asset software (which it already has) to maintain its capital asset records on an ongoing basis as the assets are purchased and identified. Additionally, policies and procedures should be adopted to periodically require review of the asset record for those assets that have been sold, destroyed or have otherwise lost significant value.

**3.9 Simplify reporting and processing of capital articles and capital outlay expenditures**

Currently the town records all capital outlay expenditures as a separate capital project fund within the general ledger. Typically, capital project funds are established for capital articles for which financing (temporary or long term) is being obtained and therefore the fund balance is restricted and not available for general fund use.

With regard to fund balances of unspent articles funded by the tax levy or general fund balance, these amounts are not restricted like bond proceeds and should be reported as encumbered fund balance within the general fund, not as separately restricted Capital Project Funds.

Annually, as part of the budget planning process, and as part of the five and ten year projections, available fund balances of unspent, completed articles should be reported and considered as available funds.

Our review of the Towns unspent article balances indicates there are several balances approximating \$600,000 (excludes water, sewer and Ch. 90 projects) that are available for further appropriation.

**3.10 Record TIF activity and balances on the general ledger, monitor activity**

As part of our work in the Assessing Office, we noted the Town has been active in providing taxpayer incentive financing (TIF) agreements to attract business and industry to town. Although we noted the Assessing Office does annually calculate the TIF payments due – there is no follow up to ensure these amounts are actually billed and collected, nor is the billing or collection activity recorded in the accounting ledgers.

We recommend the Town Accountant record all TIF agreements as a receivable when approved and record the subsequent billing and collection activity. Policies and procedures also need to be developed with the appropriate officials to ensure the terms of these agreements are properly monitored and communicated to town leadership.

**Recommendations and Comments (continued)**

**3.11 Review and update fund structure, utilization and chart of accounts**

As part of our work, we reviewed the construction of the accountant's general ledger. The general ledger consists of a series of funds and accounts that are used to classify financial activity in order to be able to consistently identify and report financial position and results of operations over various time frames.

In Massachusetts, the Director of the Bureau of Accounts has the statutory authority to promulgate accounting systems and methodologies and has done so through the Uniform Massachusetts Accounting System (UMAS). UMAS provides for a standard fund structure and chart of accounts, as well as for standard reporting conventions and rules.

Financial reporting on state required reports and in accordance with generally accepted accounting principles is easily accomplished using UMAS. This leads to greater efficiency in financial reporting, a certain degree of standardization and provides for a conventional system that should be easy for a properly trained accountant to take over, if the need arises.

In its current accounting operation, the Town Accountant is utilizing a previously designed fund structure and chart of accounts that is not in conformity with UMAS. For example, account numbers and accounts are inconsistent. The accounting transactions for the Electric Light Department are recorded over three separate funds, when all financial activity and balances should be reported as one enterprise fund. It also appears there are several opportunities to consolidate and reduce the number of funds from the current number of 285.

We recommend the Town Accountant undertake an effort to update the current chart of accounts, or if more efficient and timely provide for a new chart of accounts.

## SECTION 4

### Treasury & Collection Functions

The town's treasury and collection functions operate under the combined position of the Town Treasurer/Collector, appointed by the Town Manager in accordance with the Town Charter.

The Treasurer/Collector operates in accordance with various statutory requirements, largely MGL Chapter 41, Section 35, and other provisions.

The statutory responsibilities of the Treasurer/Collector include:

- Issuance and collection of property tax bills
- Issuance and collection of excise tax bills
- Preparation and issuance of Municipal Lien Certificates
- Processing and posting of tax payments, maintenance of individual accounts and reconciliation to town records
- Subsequent collection procedures and issuance of demands for payment
- Processing and posting of refunds
- Posting of abatements and exemptions
- Commitment of unpaid taxes to tax title
  
- Receipt of turnovers from town departments and offices
- Posting of receipt turnovers to town records and deposit to banks
- Maintenance and reconciliation of a Treasurers cash book to bank statements and town records
- Processing of vendor checks
- Debt issuance and management

In addition, in Mansfield the Treasurer/Collector Office is also responsible for managing the payroll and employee benefits function, including:

- Processing and review of departmental payroll charges
- Set up and administration of all employee personnel actions and transactions
- Administration of employee benefits
- Preparation and submission of payrolls to third-party payroll provider

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Generally, all departmental receipts of the town (excluding collector's receipts) are collected at various town department locations and reported to the treasurer by periodically completing a "schedule of departmental turnover" or other documentation. Treasury office personnel count funds being turned over, manually indicate the breakout of monies received and "date stamp" the turnover, verifying funds being received and give a receipt to the department. Certain departments deposit directly or on-line payments deposit directly into treasurer maintained bank accounts (i.e. school food service, ambulance, etc).

The town utilizes the services of a deputy collector who maintains a separate account from the treasurer. In addition, we noted the Board of Library Trustees maintains bank accounts separate from the Treasurer for the library.

The treasurer/collector's office also collects payments associated with real estate taxes, personal property taxes, motor vehicle excise, water and sewer and electric charges. With the exception of electric charges, these payments are posted directly by the town collector's office to the taxpayer's accounts. Payments are accepted in cash, checks or credit cards.

Accounts associated with the electric department are maintained within the electric department's Northern Data Systems software, and posted by electric department personnel. The town also utilizes a third-party "lockbox" service provider and on-line methodologies for processing payments.

Currently the receipts recorded by the treasurer/collector's office are posting to the general ledger as processed. The treasurer generally deposits funds on a daily basis. Departmental receipts are processed through the Soft Right FMS's "cash drawer" as processed.

The treasurer/collector maintains decentralized "Excel-based" cashbook to record activity associated with the various cash accounts being maintained. Routine, reconciliation procedures with the town accountant have not yet been established.

See attached appendix C for a flow chart of Treasurer/Collector processes.

## **Recommendations and Comments**

### **4.1 Departmental policies and procedures**

As part of our procedures, we noted the Treasurer/Collector department does not have any formally adopted operating policies or procedures. The department does informally refer to its respective professional associations manuals (i.e. the Collectors Manual and Treasurers Manual) as a basis of its work, but no formal documentation specific to Mansfield's operation and procedures have been adopted. Documentation of workflows and charts provided by the SoftRight FMS are available, but have not been utilized or adopted for use in a formal policy and procedures guide.

Other key provisions of a policies and procedures manual that currently do not exist include:

- Documentation of expected outputs and other accountability measures
- Documentation of key internal controls
- Responsibility for performance
- Responsibility for supervision
- Notification if not performed
- Calendar of departmental tasks and requirements
- Fraud and/or suspected financial abuse reporting procedures.

Establishing such procedures provides clear communication of practice and expectations and serves as a basis for evaluation of departmental results. They provide guidance and training in the event of employee turnover and help to ensure practices are efficient and conventional. Furthermore, documentation of policies, procedures and systems allows decision makers to evaluate existing practices, including staffing and systems.

#### **4.2 Establish a Revenue Manual**

In recent years there has been increased scrutiny leveled at the charging of municipal fees. To be valid, a fee may be charged to recover the cost of providing a service or benefit, not just to enhance revenues (*Emerson College v. Boston, 391 Mass. 415 (1984)*). The charging of a fee may occur when the use of a service is by choice, but is not appropriate for general services that are mandatory or supplied to the public at large. While we did not perform a detailed review of the fees in place at departmental levels, we recommend a formalized review be conducted by management in the development of a revenue manual and as a key component of financial planning and forecasting (inclusive of revolving and enterprise funds).

A revenue manual documents all of the town's revenue sources and the relevant factors to measure current and future levels of respective revenues. It documents specific information, including, but not limited to:

- Description of each revenue source
- Legal authorization and any legal limitations to the revenue
- Costing information utilized to the development of the charge or fee (further illustrating fees are not "disguised" additional taxes)
- Accounting information, i.e. fund and accounts being credited with the revenue

Once developed, we recommend the manual be updated periodically with actual results, building a trend analysis that can be used as a basis for financial projections and forecasts.

#### **4.3 Review gift acceptance and fund maintenance procedures**

As part of our work, we noted the Town has a separately maintained gift fund consisting of numerous accounts and approximating \$500,000 in total. In addition, the Town also has in custody a number of "trust" funds approximating \$1 million. We also noted the Library maintains its own set of gift accounts not in the custody of the Town Treasurer.

We were not made aware of adopted policies or procedures with regard to the establishment, maintenance, acceptance or utilization of these funds. We recommend the Town establish formal gift/trust acceptance, maintenance and utilization policies. In general, we also recommend the Town Treasurer be in custody of all funds held by the Town.

#### **4.4 Formalize a Deposit & Investment Policy**

Sections 54 and Section 55 of Chapter 44, MGL provides summary guidance as to the investment of trust funds and public deposits, respectively. Other Post-Employment (OPEB) funds maintained are allowed to be invested pursuant to MGL Chapter 203C "Prudent Investor". Additionally, Government Accounting Standards Board (GASB) Statement 40, "*Deposit and Investment Risk Disclosures*", requires governmental entities to address and disclose risks associated with these amounts, inclusive of: custodial credit risk, concentrations of credit risk, interest rate risk, and foreign currency risk.

Based upon our inquiries, the Town has not yet adopted any formalized depository and investment policies. In our opinion, adoption of such policies is important not just for compliance with GASB accounting standards, but also to provide additional guidance to the Town Treasurer. Establishment of such policies and procedures, with guidance and acceptance

by those charged with governance provides a clear framework for the Treasurer to maintain town funds based upon desired expectations. Investment and Deposit policies should include, but not be limited to:

- Appropriate types of investments and deposits
- Levels of required depository insurance or collateralization
- Diversification and limits on concentration of investments and deposits
- Evaluation of investment and deposit risks (i.e. market risks, interest-rate risks, custodial credit risk, etc.)
- Providing for ongoing monitoring and reporting
- Measuring ongoing compliance with the policy

#### **4.5 Implement procedures to identify the existence of unauthorized bank accounts.**

Many governmental entities rely upon the town's annual financial statement audit to potentially audit of the town's financial statements for confirmation of the existence of bank accounts established in the town's tax identification number. In reality, often we have found it be fairly easy for unauthorized accounts to be established in the town's tax identification without the treasurer's knowledge. As a step in enhancing internal controls and "risk assessments", we generally recommend treasurer's routinely send confirmation requests to financial institutions being utilized, as well as those that they are not, to evaluate any potentially unauthorized accounts being maintained which may be utilized to misappropriate town receipts.

#### **4.6 Adopt cashbook application inherent in Soft Right FMS**

We noted the town treasurer maintains a decentralized excel generated cashbook (spreadsheet) for recording activity (receipts,

warrants, transfers, etc) associated with activity being processed through the various accounts held. Currently the Town does not utilize the computerized cashbook module available through the Soft Right FMS. While some communities utilize "decentralized" methodologies for maintaining and reconciling treasury cash account and bank statement activity, generally, the maintenance of "decentralized" records should be limited. The utilization of available cash book applications can allow for the integration of many transactions as they are processed to be posted within the proper cash accounts as activity occurs. It can allow for multiple options to be utilized within reporting and reconciliation processes, inclusive of desired formats, (detail, summary, etc).

The consideration of implementation of any cashbook module requires starting with appropriate balances, requiring all cash accounts to be completely reconciled with bank statements and general ledger balances accordingly. We further recommend appropriate training associated with utilization of any proposed module should be provided. Additionally, consideration should be made to limiting the number of cash accounts being maintained. This can minimize the amount of time involved in the reconciliation process, as well as minimize the potential for errors in postings, and other risks. Such evaluation should be made in accordance with adopted depository and investment policies (see comment below). Ultimately, formalized procedures should be established providing for policies and procedures of processing transactions, as well as providing for the timely review and reconciliation of activity, bank balances and reconciliation with the general ledger balances reported.

**4.7 Reconcile cash to Accountant no later than 30 days of month end**

The town should attempt to establish procedures which ensure that cashbook balances are reconciled with the town accountant within 30 days of month's end. This ensures misstatements and errors are *"prevented, detected and corrected in a timely manner."* All reconciliations between the Town Treasurer and the Town Accountant should be formally documented, "attested to" by both officials and maintained on file.

**4.8 Consider adoption of MGL Chapter 200A "Abandoned Property"**

MGL Chapter 200A, Section 9A, amended July 27, 2010, provides amended policies and procedures for town in handling abandoned property (unclaimed checks). This section of the law must be authorized by Town Meeting otherwise abandoned property must be forwarded to the Treasurer of the Commonwealth on an annual basis in accordance with other sections of Chapter 200A. We recommend the town review this amendment and take action as deemed appropriate by the Board of Selectmen.

**4.9 Evaluate current SoftRight "cash drawer" set-up and utilization**

We recommend only "over-the-counter" cash receipts be processed through the cash receipts drawer. Departmental treasury receipts should be processed through the treasury receipts module of the Soft Right FMS. A treasury packet proof should be signed "attested to" by appropriate treasury personnel, and a copy forwarded to the town accountant's office. The accounting office should utilize this copy to independently reconcile their copy of the departmental turnovers, prior to posting the receipts to the general ledger.

**4.10 Provide system generated receipt for over the counter transactions**

We recommend a receipt be provided for all over-the-counter payments. Currently only a "date stamped" copy of the paid bill is provided. The computerized cash drawer/register prints a (2) part register tape, for all transactions processed through the drawer. One copy should be provided to the taxpayer along with the "stamped copy" of the bill and the remaining register tape should be maintained with the daily "close-out/cashout" sheet as documentary evidence that cash payments have been identified in the daily close out procedures and not diverted. All daily close out procedures should contain formal "sign off/attestation" by individuals preparing and supervisory personnel.

**4.11 Utilize standardized turnover forms and ensure procedures require independent submission to accounting**

We recommend policies and procedures include the utilization of a standardized "departmental turnover sheet" which is utilized by all departments. All receipts (including collector's receipts) should utilize a standardized turnover. Such a form assists in ensuring departments are documenting appropriate information (i.e. account numbers, sources of revenue) in a uniform manner. Additionally, procedures should ensure that all departments provide the accounting office an original signed turnover, independent of the treasury function. This is a key element of the segregation of duties, whereby the accounting office verifies "treasury" or "receipts" batches prior to posting to the general ledger.

**4.12 Evaluate practice of processing over the phone credit card transactions from various departments**

We recommend formal evaluation of practices of accepting credit card payment information “over the telephone”. While this seemingly provides “customer service” to the townspeople, in our opinion, it subjects employees to unnecessary risks. The town provides opportunity for individuals to pay certain amounts on-line and has extended office hours. The Town should evaluate this practice as part of a formalized “risk assessment” program.

**4.13 Evaluate posting of abatements and adjustments by DPW staff to customer accounts**

Based upon our inquiries we noted water and sewer rate abatements and adjustments are posted directly to the customer account detail by the Department of Public Works. Generally, preferable internal controls surrounding the maintenance of account receivable detail would be better served if these abatements and adjustments are posted by the Collector’s office as are payments. At a minimum, these abatements and adjustments can be input by the DPW office as approved, and be “accepted” and posted by the town collector’s office upon receiving the approved supporting documentation. This allows for additional controls of the detailed receivables, and provides for control over customer accounts once amounts have been “committed” to the town collector.

**4.14 Reconcile outstanding receivables to the general ledger, monthly**

We recommend formalized policies and procedures be implemented which provide for formalized reconciliation of outstanding receivable balances between balances maintained by the collector (and other

departments as may be applicable (i.e. electric department) on a monthly basis. Reconciliations should be “attested to” by appropriate personnel and maintained on file.

**4.15 Reconcile outstanding accounts maintained by Deputy Collector to town ledger semi-annually**

We recommend outstanding accounts being maintained by the deputy collector be reconciled with the accounts and balances being maintained by the town collector on a semi-annual basis. This assists in reducing the risk that activity associated with these accounts (or others) may be misstated or manipulated.

**4.16 Maintain Deputy Collector Account in accordance with DOR regulations**

The deputy collector should be maintained solely in the tax identification number of the town, under control of the town treasurer. This allows the deputy collector to only deposit receipts into this account. On a weekly basis, the deputy collector would generate a detail report of monies collected and appropriate fees to be paid. Fees due the deputy collector are processed through the town’s vendor warrant process. The town treasurer transfers funds from this account as appropriate. This process provides additional safeguards over town funds and the processing of the deputy collector’s fees through the warrant process is more in compliance with MGL.

**4.17 Provide for ongoing cash flow projections**

Policies and procedures should include providing for generating and communicating on a routine, periodic basis “cash flow” projections. This should be an integral component of financial management planning noted above.

**4.18 Review ongoing need for number of bank accounts**

The town treasurer should evaluate the number of bank accounts being maintained. While there are no specific requirements as to the number of bank accounts which can be maintained, certain funds (i.e. trusts, grants, enterprise) may require separate accounts to be maintained. Other determining factors should include depository and investment guidelines as established by a formalized policy (see above) and the amount of time involved in maintaining and reconciling numerous bank accounts.

**4.19 Reconcile payroll withholding accounts, monthly**

All payroll withholding accounts should be reconciled on a monthly basis, to ensure the propriety of activity and balances being maintained in these accounts. All reconciliations should be formally documented and “attested to” by appropriate personnel.

**4.20 Perform a comprehensive evaluation of bonding and insurance for individuals collecting maintained, transporting funds**

It is important that the town routinely evaluate the adequate fidelity bond, or insurance coverage is in place for individuals handling funds of the town. We were informed that generally, daily deposits for the treasurer’s office is delivered to the bank by a police officer. While this procedure seemingly provides safeguard, the practice should be evaluated as to the coverage for the officers in addition as to whether this should be a duty of the town’s police officers. While a great majority of the town’s receipts are processed through the lockbox, or on-line services, some financial institutions do offer armored car service pickup.

## SECTION 5

### **Human Resources, Payroll and Benefits**

Currently, the Town's human resource function and responsibilities are split between the Town Administrator, School Business Office and the Town Treasurer's office. The Town Administrator is responsible for recruitment, hiring and retention of employees; personnel management and file retention; collective bargaining and contract negotiations; employee separation and resolution of employee grievances and concerns. The Treasurer's office maintains appropriate documentation on file to process employee payroll, and to enroll and maintain employee benefits.

The School Department business office separately maintains its own HR capabilities and performs these functions itself. All other municipal departments utilize the current framework.

With regard to processing of payroll, the Town utilizes Harper's Payroll Service as a third-party service provider on both the municipal and school departments. The school department business office processes and provides Harpers with the payroll data, while the Treasurer's office inputs all other municipal department payroll data for processing through Harper's. The school processes payroll on a bi-weekly basis, while the town processes payroll, weekly.

Each department is responsible for maintaining payroll, time, compensation and other records as is necessary to support the payroll charges – this documentation takes different forms in each department, but is summarized in common form by the Treasurer's office prior to processing by Harper's. In addition, certain departments also have additional HR and personnel reporting requirements that need to be maintained and reported (most notably the school department).

The payroll service provider is responsible for processing payroll checks and provides for payroll tax withholdings, remittances to tax authorities, and reporting of employee wages as required on various weekly, monthly, quarterly and annual tax forms. Harper's also maintains information on employee vacation accruals for participating departments.

Once a payroll is processed by the third party provider, Harper's provides the Treasurer's office with copies of checks, payroll reports, etc... Data processed by Harper's is electronically submitted and is run through a data bridge for electronic posting to the Soft Right FMS for posting to the proper general ledger and budget accounts.

Personnel folders are maintained by the Town Manager and Department Heads. Payroll and benefit files are also maintained by the Treasurer's office.

## **Recommendations and Comments**

### **5.1 Departmental policies and procedures**

As part of our procedures, we noted the Human Resources/Payroll function does not have any formally adopted operating policies or procedures.

Key provisions of a policies and procedures manual that currently do not exist include:

- Documentation of expected outputs and other accountability measures
- Documentation of key internal controls
- Responsibility for performance
- Responsibility for supervision
- Notification if not performed
- Calendar of departmental tasks and requirements
- Fraud and/or suspected financial abuse reporting procedures.

Establishing such procedures provides clear communication of practice and expectations and serves as a basis for evaluation of departmental results. They provide guidance and training in the event of employee turnover and help to ensure practices are efficient and conventional. Furthermore, documentation of policies, procedures and systems allows decision makers to evaluate existing practices, including staffing and systems.

With regard to the human resource function, comment 5.2 below specifically addresses additional/specific needs of the HR function.

### **5.2 Implement Human Resource Manual**

As part of our review, we noted the Town did not have a complete Human Resource manual to provide guidance and direction to the Town Manager, supervisors and employees.

A complete HR manual would include such items as key HR workflows; general policies of the Town; work rules and standards applicable to non-union employees; schedule of collective bargaining units and contractual status; job descriptions; position control information and more.

Many of our recommendations in the Human Resource function revolve around coordination and development of the HR function as opposed to a separate job responsibility of the Town Manager.

**Recommendations and Comments (continued)**

**5.3 Utilize Human Resource Management (HRM) functionality**

As with most municipalities, salaries comprise one of the largest expenditures of a municipal budget. These salaries, however, represent more than just a number; they represent people who are in place to perform specific functions with regard to the town's delivery of services and administrative goals.

Currently, the Town is relying upon a decentralized system of department heads, supported by the Town Administrator and Town Treasurer's office, to ensure a properly administered HR operation is in place. Not only is this system inefficient, but it exposes the town to employment related risks and limits the ability of Town leaders to manage, monitor, report and forecast payroll expenditures and HR activities.

The Town's current financial management system offers a position control application that could be adopted for use in the short term, providing an opportunity to implement a piece of a HRM functionality to more fully evaluate needs for a longer-term basis.

The current process of paper-based human resource processes results in a lack of work-flow across departments, paper chasing, and potentially incomplete files. This decentralized HR operation could be improved with current Soft Right applications. This experience and utilization could be used to help local managers identify the best solution for human resource management in the longer-term.

The benefit of implementing position control/human resource management systems include:

- Electronic system for managing HR processes
- Savings in personnel time
- Eliminates errors in unreadable, late and missing paperwork
- Timely review, authorization and approval of personnel actions

- Improved visibility into ongoing HR activities
- Ability to identify/assign personnel with positions
- Ability to easily complete projections and forecasts based upon contractual changes
- Centralize HR activities and reporting and track various report/due dates.
- Provide for employee self-service

Utilizing the position control functionality will help get town staff accustomed to HRM applications and will allow the finance staff to improve the current payroll process by:

- Aligning payroll and positions with provisions of various employment contracts/collective bargaining agreements
- Improve the internal auditing of payroll charges
- Provide for improved projections and forecasts
- Provide for the ability to manage positions and FTE's

**5.4 Consider adopting OPEB Trust Fund and evaluate funding options**

In recent years, Government Accounting Standards have changed to now require governments to report the liability associated with offering Other Post Employment Benefits (primarily health insurance to retirees) on their financial statements. Although this requirement did not change employee/retiree benefits ... it has brought to the forefront the costs of these benefits, which has resulted in a movement to make changes. Mansfield's OPEB liability totaled \$79.2 million as of July 1, 2010.

Recently, Massachusetts adopted legislation to permit municipalities to adopt an OPEB trust fund. The trust fund provided under MGL is in accordance with GASB regulation and provides the Town with a mechanism to begin funding this liability if it were to choose to do so.

**Recommendations and Comments (continued)**

The purpose of this review was not to report comprehensively on the positive or negative aspects of funding OPEB. However, given the size of the Towns OPEB liabilities we do recommend the Town consider adopting the local option statute to create the trust fund and evaluate the financial, political and bargaining impacts funding this liability may have.

Operationally, we can further advise the Town on how these funds would work and could provide some budgetary flexibility.

**5.5 Consolidate compensated absence reporting and evaluate utilization of compensated time**

During our work we noted certain departments (school and fire departments being the largest) did not remit compensated absences information to the Town Treasurer or Harper's payroll (i.e. vacation and sick leave). This accrued time is not maintained or reported as part of the payroll system, and is maintained by the respective department heads.

In addition, in our interviews and reviews of procedures, we noted some town employees were making use of "comp time" in certain instances and that department heads were keeping track of these amounts.

We recommend that all departments follow the same process with regard to submitting, reporting and valuing accrued time off. In addition, we recommend the town evaluate the use of "comp time" by non-exempt employees as this may put the town at financial risk.

**5.6 Align payroll periods, move to bi-weekly payroll**

Currently, the town and the school department are on different payroll cycles. Municipal department payrolls are processed on a weekly basis; school department payroll is processed bi-weekly.

Although the processing time is split between two departments – Treasury personnel are still required to be involved in the payroll process each and every time it is executed. Limiting staff involvement in multiple payroll processing runs by consolidating to a bi-weekly, aligned payroll allows the treasurer's office to dedicate additional time to that departments core tasks.

Not only will this procedural change reduce staff utilization for payroll, reduced processing rates should result in savings in payroll service fees. We recommend the Town move towards implementing a bi-weekly payroll.

**5.7 Review overtime calculations**

During our review of payroll processing procedures we noted at least one instance where overtime rates were calculated differently. In the calculation of overtime, we noted the electric department included longevity pay in the calculation of the overtime base rate. However, in one instance, we noted the DPW did not include longevity pay in the overtime base.

Furthermore, in our interview with personnel involved in processing payroll, it was not clear as to how the fire or police departments were calculating overtime rates and the review of these calculations or rates was not part of the processing procedures.

Calculating, inputting and monitoring of appropriate rates in accordance with federal and state law is an example of how a HRM system and an HR Administrator would benefit the town. In the short-term, we recommend the Town review the methodologies used by its various departments to ensure calculations are in accordance with contract and with federal and state regulations.

**Recommendations and Comments (continued)**

**5.8 Update Harper's job costing report link with Soft Right**

As part of our work, we reviewed the effectiveness of the Harper's electronic payroll data bridge to the Soft Right FMS. We noted the payroll warrant amounts for certain accounts posted inconsistently to the general ledger (sometimes in total for the department, others in multiple transactions). This sometimes results in additional time required to research or verify correct transactions were posted.

We reviewed this issue with Soft Right personnel and were able to determine the issue was most likely a result of the job costing linking of the Harper's reports to the accounts set up within the Soft Right general ledger.

This information was verbally reported to the Treasurer's office and we recommend the necessary time and effort be taken to update these links so that monitoring and reconciliation of payroll activity is easier and more efficient.

**5.9 Provide for health ins. enrollment audit**

Under the Municipal Relief Act, a new Section 26 was added to MGL Chapter 32B which requires the town to conduct an eligibility enrollment audit "*not less than once every (2) years*". Such an audit is designed to ensure that only eligible employees and dependents are provided coverage on the town's health plan.

Not only is this a requirement it also provides the following benefits:

- Reduces healthcare costs by eliminating claims paid for ineligible participants.
- Regular audits show plan participants, as well as taxpayers that the town is doing its best to minimize costs.
- Helps to stem future abuses of the eligibility provisions in the town's plans.

We recommend the Town provide, either directly or through its joint purchase group, for conducting a health insurance enrollment audit.

**5.10 Implement procedures to address retiree health insurance proration requirements**

Under the Municipal Relief Act, a new Section 9A ½ was added to MGL Chapter 32B which allows governmental units to bill other governmental units for a pro-rata share of retiree health insurance costs based upon the creditable service of the retiree attributed to each governmental unit.

Treasurers of governmental units have until January 15 of each year to issue invoices for the costs from the preceding fiscal year. We noted the Town did not perform this billing for fiscal year 2011 (albeit very small amount) however, the amounts will grow each year and the Town will also be subject to the claims of other governmental units.

We recommend the Town implement procedures to address the requirements of retiree proration going forward.

## SECTION 6

### Assessing Function

The assessing function is administered by the Board of Assessors and through the appointment of an Assistant Assessor. The Assessors office is staffed by 1.5 FTE's: the Assistant Assessor and a part-time (15 hours per week) clerk.

The Assessing office is responsible for carrying out several processes and procedures to ensure town property is assessed at "full fair and cash value" as contemplated under MGL.

The Assessing office provides for maintaining the Town's 'tax maps' and provides assessing field cards on each parcel. The assessing office is also responsible for providing for interim year adjustments and a triennial recertification plan.

Sales and market data are monitored and maintained by the Assessing office and the Town's inventory of property is coded in accordance with DOR regulations. Reporting of property information is readily available through the Vision Government Solutions software used by the department. The Assessing office is also responsible for the Town's "overlay account" providing for abatements and for following cases through the Appellate Tax Board, if needed.

The primary responsibilities of the assessing function are summarized as follows:

- Administration and determination of property values
- Administration and determination of new growth
- Preparation of assessment schedules for the tax rate recapitulation sheet
- Setting the tax rate including a tax classification hearing
- Administration of revaluations
- Inspection of properties and new additions
- Review and approval of abatement and exemption applications
- Testimony and documentation to the Appellate Tax Board

- Review and approval of personal exemptions
- Maintain the assessment administration database
- Produce commitments for property tax and excise
- Processing of property tax and excise abatements

In addition to the personnel working in the Assessor's office, the Town also contracts significant amount of the assessing function to outside vendors. These include: Vision Government Solutions to perform the interim adjustment values each year and to perform appraisal services on a per diem basis; RE Research Consultants to perform valuations on personal property; an attorney to follow cases through to the Appellate Tax Board; and the use of the Deputy Tax Collector to print and mail property tax bills (coordinated through the Collectors Office). The Deputy Collector also receives electronic files directly from the Registry of Motor Vehicles to pull out exempt bills and forwards this information to the Assessor's office for input into Soft Right.

Real estate tax assessment and tax data are transferred by the Assistant Assessor via an electronic data bridge from Vision's Software to Soft Right for the Tax Collectors office.

Additional responsibilities of the Mansfield Assessor's office include:

- Calculating and adding betterments to tax bills
- Calculating and maintaining TIF agreements

Despite the loss of 1.5 FTE's in the office since 2009-2011, the Assessing function appears to be fulfilling the primary responsibilities of the office. Moving forward, our largest concern would be one of missed opportunities in revenue growth or loss of revenue due to contested valuations that could not be fully defended due to the lack of staffing in the office.

## **Recommendations and Comments**

### **6.1 Departmental policies and procedures**

As part of our procedures, we noted the assessor's office does not have any formally adopted operating policies or procedures. The department does informally refer to the Commonwealth issued Assessors manual and various DOR regulations, forms and guidance as its procedure manual. Documentation of workflows and charts provided by the Soft Right FMS are available and have been utilized, but are not part of a formally adopted policy and procedures guide.

Other key provisions of a policies and procedures manual that currently do not exist include:

- Documentation of expected outputs and other accountability measures
- Documentation of key internal controls
- Responsibility for performance
- Responsibility for supervision
- Notification if not performed
- Calendar of departmental tasks and requirements
- Fraud and/or suspected financial abuse reporting procedures.

Establishing such procedures provides clear communication of practice and expectations and serves as a basis for evaluation of departmental results. They provide guidance and training in the event of employee turnover and help to ensure practices are efficient and conventional. Furthermore, documentation of policies, procedures and systems allows decision makers to evaluate existing practices, including staffing and systems.

### **6.2 Evaluate reliance/monitoring of outside vendors**

As currently constituted, the Assessing function heavily relies on outside vendors to accomplish the core functions of the office. Current assessing staff spend a lot of time coordinating these efforts, on top of their day to day responsibilities that must be fulfilled. Given the requirements of the office, the ability to monitor the results and performance of the outside vendors is limited.

We recommend the Town evaluate lost opportunity costs with respect to assessing functions that arise from the reliance on outside vendors.

### **6.3 Maintain program to complete cyclical re-inspection program**

As part of our review of our work, we not only reviewed work flows and procedures, but we also reviewed compliance with key requirements of Department of Revenue regulations and MGL.

We noted the Assessor's office does not currently have a cyclical re-inspection program in place. MGL requires that all towns provide for a cyclical re-inspection program such that all real property is re-inspected at least once during an ongoing 9 year cycle. Mansfield has not performed re-inspections since 2005.

We understand the Town has received a price estimate from outside vendors to complete this work and bring the Town up to date on this requirement, but has not yet retained a vendor. The estimate for completion was \$213,800.

We recommend the Town address the issue of cyclical re-inspections and provide for a mechanism to complete this work on an ongoing basis – either on an in-house or outsourced basis.

#### **6.4 Explore further use of PILOT agreements**

As part of our work, we reviewed the Town's assessment classification reports prepared by the Assessor's office. We noted the Town has exempt property values of approximately \$200 million (January 1, 2011) out of a total property valuation of nearly \$3.1 billion (6.5%).

Per the Assistant Assessor, the Town does have payment in lieu of tax (PILOT) agreements with the Mansfield Housing Authority, but not with other exempt property owners.

Utilizing the current tax rate of \$14.29, the tax value of exempt property that is shared among the other Mansfield property owners is approximately \$2.8 million.

We recommend the Town review the status of its PILOT agreements and consider the option of pursuing these agreements further.

#### **6.5 Further consider utilization of allowance for abatements and exemptions account**

Annually, the Town provides approximately \$500,000 for an allowance for abatements and exemptions on property taxes. Of this total amount, nearly 50% of the allowance is utilized to pay for elderly and veteran exemptions and for the senior work program. This utilization leaves approximately \$250,000 annually to be used for abatements on property tax levies of each fiscal year.

\$250,000 represents approximately one-half of one percent of the Town's \$47.1 million tax levy. With 100+ appellate tax board cases pending (several are from the same taxpayers year after year) dating back over 5 fiscal years, this amount does not provide much financial cushion in the event a case is lost. Furthermore, without adequate resource provided for these pending cases, the town's position is weakened when it comes to a settlement vs. trial decision.

We recommend the Town review the amounts raised for the allowance for abatement and exemptions account and consider how this account is being utilized.

## SECTION 7

### **Purchasing and Procurement**

Given the size and number of departments comprising the Town's annual operating and capital budgets, purchasing and procurement is an important responsibility within the Town of Mansfield. Not only does proper purchasing help to ensure qualified and cost effective vendors, but also requires adherence to a number of potential compliance requirements.

Massachusetts General Law Chapters 30B and 149 contain the key provisions to be followed in public purchasing; while the Massachusetts Inspector General's office monitors compliance, provides training and offers certifications to public officials to help ensure the law and regulations with regard to procurement are followed. One provision of Chapter 30B provides for the appointment of a Chief Procurement Officer (CPO) and the utilization of a request for proposal (RFP) process. Per the IG's office Procurement Manual, the role of the CPO is to *"be responsible for all activities related to buying, leasing, renting, or otherwise acquiring supplies and services for all departments regardless of contract value... This responsibility includes overseeing the solicitation, evaluating quotes, bids, and proposals and awarding contracts."*

Under the Town Charter, the Town Manager is designated as the Chief Procurement Officer of the Town. MGL does provide for this authority to be further delegated. Informally, the Town has delegated procurement authority to several departments. Most municipal departments handle smaller purchases internally, although the Town Manager is required to sign and contractually bind the Town on contracts and agreements. On selected, larger purchases, municipal departments also utilize the assistance

of the DPW Public Buildings Manger, who has received purchasing training and certification.

The School Department separately handles its procurement needs with the School Business Manager filling the role of Chief Procurement Officer and supported by personnel in the maintenance and grounds department. In addition, the Electric Department also provides for much of its procurement and purchasing needs, internally.

## **Recommendations and Comments**

### **7.1 Policies and procedures**

As part of our procedures, we noted the Town does not have any formally adopted operating policies or procedures for purchasing and procurement. The Town does informally refer to the Inspector General Procurement Guide as its “purchasing manual.”

Other key provisions of a policies and procedures manual that currently do not exist include:

- Documentation of expected outputs and other accountability measures
- Documentation of key internal controls
- Responsibility for performance
- Responsibility for supervision
- Notification if not performed
- Calendar of departmental tasks and requirements
- Fraud and/or suspected financial abuse reporting procedures.

Establishing such procedures provides clear communication of practice and expectations and serves as a basis for evaluation of departmental results. They provide guidance and training in the event of employee turnover and help to ensure practices are efficient and conventional. Furthermore, documentation of policies, procedures and systems allows decision makers to evaluate existing practices, including staffing and systems.

### **7.2 Consider town-wide purchasing officer**

Although the current organizational structure for procurement appears to be working, we still recommend the Town consider appointing a town-wide purchasing officer.

In the current arrangement, procurement activities adversely affect the ability of several personnel to perform their primary responsibilities. These include: Town Manager; Town Accountant; Public Buildings Manager; School Business Manager. In addition to freeing these positions to devote their time to their primary responsibilities, assigning purchasing responsibility to a dedicated employee, who can stay current on all applicable provisions and certifications, helps ensure procurement, purchasing and contract activities are properly performed, executed and monitored. One error or oversight in procurement can lead to significant assumption of costs that otherwise may not need to be incurred.

Also, with the implementation of some of our additional procurement recommendations noted below, additional personnel will likely be needed to implement and maintain a complete FMS and vendor record.

### **7.3 CPO delegation**

As noted in the Town Charter, the Town Manager is designated as the Chief Procurement Officer (CPO) for the Town. This designation meets the requirement of MGL Chapter 30B that delegation of procurement powers and duties be filed with the IG's office. However, we noted several other municipal officials also perform various procurement powers and duties for which the written notification of delegation has not been provided.

In order for municipal officials to have valid authority to utilize the request for proposal process those officials are required to have been delegated such authority from the Town CPO and that delegation is required to be filed with the Inspector General's Office.

We recommend the Town formally document its delegation of purchasing authority to selected municipal officials.

### **7.4 Contract authorization**

During our review of practices and procedures we learned in previous fiscal years there were multiple employees who signed town contract documents. We understand the Town Manager is now the only person on the Town side authorized to sign or "let" a contract. However, on the school side there are still multiple staff members who let contracts.

We recommend the town designate one or two specific staff members who are able to let contracts on behalf of the town and document the limits of any authority in that regard as part of its new purchasing policies and procedures. In addition, we recommend the town require the Town Accountant sign off on contract as to the availability of appropriation and that legal

counsel be consulted, where appropriate, to attest to legal form.

### **7.5 Consider implementation of purchase order requisition system for all expenditures regardless of amount**

As part of our review of town purchasing practices and procedures we noted the Town does not utilize a formal purchase order system. The school department does utilize a purchase order system within its separate financial management system.

The value of utilizing a purchase order system is to encumber funds against the budget as soon as they are identified in order to minimize the risk of over expenditure inherent in a "record as paid system." Under a purchase order system, all known costs, such as payroll, significant contracts and recurring expenditures are charged against the budget with purchase orders at the beginning of each year – therefore limiting the available budget and reducing the risk of over-expenditure. Modifications to open purchase orders can be made to account for changes in what has become known as the year progresses.

Utilizing a purchase order system helps department heads and administrators to better manage and monitor budgets and aids in properly identifying and monitoring compliance issues related to procurement. The use of purchase orders, and the appropriate authorizations required to issue one, when coupled with a someone primarily tasked with the purchasing function also significantly improves internal control over unauthorized purchasing – an area of high risk in municipal operations.

The use of purchase orders is already available to the Town with its existing FMS.

**7.6 Reconcile vendor documents to procurement documents at the departmental level**

During our review of procurement practices, we noted the Town Accountant's office is required to spend additional time reviewing departmental requests for payment because adequate documentation is often not included with the request for payment.

Instituting a purchase order system, as suggested previously, should assist in improving this inefficiency. Typically, in a purchase order system department payment requests on invoices are required to be matched with the purchase order previously authorized – which will aid in subsequent internal review. In addition, any procurement information required to be documented on a particular purchase will also be documented on the previously authorized purchase order. This provides a quick reference to contract documents and approved rates, etc.. to ensure the Town is paying vendors appropriately.

Absent implementing a purchase order system, we recommend the Town Accountant make it incumbent upon each department to provide full procurement documentation with each invoice submitted for payment.

## SECTION 8

### School Department Overview

As a department of the Town of Mansfield, the town's elected School Committee is the "head of the department" under MGL. To help fulfill these responsibilities, the School Committee appoints a Superintendent who has wide authority under MGL to act as the Chief Operating Officer for the school department. This authority includes administrative systems and practices, which in Mansfield's case is overseen by a School Director of Finance and Operations.

Some of the responsibilities overseen by the Director of Finance & Operations on behalf of the School Department include:

- Operating budget development and maintenance
- Procurement and purchasing
- Billing and accounts receivable
- Human resources and payroll
- Grant financial management
- Departmental financial reporting

Currently, the School finance office is operating with a staff of 6.5 full-time equivalent positions (FTE). These include the Director of Finance & Operations, financial administrative assistant, administrative assistant, accounts payable bookkeeper, payroll specialist, payroll assistant and accounts receivable (part-time).

The core financial and administrative functions performed by the School finance office staff are similar in nature to those performed by the Town Accountant's and Treasurers office, yet not statutorily required. These include:

- Processing, verifying and recording payroll warrants
- Administration of employee personnel actions and transactions
- Processing, verifying and recording vendor bill schedules

- Recording receipt transactions
- Authorizing procurements and verifying to contractual provisions

These processes have been examined and a flow chart detailing each of these processes is included in Appendix C.

In addition to these required functions, for internal control and reporting purposes, the School finance office spends a significant amount of time proofing and verifying the completeness of processed financial transactions prior to submission and verification to the Town Accountant.

As a department of the Town, the School Department cannot maintain custody of bank accounts, nor does it maintain a complete general ledger of assets and liabilities. Its books and records consist of revenue and expenditure lines, the activity of which is periodically reconciled to the Town Accountant's complete general ledger. This procedure ensures all transactions are recorded and allows both the School finance office and Town Accountant to fulfill their financial reporting obligations. This procedure is required for operating budget transactions, as well as activity and balances of various special revenue funds (i.e. gifts, grants and revolving accounts).

The School Department does have significant financial reporting requirements, these include:

- Monthly appropriation reporting and budgetary compliance
- Fund Balance reporting of various special revenue funds
- Year-end reporting to the DESE
- Various grant financial/activity reports

To assist in meeting its financial and administrative requirements the School Department utilizes a FMS from Budget Sense Software. Budget Sense is a widely used application by municipal School Departments

and is utilized by the Mansfield School Department to maintain expenditure accounts for non-salary operating budget line items as well as to manage the purchase order and accounts payable process. Information processed through this system is transferred to the Soft Right FMS utilized by the Town Accountant by the use of an electronic “data bridge”

In addition, the School Director of Finance & Operations utilizes a series of excel workbooks to assist in vendor and budget maintenance and to maintain a financial record of payroll and special revenue fund transactions (grants, gifts, revolving funds, etc.).

## **Recommendations and Comments**

### **8.1 Work towards improving town-school relationships to allow more collaboration in the future**

As noted in previous sections, there are several operational areas that present an opportunity for the town and school administrations to further work together. The ability to make these collaborations is based upon a foundation of positive relationships between school and town officials, trust and an understanding of the roles and responsibilities of each. Without this relationship and understanding at every level of the organization, improved efficiency, reduced error rates and minimized costs through joint collaboration of municipal and school administrative operations will not materialize. Quite the opposite – informal barriers and work-arounds will form that will result in additional administrative burden.

Sometimes, the responsibility of each party may be in conflict with each other. However, these conflicts should be able to be resolved internally taking into account the considerations of all affected parties and the interests of the Town as a whole. In our experience, building a foundation of trust and understanding between town and school interests starts through collaboration on areas of interest and need for each. This then lays the groundwork for further collaboration on larger, more difficult areas.

We have identified the following areas where collaboration between town and school interests could be beneficial. We believe some of these could be undertaken easier than others, but in each case each of these areas offer an opportunity to improve overall operations through improved efficiency or through costs savings – either on an ongoing operational basis, missed opportunity costs or risk mitigation. We have listed these areas of collaboration below, in order of our

## TOWN OF MANSFIELD, MASSACHUSETTS OPERATIONAL REVIEW REPORT

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recommended implementation and difficulty of implementation:

- A. Human Resources – as indicated in a previous section. We recommend the town provide for dedicated staffing of the HR function. The School Department faces similar issues as the other town departments with regard to HR needs (as well as some unique needs) and also has no dedicated HR staff. This presents an obvious opportunity where a joint position would be of clear benefit to town and school operations.
- B. Facilities – Currently, the school department has employees on staff who can handle electrical, HVAC and general maintenance work. According to the Director of Finance & Operations, these employees save the school department time and money by eliminating the need to bid, procure and contract with outside vendors. These vendors would commonly be required to be paid prevailing wage on these smaller facility type jobs.

We understand the school department facilities team is also utilizing a work order system for scheduling and keeping track of (prioritizing) needed repairs and work.

On the other hand, the town side operation does not have licensed electricians, HVAC technicians or others on staff that can address these types of repairs, therefore requiring a bid, procurement and contracting process with an outside vendor.

We recommend town and school officials meet to explore potential facilities issues that could be addressed on a joint basis, with a long-term goal of evaluating the effectiveness of a consolidated facilities department.

- C. Purchasing – As noted in a previous section, we recommend the town implement a separate Procurement Officer position. This position will be responsible for proper procurement, contract compliance and related issues and could share its expertise and resources between municipal and school departments on the basis of need.
- D. Information Technology – While the first three areas of collaboration we believe present clear opportunity due to needs in each of those areas by both school and municipal departments. IT represents an area that is well developed on both the municipal and school department sides. Not only are the positions in each department currently staffed and operating effectively by all appearances, each department has significantly different operational needs.

Nonetheless, the sharing of expertise and resources of each the school and town IT departments represents an area we identified to offer some potential for operational cost savings and reduced opportunity costs.

Further analysis, documentation and study are needed on this operational area before further recommendations can be made.

- E. Accounting and Finance – represents one of the more difficult operational areas in which to collaborate, as it is often an all or nothing undertaking and involves issues of control and oversight intermingled with roles and responsibilities set out under statute.

The consolidation of municipal and school department finance operations is subject of a study and analysis in and of itself and was not solely focused upon in the scope of our current work. However, we would be

remiss to not mention the possibility within the context of our comments.

Throughout other areas of our report, we have commented on several short to mid-term steps that need to be taken and relationships that need to be formed prior to consolidation being considered.

For purposes of this report and scope of work, we recommend this be considered a long-term goal for further study and evaluation. Only to be considered pending implementation of several other short to mid-term recommendation contained herein.

### **8.2 Departmental policies and procedures**

As part of our procedures, we noted the school finance office does not have any formally adopted operating policies or procedures. The department does informally refer to DESE financial regulations and guidance, and as a municipal department would utilize the DOR's UMAS manual as its "accounting manual." Documentation of workflows and charts provided by the Soft Right FMS are available, but have not been utilized or adopted for use in a formally adopted policy and procedures guide.

Other key provisions of a policies and procedures manual that currently do not exist include:

- Documentation of expected outputs and other accountability measures
- Documentation of key internal controls
- Responsibility for performance
- Responsibility for supervision
- Notification if not performed
- Calendar of departmental tasks and requirements
- Fraud and/or suspected financial abuse reporting procedures.

Establishing such procedures provides clear communication of practice and expectations and serves as a basis for evaluation of departmental results. They provide guidance and training in the event of employee turnover and help to ensure practices are efficient and conventional. Furthermore, documentation of policies, procedures and systems allows decision makers to evaluate existing practices, including staffing and systems.

### **8.3 Approval of Vendor Warrants**

We noted while school department vendor warrants are being signed by a majority of the School Committee and the Business Manager, they are not being signed by the Superintendent of Schools.

MGL Chapter 41, Section 56, requires approval by *"all boards, committees, heads of departments and officers authorized to expend money"*. In the opinion of the Massachusetts Department of Revenue while the school committee retains final authority for *"approving and allocating"* all items within its budget in accordance with MGL Chapter 71, Section 34, the Superintendent is responsible for the management of the school department under the Education Reform Act. Accordingly, the Superintendent as the head of the department should be approving vendor expenditures (vouchers/warrants). We recommend the Director of Finance & Operations also continue to approve vendor warrants since it is their responsibility to advise the superintendent and the school committee in regard to appropriations and other available funds (grants, revolving, etc).

#### **8.4 Approval of Payroll Warrants**

Currently, neither the School Committee nor the Superintendent are approving school department payrolls prior to processing and payment.

MGL Chapter 41, Section 56, requires *“the selectmen, and all boards, committees, heads of departments and officers authorized to expend money shall approve and transmit to the town accountant as often as once each month all bills, drafts, payrolls chargeable to the respective appropriations of which they have the expenditure”*.

Additionally, MGL Chapter 41, Section 41, “payment of compensation; oath”, indicates no treasurer shall pay salary or compensation *“unless the payroll, bill or account for such salary or compensation shall be sworn to by the head of the department or the person immediately responsible for the appointment, employment, promotion or transfer of the persons named therein”*. The section continues, indicating that *“a commission, committee or board... may for the purposes of this section designate any one of its members to make oath to a payroll, bill or account for salary or compensation of its members or employees*.

The full commission, committee, or board, generally is required to accept the actions of the delegated individual at the next meeting. Accordingly, we believe this again indicates the Superintendent and school committee are required to approve payrolls prior to processing. We recommend the school department revise their approval procedures accordingly.

#### **8.5 Increase Utilization of Budget Sense FMS with eventual shift to town-wide FMS**

During our review of processing and reporting procedures we noted the school business office utilizes several manual processes, outside of its FMS. In addition, we noted the school department utilizes different FMS software then used by core town financial departments.

We understand there is a training and comfort factor associated with making any change – however, we recommend a conversion over a mid-term period be performed.

In our opinion, the current utilization of financial software in the school department could be improved in order to improve overall (town-wide) efficiency and minimize error or miscommunication of financial information.

Currently, only vendor general fund, expenditure budget items are processed through the Budget Sense FMS. Payroll transactions are monitored and reported using Excel workbooks. Budget Sense does provide for position control and employment contract maintenance, but these features are not utilized. Transactions and balances for revolving and grant accounts are also monitored and reported utilizing excel workbooks and not entered into Budget Sense.

Periodic reconciliations between Town and School financial transactions are done manually for payroll, revolving and grant accounts. An electronic data bridge is used to transfer and reconcile vendor operating budget transactions.

We recommend the school business office conform to the financial management practices and systems of the Town Accountant. As the statutorily responsible position charged with financial reporting for all town activities, the Town Accountant should also be charged with designing, implementing and overseeing the operation of town-wide accounting and finance systems.

Integration of accounting and finance systems does provide for greater efficiencies – not only in the processing of the data, but more importantly in reduced error rates and reduced reconciliation times. Furthermore, integration of records does open up communication and eliminates barriers to further cooperation.

### **8.6 Documentation of EOYR allocations**

As part of our work, we reviewed financial procedures over the reporting educational costs, including preparation of the DESE’s End of Year Pupil and Financial Report. We noted the Town Accountant works with the School Business Manager to provide town side costs for education, including some indirect costs.

DESE regulations require, and we recommend, that these allocations be documented and agreed upon between the School Committee and Town. DESE regulations provide for acceptable allocation methods and these should be consulted prior to adopting any formal agreement.

### **8.7 Student Activity Funds**

As part of our work we inquired over the School Departments care and custody of various student activity funds. We understand the department completed an audit of these funds during the performance of our work of which a report was issued.

With the regard of our scope of work, we noted limited communication on student activity fund issues between the school department, the Town Treasurer and the Town Accountant, no available policies or procedures over there administration, nor an approval process for such funds via the School Committee.

Massachusetts General Law concerning Student Activity Funds provide for the Town Accountant and Town Treasurer to establish administrative procedures and requires School Committees to approve the creation and administration of each fund. We recommend such policies and procedures be adopted and implemented.

### **8.8 Utilization of Revolving Funds**

During our review of the Town and School chart of accounts and general ledger, we noted the school department utilizes several revolving and grant funds to account for specific programs or activities

Revolving funds account for programs that generate their own revenues. Accordingly, only expenditures associated with generating those revenues may be charged against the fund.

Examples of revolving funds utilized by the school department include:

<b>Fund</b>	<b>6/30/11 Balance</b>
School Lunch	148,119
SPED & other tuition	408,031
Circuit Breaker	796,548
E-Rate fees	20,325
Athletic Revolving	65,108
Adult Education	36,087
Summer School	313,929
After School	101,065
After School Champs	474,674
School Rentals	415,794
Student Parking Fees	29,008

## TOWN OF MANSFIELD, MASSACHUSETTS OPERATIONAL REVIEW REPORT

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In the event a revolving fund's program revenues are not sufficient to cover the programs costs, the operating budget of the School Department may be utilized to cover the shortfall. Revolving funds should not be allowed to have deficit fund balances.

In the event revolving funds generate revenue in excess of its expenditures, a surplus fund balance results. Surplus fund balances should be managed appropriately taking the following two factors into consideration:

### 1. *Proper allocation of costs*

Mansfield, like most municipalities, only charge direct charges to its revolving fund programs. Under this methodology, not only is the cost of the program not properly identified, but the rate (fee) setting for the program is also not appropriately identified.

We recommend all costs of operating revolving fund programs (as well as grants) be charged to the fund accounting for those programs. Below are some common examples of misallocated costs:

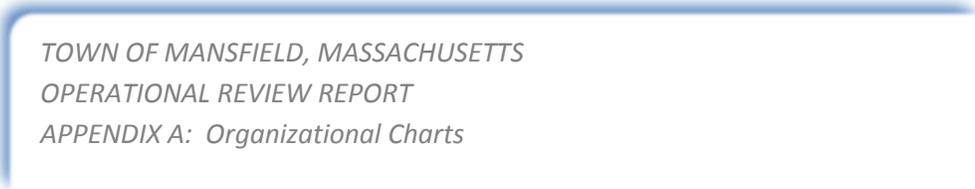
- Salary costs funded in operating budget, but utilized for revolving/grant programs.
- Health, retirement and other employment benefits not following the salaries charged to programs.
- No allocation for facility utilization – either through rental agreement or allocation of facility costs.
- Utilities
- Maintenance and janitorial costs

### 2. *Proper rate setting and the Emerson case*

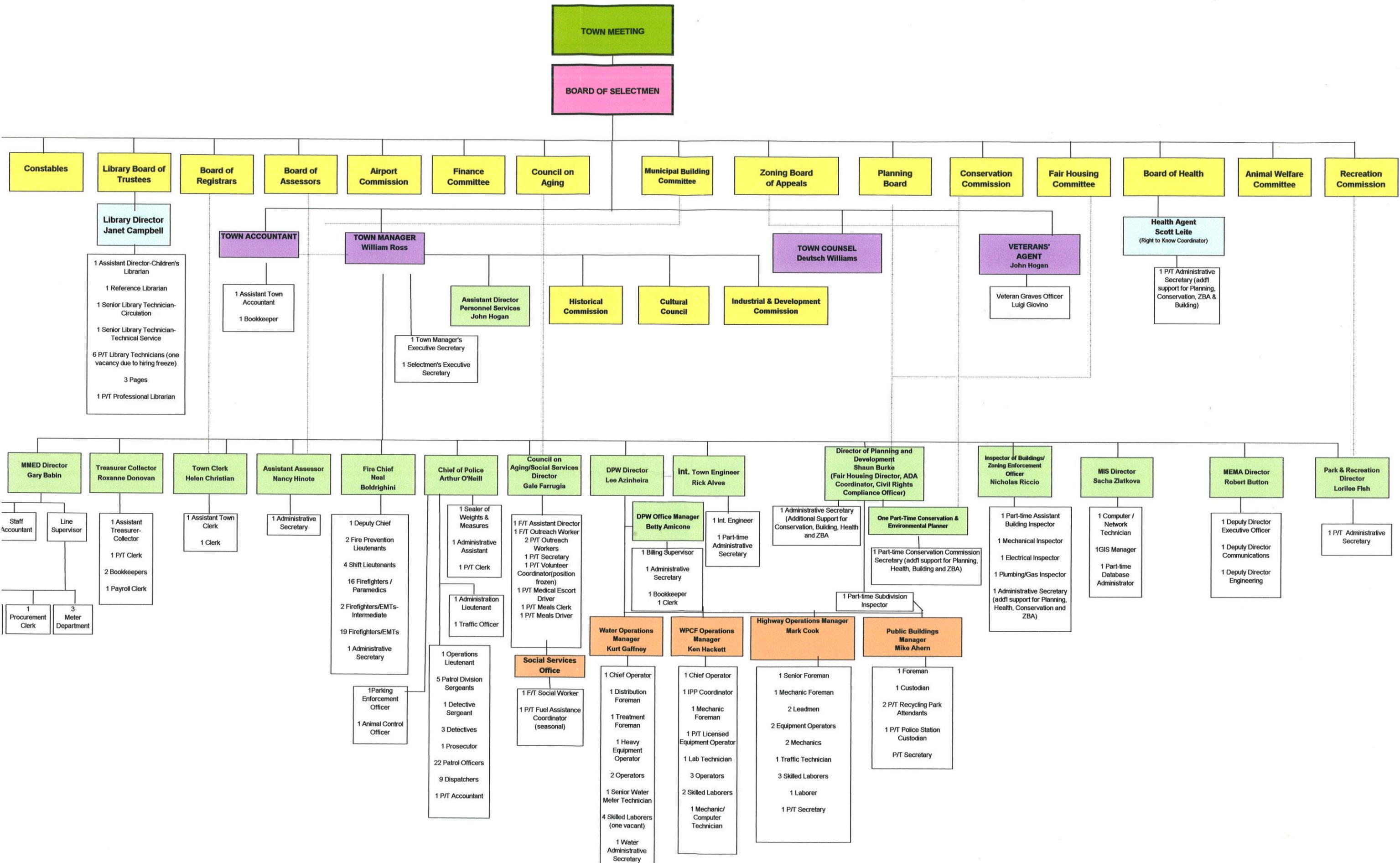
The outcome of *Emerson College v. Boston, 391 Mass. 415 (1984)*, is the determination that fees can only be raised to the extent necessary to fund a program, and not just to generate general revenue for a municipality. (*the when is a fee a tax question*)

Challenges to municipal fees and charges are becoming more prevalent over the last several years. Towns are now much more aware of the limitations of setting fees and there have been tax payer challenges as well as utilization of the *Emerson premise* by the State Auditor's office to challenge some municipalities.

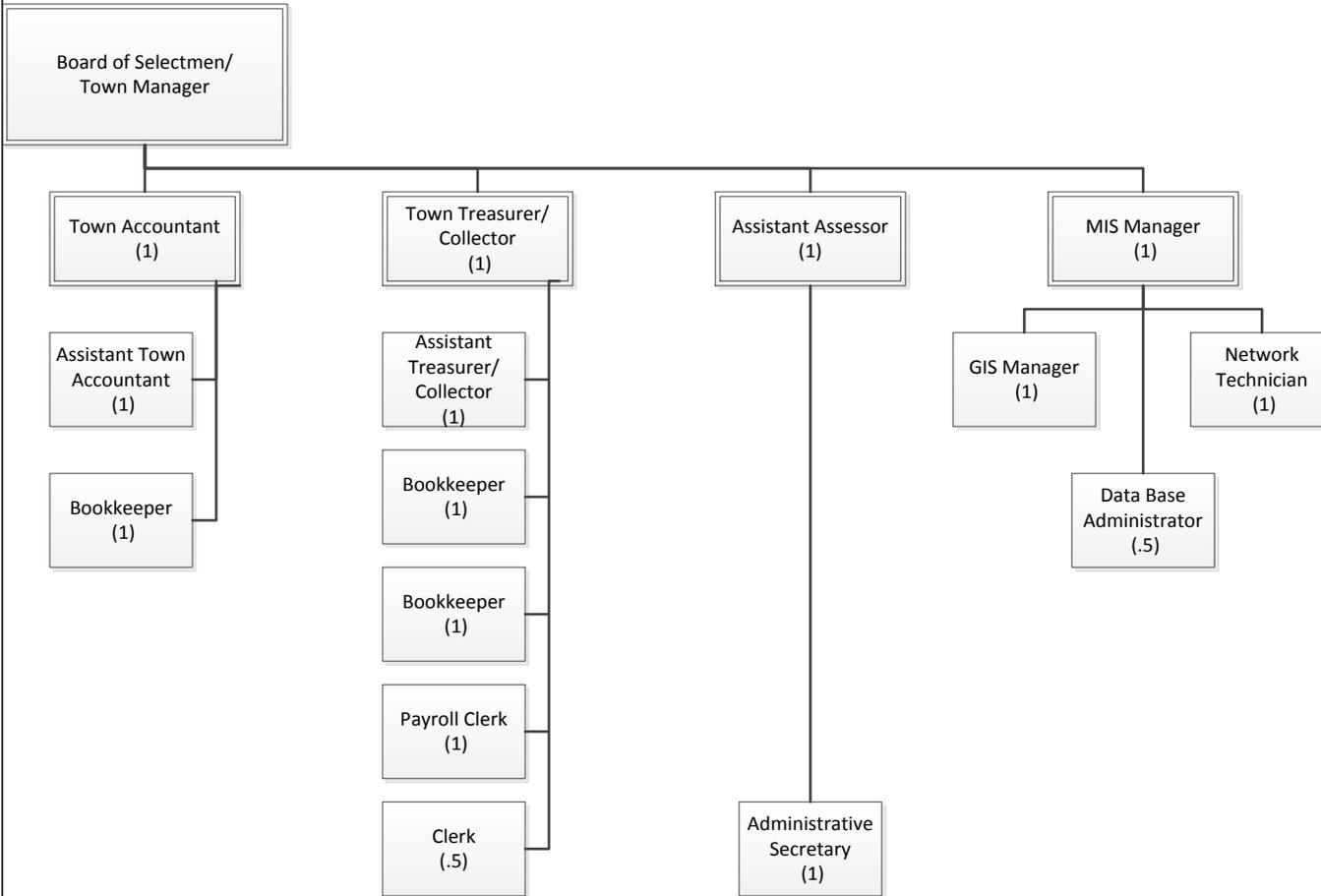
Town financial policies should identify acceptable working level fund balances for revolving funds that support the fees being charged and provide for either utilizing surplus fund balance in the near-term to reduce future fees, or for a return of surplus fund balance to those who paid the fees.



*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX A: Organizational Charts*



TOWN OF MANSFIELD, MASSACHUSETTS  
 ORG CHART 1



**STAFFING**

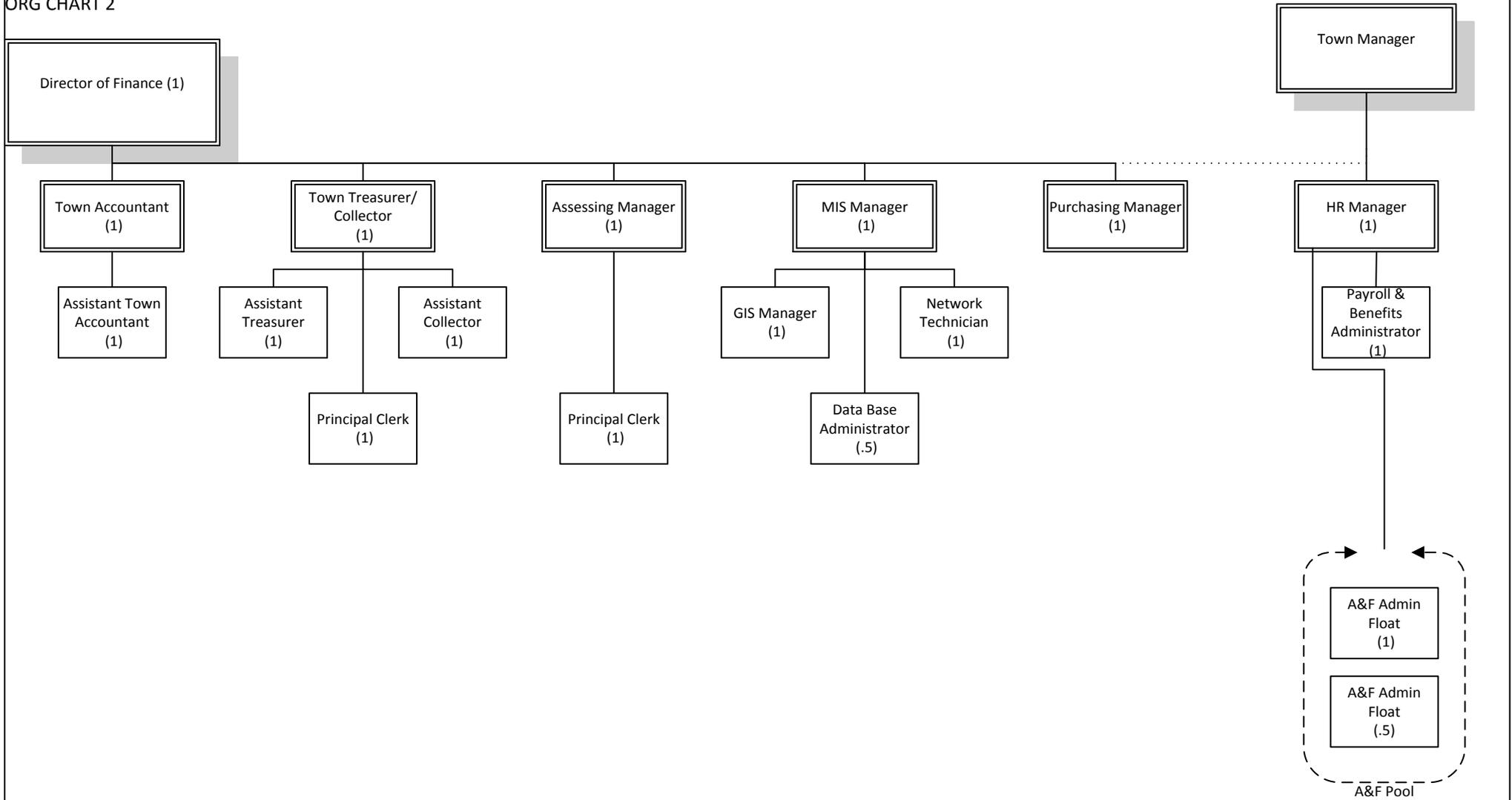
Director	0 FTE
Accounting	3 FTE
Treas/Collector	5.5 FTE
Assessing	2 FTE
MIS	3.5 FTE
Human Resources	0 FTE
Admin Pool	0 FTE
Total	14 FTE

**HIGHLIGHTS**

- Existing staffing levels
- Existing organizational responsibilities
- Limited accounting capacity
- Silo approach/decentralized management
- Reduced coordination
- Reduced teamwork to common problems
- Reduced oversight & accountability
- Reduced internal control

(compared to suggested models)

TOWN OF MANSFIELD, MASSACHUSETTS  
 ORG CHART 2



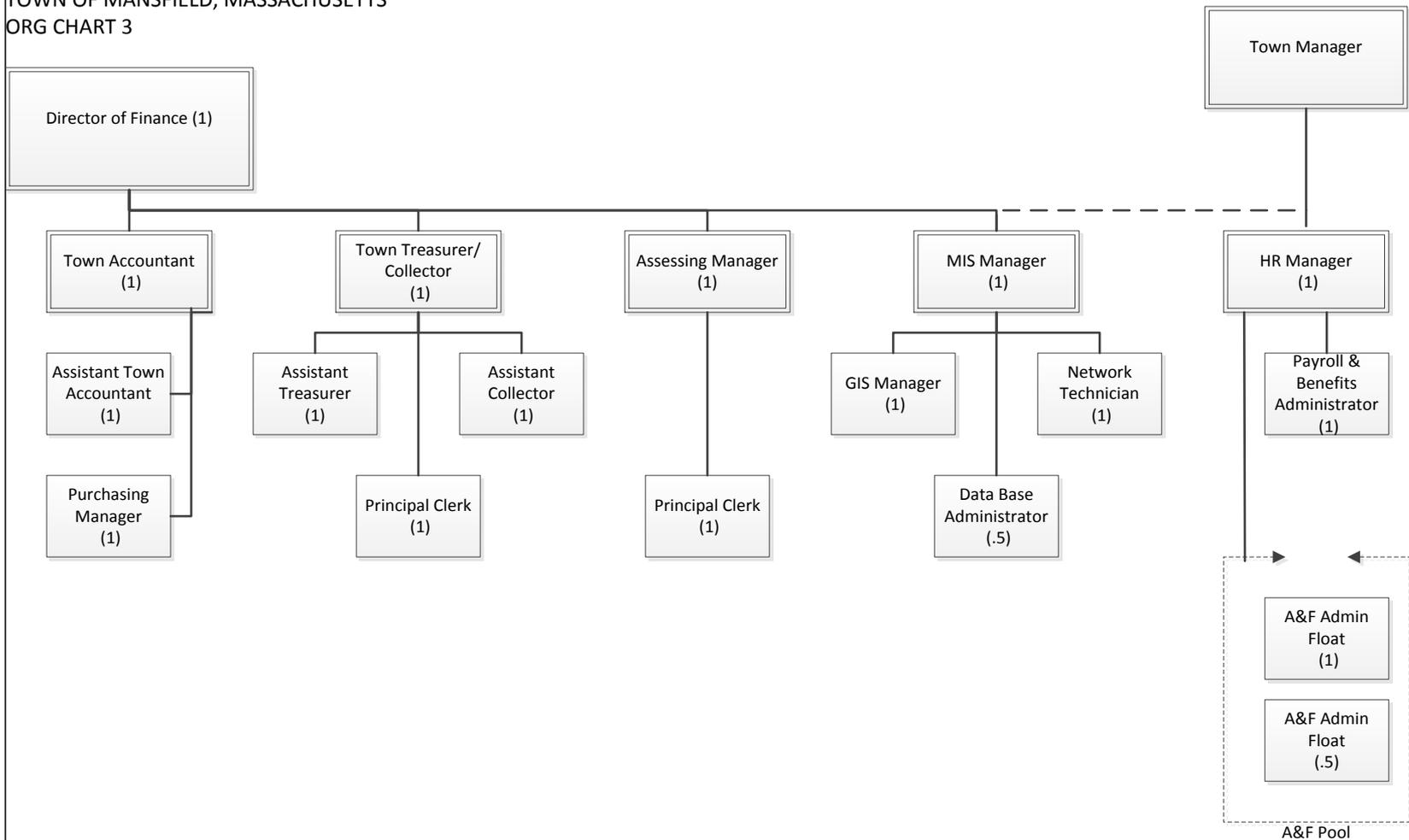
**STAFFING**

Director	1 FTE
Accounting	2 FTE
Treas/Collector	4 FTE
Assessing	2 FTE
MIS	3.5 FTE
Purchasing	1 FTE
Human Resources	2 FTE
Admin Pool	1.5 FTE
Total	17 FTE

**HIGHLIGHTS**

- Add Director position
- Reduce Town Accountants role
- Upgrade Asst Accountant role
- Upgrade Asst Treasurer role
- Upgrade Asst Collector role
- Transfer Purchasing Manager from DPW
- Add HR Manager
- Transfer payroll clerk to HR from Treasurer
- Create A&F admin pool from existing positions

TOWN OF MANSFIELD, MASSACHUSETTS  
 ORG CHART 3



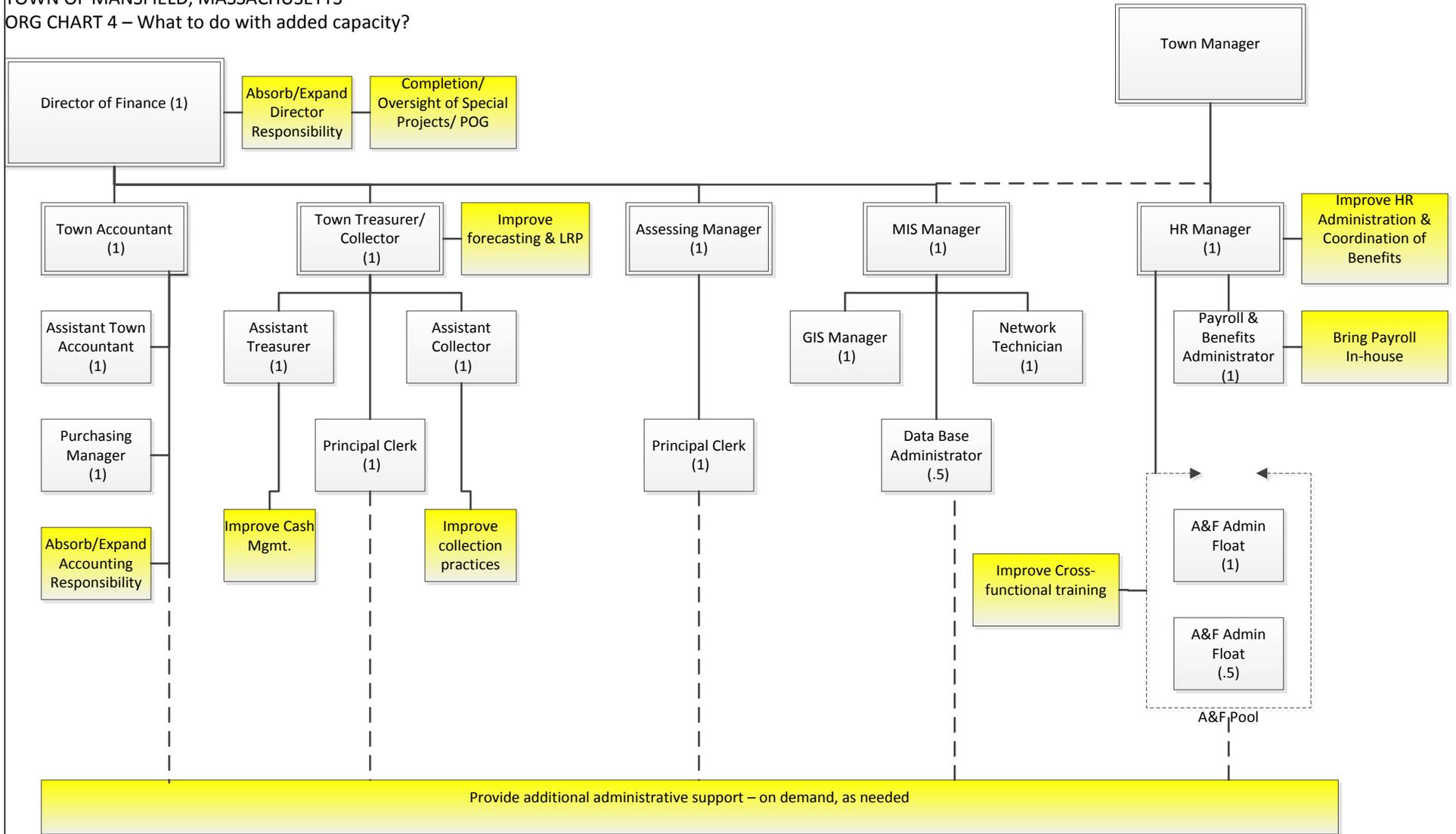
**STAFFING**

Director	1 FTE
Accounting	3 FTE
Treas/Collector	4 FTE
Assessing	2 FTE
MIS	3.5 FTE
Human Resources	2 FTE
Admin Pool	<u>1.5 FTE</u>
<b>Total</b>	<b>17 FTE</b>

**HIGHLIGHTS**

- Add Director position
- Reduce Town Accountants role
- Upgrade Asst Accountant role
- Upgrade Asst Treasurer role
- Upgrade Asst Collector role
- Transfer Purchasing Manager from DPW to Acct.
- Add HR Manager
- Transfer payroll clerk to HR from Treasurer
- Create A&F admin pool from existing positions

TOWN OF MANSFIELD, MASSACHUSETTS  
 ORG CHART 4 – What to do with added capacity?



**STAFFING**

Director	1 FTE
Accounting	3 FTE
Treas/Collector	4 FTE
Assessing	2 FTE
MIS	3.5 FTE
Human Resources	2 FTE
Admin Pool	<u>1.5 FTE</u>
<b>Total</b>	<b>17 FTE</b>

**HIGHLIGHTS**

- Add Director position
- Reduce Town Accountants role
- Upgrade Asst Accountant role
- Upgrade Asst Treasurer role
- Upgrade Asst Collector role
- Transfer Purchasing Manager from DPW to Acct.
- Add HR Manager
- Transfer payroll clerk to HR from Treasurer
- Create A&F admin pool from existing positions



*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX B: FMS Utilization*

TOWN OF MANSFIELD, MASSACHUSETTS  
 OPERATIONAL REVIEW REPORT

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**Financial Management Systems Utilization**

<b>SoftRight FMS</b>	<b>Utilized</b>	<b>Notes</b>	
General Ledger	X	Integrated with most town departments	
Budget	X	Integrated with most town departments	
Accounts Payable	X	Integrated with most town departments	
Purchase Orders & Requisitions	X	Integrated with most town departments	
Fixed Assets		Available, not utilized	
Real Estate & Personal Property	X	Integrated with Treasurer/Collector & Ledger	
Municipal Liens	X	Integrated with Treasurer/Collector & Ledger	
Motor Vehicle Excise	X	Integrated with Treasurer/Collector & Ledger	
Tax Title	X	Integrated with Treasurer/Collector & Ledger	
Abatements & Exemptions	X	Integrated with Treasurer/Collector & Ledger	
Boating & Marine			
Miscellaneous Receipts	X	Integrated with Treasurer/Collector & Ledger	
Farm Animal Excise			
Inquiry & Maintenance	X	Integrated with most town departments	
Transaction Packet Maintenance	X	Integrated with most town departments	
Cash Drawer with Receipt Printer	X	Integrated with Treasurer/Collector & Ledger	
Assessors Data Bridge	X	Bridged from Patriot Properties assessing software	
Treasury Receipts	X	Integrated with Treasurer/Collector & Ledger	
Cash Book	X	Limited utilization	
Check Processing & Electric Reconciliation	X	Limited utilization	
Treasurers Tax Title	X	Integrated with Treasurer/Collector & Ledger	
Sewer & Water Management	X	Integrated with Treasurer/Collector & Ledger	
Trash Management		Integrated with Treasurer/Collector & Ledger	
Meter Gun Interface	X	Bridged from Itron meter reading system	
Work Orders			
<b>Infinite Visions (formerly Budget Sense)</b>			
General Ledger	X	Used exclusively by the School Department, not integrated	
Purchase Orders & Requisitions	X	Partially utilized by School Department, not integrated	
<b>Northern Data Systems</b>			
General Ledger	X	Used exclusively by ELD, not integrated	
Utility Billing & Collection	X	Integrated with NDS general ledger	



# SoftRight

We measure our success by your satisfaction

## INTEGRATED APPLICATION SUITE

ACCOUNTING | PAYROLL & HR | TREASURY MANAGEMENT | TAX COLLECTION | UTILITY BILLING

### Accounting

Integrated Accounting applications include:

- General Ledger
- Budget
- Accounts Payable
- Purchase Orders & Requisitions
- Fixed Assets

SoftRight's Accounting module comprehensively manages a municipality or school system's financial operations, including budgeting, receivables, purchasing and reporting. It meets all relevant GAAP, GAAFR, GASB34, D.O.R. and D.O.E requirements.

### Payroll & Human Resources

Integrated Payroll & HR applications include:

- Employee Maintenance
- Payroll Processing
- Automated Accruals & Contracts
- Personnel Plus
- School Administration

SoftRight's Payroll module facilitates all major payroll functions including check processing and printing as well as maintenance and reporting of employee earnings, deductions and taxes.

SoftRight's Human Resources module manages all related municipal personnel information throughout each stage of employment.

### Treasury Management

Integrated Treasury applications include:

- Treasury Receipts
- Cash Book
- Check Processing & Electronic Reconciliation
- Treasurer's Tax Title

SoftRight's Treasury Management module provides an integrated cash management solution that serves as the hub for all municipal financial transactions.

### Tax Collection

Integrated Tax Collection applications include:

- Real Estate & Personal Property
- Municipal Liens
- Motor Vehicle Excise
- Tax Title
- Abatements & Exemptions
- Miscellaneous Receipts
- Boating & Marine
- Farm Animal Excise
- Inquiry & Maintenance
- Transaction Packet Maintenance
- Cash Drawer with Receipt Printer
- Assessor Data Bridge

SoftRight's Tax Collection module manages the entire financial cycle, including resident record management, imports, billing, fees and collections.

Each Tax Collection application is designed to meet Massachusetts specific requirements. Through a shared account ID file, collectors have the luxury of a management solution that centralizes each receivable, allowing multiple bills to be collected with a single keystroke.

### Utility Billing

Integrated Utility Billing applications include:

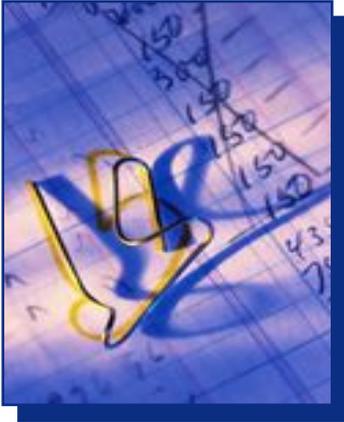
- Sewer & Water Management
- Trash Management
- Inquiry & Maintenance
- Transaction Packet Maintenance
- Cash Drawer with Receipt Printer
- Meter Gun Interface
- Work Orders

SoftRight's Utility Billing module provides an efficient solution for managing, billing and collecting all sewer, water and trash receivables. It is fully integrated with SoftRight's Treasury Management and Tax Collection modules.

**They say great support doesn't exist anymore.**

**Our customers disagree.**

# GENERAL LEDGER



**OVERVIEW** SoftRight's General Ledger application is a powerful accounting and budget management engine that serves as the foundation of a municipality's automated financial management system.

The General Ledger allows for up to 12 segments of user-defined lengths. It is also scalable, allowing account structures and segment lengths to be modified based on the needs of the municipality, school or changing federal and state requirements. In addition, the application's multi-account controls accommodate balance sheet and subsidiary ledgers, as well as multi-year funds and grants.

SoftRight's General Ledger application has been thoroughly reviewed and approved by several Massachusetts auditing firms. It meets all relevant GAAP, GAAFR, GASB34, Massachusetts Department of Revenue and Department of Education requirements.

## CHART OF ACCOUNTS

- 12 customizable and scalable segments for optimum flexibility
- Supports an unlimited number of simultaneously open fiscal years
- Manages an unlimited number of open warrants across multiple fiscal years as well as all funds, grants and budgets
- Allows for the growth of segments "on the fly" and the system will traverse all relevant history and update it with the new account number
- Automated entries, real-time balances and year end rollovers
- Unlimited history records

## SECURITY & CONTROLS

- Management specified controls and menu access security by account, budget and organization
- Over-expenditure controls
- Detailed audit trails with encrypted stamping

## REPORTING

- Extensive reporting capabilities including detail and summary formats
- Year end reports including Schedule A, Combined Balance Sheet, Detailed Fund Balance Sheet, Statement of Changes in Fund Balance (Budget v. Actual) and Statement of Changes in Revenues, Expenses and Changes in Fund Balance

## INTEGRATION

- SoftRight's General Ledger application serves as the hub for all relevant Accounting, Collection, Utility Billing, Treasury Management and Payroll transactions

# BUDGET



**OVERVIEW** SoftRight's Budget application provides budgeting management, access and controls across multiple departments throughout multiple years.

The application allows for an unlimited number of budgeting scenarios. In addition, access controls allow for decentralization, providing each municipal department or location with the ability to configure and submit their departmental and component totals for approval at the management level.

The Budget application is fully integrated with SoftRight's General Ledger and Accounts Payable as well as the Payroll module to allow approved salary and expenditure projections to be rolled into and out of the Budget and General Ledger applications.

## POWER & FUNCTIONALITY

- Unlimited number of budgeting projections and "what if?" scenario plans
- Multi-year budgets and reporting
- "What if?" budget calculations for individual accounts or account ranges
- All encompassing expense and salary totals
- Generate projections using actual prior year history or averages
- Accommodates level funded or percentage based budgeting methods
- Preliminary budget templates for specific departments with user-defined fields and pre-selected criteria
- Import from and export to Microsoft Excel and export to Adobe .PDF file format
- User-defined columns
- Comment field with unlimited text for justifications and notations
- Privilege based access by budget line, department or groups of accounts
- Management controls including budget lock
- User-defined budget definition

## REPORTING

- Customized salary and operating budget reports by department, location, component and account
- Expenditure and payroll reporting in summary or detail formats
- Graphing and charting functionality
- Custom reporting and analysis

## FULLY INTEGRATED WITH:

- General Ledger
- Accounts Payable
- Payroll

# ACCOUNTS PAYABLE



**OVERVIEW** SoftRight's Accounts Payable module tracks, manages and reports on all related invoices, purchase orders, other payables and their related vendors. It automatically processes checks and maintains expenditure and vendor history. Purchase orders can be paid in full or partially using multiple accounts.

Decentralized invoice processing allows individual departments to enter invoices, while privilege based security and real-time account balances allow the accountant to retain expenditure control.

## WARRANT PROCESSING

- Decentralized invoice entry enabling multi-departmental input and user privileges
- Centralized accounting controls featuring electronic approvals and unlimited approval levels
- Real-time balances reflecting pending amounts for expenditures and encumbrances
- Unlimited expenditure accounts per invoice
- Automatic encumbrance reversals
- Accommodates multiple invoice entry imports
- Manages accounts payable, payroll, deduction and refund warrants
- Entry types by check, manual check, wire transfer, credit or debit
- Warnings for missing Federal ID or Social Security Numbers

## VENDOR MANAGEMENT

- "One touch" invoice, purchase order, check and vendor history views
- "On the fly" vendor creation and maintenance
- Multiple vendor addresses, DBA's and third parties
- Automated 1099 processing

## CHECK PROCESSING

- Pay multiple invoices on a single check or separate checks
- Provides "one-click" check reprints and voids
- Electronic or manual bank reconciliation
- Multiple invoices per check or separate check groupings

## FULLY INTEGRATED WITH:

- General Ledger
- Purchase Orders
- Payroll
- Tax Collection
- Utility Billing

# PURCHASE ORDERS



## OVERVIEW

SoftRight's Purchase Orders application tracks and manages on all purchase order activity as well as generating all necessary purchase order documentation.

Through user-based privileges, municipalities and schools have the ability to decentralize requisition entry while maintaining control over the approval process. The system allows for an unlimited number of approval levels, while approvals are automatically routed to the proper authority based on specified hierarchy structures.

The application is fully integrated with SoftRight's Requisitions, Accounts Payable and General Ledger applications.

## PURCHASE ORDER PROCESSING

- Real-time pending encumbrance account balances
- "On the fly" vendor creation
- Unlimited account "charge off" per purchase order
- Centralized or remote purchase order entry
- Privilege based controls for inquiry, maintenance and entry modes
- Supports multiple open years

## FULLY INTEGRATED WITH:

- Requisitions
- General Ledger
- Accounts Payable

## MANAGEMENT CONTROLS

- Electronic approval for all purchase orders
- User defined privileges encompassing system access, approvals, amount, item and account "charge off"
- Remote purchase order inquiry
- Unlimited liquidations and associated journal entries
- Modification auditing trail
- Privilege based views for open, closed and held purchase orders

# FIXED ASSETS



## OVERVIEW

SoftRight's Fixed Assets application tracks, manages and reports on all of a municipality's fixed assets including land, infrastructure, construction, vehicles, machinery and equipment.

With a few mouse clicks, the application effectively solves a local government's fixed asset inventory, asset accounting, depreciation and complex reporting challenges.

Assets are tracked and reported on by all necessary GASB34 categories and the application accommodates all accepted depreciation schedules. Reporting capabilities are abundant, allowing user-defined analysis to assist in capital planning and auditing. SoftRight's Fixed Assets application has been thoroughly reviewed and is recommended by several Massachusetts based auditing firms.

## ASSET DETAILS

- Abundant record keeping by
  - asset class
  - category
  - number or description
  - quantity
  - estimated life
  - insurable value
  - replacement value
  - historical cost
  - location
  - valuation
  - depreciation basis
  - make and model
  - original value
  - inception date
  - life
  - salvage value
  - Serial number
- Search by class, department, fund or user-defined fields
- Maintain asset information such as lease, warranty, maintenance history, etc.
- Classify by user-defined groups, subtotal and total overall asset value
- Accommodates multiple depreciation methods as well as the modification of depreciation methods and the change of schedules of un-depreciated balance when a useful life is adjusted

- GASB 34 compliant

- On-screen snapshot of depreciation and remaining value totals per asset for quick reference

## REPORTING

- Asset list by location, department and class
- Standard reporting for assets, values and depreciation
- Report across fiscal and calendar years
- Depreciation, costing and asset value analysis

# REAL ESTATE & PERSONAL PROPERTY



## OVERVIEW

SoftRight's Real Estate & Personal Property solution is considered the flagship application of SoftRight's Tax Collection module. It is designed specifically for municipalities in the Commonwealth of Massachusetts.

Using a shared account ID file, collectors have the luxury of a management solution that centralizes each receivable, allowing multiple bills to be collected with a single keystroke. In addition, the application accommodates CPA and district tax billing, quarterly or semi-annual billing and an integrated cash drawer and receipt printer.

## COLLECTIONS PROCESSING

- Automated functionality for all Real Estate and Personal Property transactions and functions from assessor file import through commitment and bill generation to payment
- Accommodates multiple open commitments and years
- Produces commitments, bills, demands, warrants and tax titles
- Automated payment reversals and adjustments
- Accommodates liens and betterments
- Manages CPA, land bank and district tax billing
- Multiple year maintenance and inquiries with viewable outstanding bills from prior years. Prior year outstanding balances can be reconciled upon payment with the click of a button
- Accommodates entry of omitted bills
- Allows for interest to be calculated to the day

## INQUIRY & MAINTENANCE

- View all transactions for a specific account in summary, detail and drill-down modes
- Parcel snapshot containing deed date, land area, acreage and value information
- On-the-fly interest calculations

- Quarterly or semi-annual billing and payment views
- Tax title and bankruptcy status

## COLLECTIONS REPORTING

- Detailed account history and interest details
- Financial summary in detail or summary formats
- Accountant financial summary
- Balance due
- Daily summary and journal by clerk and cash drawer
- Mailing labels

## FULLY INTEGRATED WITH

- Accounts Payable for all refunds
- Treasury Receipts
- All Collections applications including
  - Motor Vehicle Excise
  - Tax Title
  - Abatements & Exemptions
  - Municipal Lien Certificates
  - Miscellaneous Receipts
  - Boating & Marine
  - Farm Animal Excise
  - Fire District
  - Utility Billing

# MA MOTOR VEHICLE EXCISE TAX



## OVERVIEW

SoftRight's Massachusetts Motor Vehicle Excise Tax application is a comprehensive solution that tracks and manages all aspects of a municipality's excise tax billing, payment and receivable process.

It allows the collections department to import commitments directly from the Massachusetts Registry of Motor Vehicles, make any necessary changes to the imported file, manage abatements, charge fees, track late payments and record all account transactions.

The application is fully integrated with SoftRight's General Ledger, Treasury Receipts and Tax Collection modules.

## COLLECTIONS PROCESSING

- Import commitments directly from the registry as well as deputy collectors with the click of a button
- Audit reporting for all modifications made to the registry file
- Assessment of separate delinquent fees at user-specified dates for demands, warrants, notice of warrants, services and registry marks
- Automatic and user-specified payment allocations for delinquent charges
- Abatement certificates printed in batch or single formats
- Automatically process supplemental commitments
- On-the-fly demands and fees
- Over-payment management

## FULLY INTEGRATED WITH

- General Ledger
- Accounts Payable
- All Tax Collection applications

## REPORTING

- Comprehensive reporting including beginning and ending balances, transaction types and receivable category by date range and user-defined sorts

# TAX TITLE



## OVERVIEW

SoftRight's Tax Title application tracks and manages delinquent real estate tax bills through the complete tax title process. It provides collectors and treasurers with a powerful tool to bring parcels into tax title, assess any necessary fees, generate all related documents, notices and advertisements as well as managing redemptions and foreclosures.

The Tax Title application is fully integrated with SoftRight's Tax Collection and Accounting modules or it can be used as a stand-alone system. The Tax Title application also tracks and manages accounts in tax deferral status.

## TAX TITLE MANAGEMENT

- Complete tax title processing in full compliance with Massachusetts general laws, including the automatic generation of all required documents, notices and advertisements
- Provides for the establishment of multiple fees and interest rates to be assessed at various stages of the tax title process
- Parcels in tax title are flagged on current bills
- Redeemed parcels are flagged as such when accessing bills during inquiry, maintenance and payment processing
- Options for tax title or tax deferral
- Integrated inquiries showing collector and treasurer totals
- Automatically process supplemental commitments

- Instrument of Taking
- Instrument of Redemption

## FORMS & REPORTS

- Notice of Tax Delinquency
- Notice of Advertising with export functionality
- Notice of Warrant
- Tax Taking Letter
- Certificate of Subsequent Taxes

# ABATEMENTS & EXEMPTIONS



## OVERVIEW

SoftRight's Abatements & Exemptions application provides collectors and assessors with a complete solution for both of these tax adjustments. Abatements, exemptions and any related certificates can be created with the click of a button.

The Abatements & Exemptions application is fully integrated with SoftRight's Real Estate, Personal Property, Motor Vehicle Excise and Boating & Marine applications.

## ABATEMENT MANAGEMENT

- Tracks and manages all abatement information including name, address, location, book / page, reason code, certificate number, type, date, ID, year, bill number, etc.
- Options to print all unreleased certificates or all certificates issued within a user-specified date range
- Provides the ability to pro-rate abatements by date
- Print a specific certificate or a range
- Offers the ability to list exemptions separately on tax bills
- Dynamically manages abatement and exemption reason codes

## FULLY INTEGRATED WITH

- Real Estate & Personal Property
- MA Motor Vehicle Excise
- Boating & Marine

## ADDITIONAL FUNCTIONALITY

- Both the assessor's and collector's offices have the ability to directly enter either adjustment
- Accommodates equal shares between the 3<sup>rd</sup> and 4<sup>th</sup> quarters or the entire amount in one quarter
- State mandated statute reference tables
- Abatement and exemption certificate complies with all Massachusetts general laws



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# MISCELLANEOUS RECEIPTS



**OVERVIEW** SoftRight's Miscellaneous Receipts application provides collectors with an integrated tool to track and manage receipts from all outlying municipal departments.

Collectors have the option to group fees by department or other user-defined organizational units.

The Miscellaneous Receipts application is fully integrated with SoftRight's Tax Collection and Treasury Receipts applications.

## RECEIPT ENTRY

- Input receipts from outlying departments with the click of a button
- User-defined fees and fee structures
- Track by receipt code, name and number
- Outlying departmental receipts include:
  - Department of Public Works
  - Plumbing Inspections
  - Municipal Liens
  - RMV Surcharges
  - Licenses
  - Vitals and Town Clerk Receipts
  - Electrical Inspections
  - Board of Appeals
  - Police & Fire Fees
  - Board of Health
  - Building Department
  - Library Fees
  - Selectman Fees
  - Recreation Department Receipts
  - Municipality-specific Receipts

## FULLY INTEGRATED WITH

- Tax Collection
- Treasury Receipts

## INQUIRY & REPORTING

- Summary, detail and drill-down views for all accounts
- One-touch filtering to view only balance due, specific years or transaction type
- Financial reporting options including balance due, refunds and financial summary breakdown

# BOATING & MARINE



## OVERVIEW

SoftRight's Boating & Marine application is a comprehensive collections module designed specifically for water-based communities in the Commonwealth of Massachusetts.

Tax Collectors can manage a wealth of marine-based information including make and model, boat length, boat and marina valuations, inspections and harbor master information.

The application can be purchased as a bundled solution that includes all three sub-applications (Boats, Moorings & Marinas) or each can be purchased separately if the full suite is not needed.

## MARINE EXCISE MANAGEMENT

- Processing for all marine related collections transactions including commitments, billing and abatements
- Accommodates multiple "open" commitments for the same tax year
- Summary and drill-down capability showing aggregates or detailed information for individual boat, mooring or marina data
- Totals by slip amount, town amount and state amount as well as demands and interest
- Boat, mooring and marina tables, inspection reporting and harbormaster controls
- Snapshot inquiry for demands, charges, interest and balance due

- Other standard reports include commitments, warrants and abatement certificates

## FULLY INTEGRATED WITH

- Accounts Receivable
- Treasury Receipts
- Tax Collection

## INQUIRY & REPORTING

- Inquire on boating data including make, model, color, type, year, value, length, width, latitude, longitude, engine, horsepower, etc.
- Mooring inquiry includes mooring number, rate type, mooring type, inspection #, inspector, cove master, area, etc.
- Marina inquiry to include marina name, location, slip amount, number, rate type, etc.
- Print bills for boats, moorings and marinas

# TREASURY RECEIPTS



## OVERVIEW

SoftRight's Treasury Receipts application provides management and processing for all receivables and receipts across all departments. It also functions as the integrated link between SoftRight's Collections module, Payroll module and our General Ledger.

The application provides the treasurer with a comprehensive financial management system encompassing receivables entry, management controls and bank account reconciliation. An optional Cash Book and Electronic Bank Reconciliation functionality is available.

The interface is extremely user friendly. Simple ID codes link to account numbers in the General Ledger for easy processing and data entry, which allows treasury staff to enter receipts without knowledge of general ledger account numbers.

## TREASURY MANAGEMENT

- Provides entry for all receivables including tax collection, departmental turnovers, grants, loans and state aid
- Receipt entry using summary totals, detailed individual transactions or both
- Unlimited receipt types and financial institution record
- Centralized or distributed receipt entry with validation and auditing controls
- Reconciliation reporting for bank account and general ledger account balances

## FULLY INTEGRATED WITH:

- General Ledger
- Tax Collection
- Payroll
- Cash Book

## FUNCTIONALITY

- True integration with SoftRight's General Ledger application for a single point of entry, ease-of-use and efficiency
- Division of duties allowing the treasurer to manage all receivables while the accountant retains and executes all positing functions
- Optional Cash Book for managing and recording all receivables, disbursements and transfers
- Simple ID codes for easy data entry without knowledge of account numbers

# CASH BOOK



## OVERVIEW

SoftRight's Cash Book application provides treasurers with a powerful, easy-to-use software tool to track and manage all incoming cash receivables and receipts, outgoing disbursements and account transfers.

Receivables are fully integrated with SoftRight's Treasury Receipts application. Manual entry is also available. All other transaction types are accomplished through data input. Subsequent reporting and reconciliation options can be sorted to print or view transactions by deposit, withdrawal or transfers for a daily, weekly, monthly or user-defined date range.

The Cash Book application can be used as a stand-alone solution or as part of SoftRight's integrated Treasury Management module.

## FINANCIAL TRACKING

- Provides entry for all warrant types, bank transfers and deposits
- Entry using summary totals, detailed individual transactions or both
- Unlimited entries, entry types and financial institutions
- Transfer to, transfer from and disburse from "sweep" accounts all on one screen and in one transaction
- Centralized or distributed entry with validation and auditing controls
- Report by transaction type of user-defined criteria
- Summary and detail reconciliation reporting for real-time balances and account information

- Optional line by line transaction descriptions
- Quick add button for rapid entry

## FULLY INTEGRATED WITH:

- Treasury Receipts

## FUNCTIONALITY

- Reporting and management for all bank account transactions, balances and reconciliation
- Transfer to and from accounts with the click of a button

# SEWER & WATER BILLING



**OVERVIEW** SoftRight's Sewer & Water Billing application tracks and manages the complete billing cycle for either or both utilities.

The application provides utility billing administrators, water and sewer departments or departments of public works with a powerful software solution that manages information throughout each stage of the billing process including imports, exports, commitments, bills, payments, inquiries and account information.

Multiple active billing cycles and multiple rates are accommodated. The system allows for separate or combined bills for all applicable utilities. An integrated work order component tracks all related field activity.

## UTILITY BILLING MANAGEMENT

- Water and sewer as separate or combined bills
- Multiple billing frequencies with active billing cycles and read types as well as multiple billing rate capability
- Meter import interface with click of a button functionality
- Online access for consumption history, readings, read dates and bill amounts
- Calculates and posts late fees and interest
- Deduction meter functionality
- Meter swap out tracking
- Auto-estimation functionality based on last 4 or last 12 reads
- Consumption or flat rate billing

## BILLING & READS

- Complete billing history for all accounts including those with multiple meters
- Billing cycle management to accommodate multiple cycles or billing delays

## CONSUMPTION ANALYSIS

- Consumption variance management and real-time entry calculations
- Consumption and charge analysis by classification or sub-classification
- Exception reporting will flag bills based on user-specified consumption increases

## WORK ORDERS

- Manage and report on repairs, swap outs and other maintenance
- Displays usage history and account status as well as all related meter and account information
- Accommodates unlimited amount of characters for detailed field reporting

## FULLY INTEGRATED WITH

- Tax Collection
- Treasury Receipts
- Accounts Payable

# TRASH BILLING



**OVERVIEW** SoftRight's Trash module manages the complete billing cycle for garbage or solid waste pickup within a community.

The application provides administrators and department heads with a powerful software solution that manages information throughout each stage of the billing process including commitments, bills, payments, inquiries and account information.

The Trash application is fully integrated with SoftRight's Tax Collection, Utility Billing and Treasury Receipts software modules.

## TRASH BILLING MANAGEMENT

- Manages all trash billing account information including bill number, commitment number, year and issue date
- Access account information with the click of a button
- Search by owner, address, bill number, account number or street
- Track, add and edit fees, interest and other charges
- Calculates and posts late fees and interest
- Real-time interest calculations
- Supports weekly, bimonthly, monthly, semi-annual, annual or one-time trash billing cycles
- Accommodates bar code scanning functionality

- Financial reporting options including balance due, refunds and financial summary breakdown
- Import to and export from MS Excel. Export each report to Adobe .PDF format

## FULLY INTEGRATED WITH

- Sewer & Water Billing
- Tax Collection
- Treasury Receipts

## INQUIRY & REPORTING

- Summary, detail and drill-down views for all accounts
- One-touch filtering to view only balance due, specific years or transaction type
- Reproduce any trash bill with the click of a button

# HUMAN RESOURCES



## OVERVIEW

SoftRight's Human Resources application provides personnel professionals with a powerful employee information management tool that maintains all related personnel data for municipal and school employees throughout each stage of employment.

Through true integration, any payroll related personnel data needs only to be entered once and all accruals, steps, levels and contract information can be administered through Payroll Processing or Human Resources assuming each manager has the proper privileges. This security also ensures any sensitive employee information is viewable only by designated, authorized users.

SoftRight's Human Resources application can be used as a stand-alone personnel solution or as a companion application to our Payroll Processing application.

## EMPLOYEE MAINTENANCE

- Manages and reports on:
  - Personal employee and EEOC information
  - Emergency contact information
  - Certifications and professional development data
  - Insurance and COBRA
  - Retirement information
  - Observations for teachers and other relevant positions
- Career events tracking for all promotions, awards, certifications and disciplinary actions
- Drill-down filtering for specific personnel information
- Preloaded system reminders with date alerts for crucial end-of-year reports, open enrollment periods and user-defined events
- Benefit eligibility status for easy reporting
- Fully integrated with SoftRight's Payroll Processing application for accrual, contract, salary and level management
- Privilege based security measures

## AUTOMATED ATTENDANCE & ACCRUALS

SoftRight's Automated Attendance & Accruals application allows human resources professionals to manage and simplify the accrual tracking process for all municipal employees by automating the entire process based on the current contract.

## SCHOOL ADMINISTRATION

The School Administration application provides human resources professionals with an easy-to-use product for tracking important teacher and other staff related information including certifications, observations and other educational milestones. The application also manages full-time equivalency (FTE) information and federal grant percentages.

## EPIMS

SoftRight's EPIMS application manages the Massachusetts Department of Education's EPIMS requirements including MEPID, staff record and work assignment information.

# PAYROLL PROCESSING



## OVERVIEW

SoftRight's Payroll Processing application serves as the core of our Payroll & Human Resources module by providing department heads and payroll managers with a powerful, intuitive tool that administrates the complete payroll cycle for a municipality or school system.

Privilege based management controls allow the application to work in a centralized or distributed capacity and the system accommodates an unlimited number of "in process" payrolls, pay types, earnings and deductions.

The Payroll Processing application is fully integrated with SoftRight's General Ledger, Accounts Payable, Treasury Receipts, Budget and Human Resources applications.

## PAYROLL MANAGEMENT

- Exception-based payroll processing with unlimited pay types, earnings, deductions and direct deposits
- Integrated attendance and automated accruals, contract maintenance and salary step & level administration
- Click-of-a-button payroll encumbrance
- Accommodates employees with multiple jobs and multiple cost centers
- Lump sum payroll management
- W2 processing and complete payroll tax preparation
- Process by regularly scheduled payroll frequencies, department, lump sum or single employee
- On-the-fly employee modifications
- Privilege based personal information security

## REPORTING & INQUIRY STATUS

- Quarterly, year-end and user specified reporting
- County and teacher retirement reporting
- Investment reporting including 403B and 457

- Attendance and accrual details and summaries
- Complete payroll history with powerful drill-down capabilities to view or print by year, grouping, check, payroll type, department, etc.

## CONTRACT MAINTENANCE

- SoftRight's Contract Maintenance application automates the contract process for salary step and level grades as well as accrual information.

## FULLY INTEGRATED WITH:

- General Ledger
- Accounts Payable
- Treasury Receipts
- Budget
- Human Resources

# REVENUE TOOLS & ACCESSORIES



**OVERVIEW** Department Heads can work more effectively using a variety of Revenue Tools & Accessories offered through SoftRight.

Each option can be used together or as a stand-alone accessory and all of them integrate with SoftRight's Tax Collection and / or Utility Billing module (where applicable) through SoftRight's Cash Drawer or Transaction Packet Maintenance interface. Transaction Packet Maintenance is included with the purchase of each Tax Collection or Utility Billing application.

## CASH DRAWER

SoftRight's Cash Drawer provides the technology and hardware for payments to be collected over the counter. The application tracks and manages payments, including change due, as well as housing cash, coins and checks.

The Cash Drawer can also be linked to a Receipt Printer to provide a record for each transaction.

## RECEIPT PRINTER

SoftRight's Receipt Printer functionality provides Tax Collectors with the ability to print receipts for all over the counter payments.

## ASSESSOR & METER GUN DATA BRIDGE

SoftRight offers integrated data bridges for assessors and meter gun utility billing software packages offered in the Commonwealth of Massachusetts.

Import a file with the click of a button.

## DEPUTY COLLECTOR INTERFACE

This interface streamlines the billing and collection process by converting and providing commitment information into the proper media format for the municipality.

## BAR CODE SCANNING

Tax Collectors can save time by scanning received payments instead of typing the necessary information by using the bar code scanning accessory.

## LOCKBOX

SoftRight offers Tax Collectors the ability to integrate with lockbox services for fast, secure payments from a variety of banks.

A blue decorative graphic element consisting of a horizontal line with rounded ends, extending across the width of the page and curving downwards at the left end.

*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX C: Policy & Procedures Matrix with Sample Workflows*

**MASSACHUSETTS MUNICIPALITY**

**INDEX OF FINANCIAL POLICIES, FUNCTIONAL MANUALS, PROCESS DOCUMENTATION, REVIEW PROCEDURES AND INTERNAL CONTROLS**

Functions/Cycles/Processes	Policies	Functional Manuals	Process Document	Process Flowchart	Review Procedures	Key Internal Controls	KPI's	
	Financial Policies							
<b>Financial Management Function</b>								
Annual Budget & Tax Rate	x		x	x	x	x	x	
Capital Improvement Programs	x						X	
Forecasts & Projections	x						x	
Revenue maximization & compliance	x	x	x	x	x	x	X	
Financial administration	x						x	
<b>Accounting Function</b>								
Financial reporting (Internal & External)	x	x						
Municipal finance compliance			x	x	x	x	x	
Warrant approval			x	x		x	X	
<b>Treasury Function</b>								
Cash Management	x	x						
Investment Management	x		x	x	x	x	x	
Debt Management	x		x	x	x	x	x	
Trust Fund Management	x		x	x	x	x	x	
Tax Title & Foreclosure Management	x		x	x	x	x	x	
<b>Collection Function</b>								
Tax Billing & Collection	x	x						
<b>Human Resources Function</b>								
Hiring & Recruitment	x	x						
Employment Compliance			x	x	x	x	X	
Employee Benefits			x	x	x	x	X	
Payroll Administration			x	x	x	x	X	
Collective Bargaining					x	x	X	
Employee Separation			x	x	x	x	X	
<b>Assessment Function</b>								
Ongoing inspection	x	x						
Property valuation			x	x	x	x	x	
Abatement requests			x	x	x	x	x	
Appellate Tax Board Cases			x	x	x	x	x	
<b>Procurement &amp; Purchasing Cycle</b>								
	x	x						



**MASSACHUSETTS MUNICIPALITY**

**INDEX OF FINANCIAL POLICIES, FUNCTIONAL MANUALS, PROCESS DOCUMENTATION, REVIEW PROCEDURES AND INTERNAL CONTROLS**

Functions/Cycles/Processes	Policies	Functional Manuals	Process Document	Process Flowchart	Review Procedures	Key Internal Controls	KPI's	
	Financial Policies							
County Tax							X	
MWRA assessment							X	
School Choice							X	
Charter School							X	
<b>Departmental Commitment Cycles</b>								
Water Charges	x		x	x	x	x	X	
Sewer Charges	x		x	x	x	x	X	
Ambulance Charges	x		x	x	x	x	X	
Trash Charges	x		x	x	x	x	X	

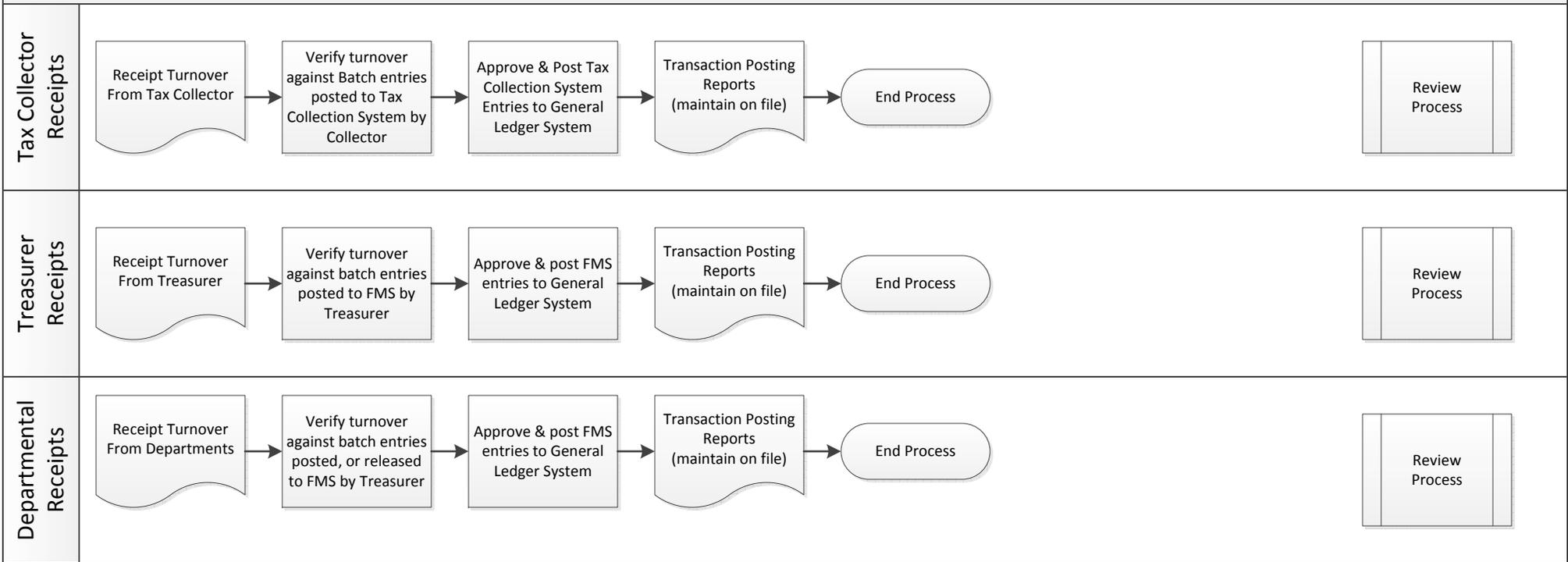
*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX C-2: Receipt Workflows*



# Receipt Turnover Procedures

Key Internal Controls

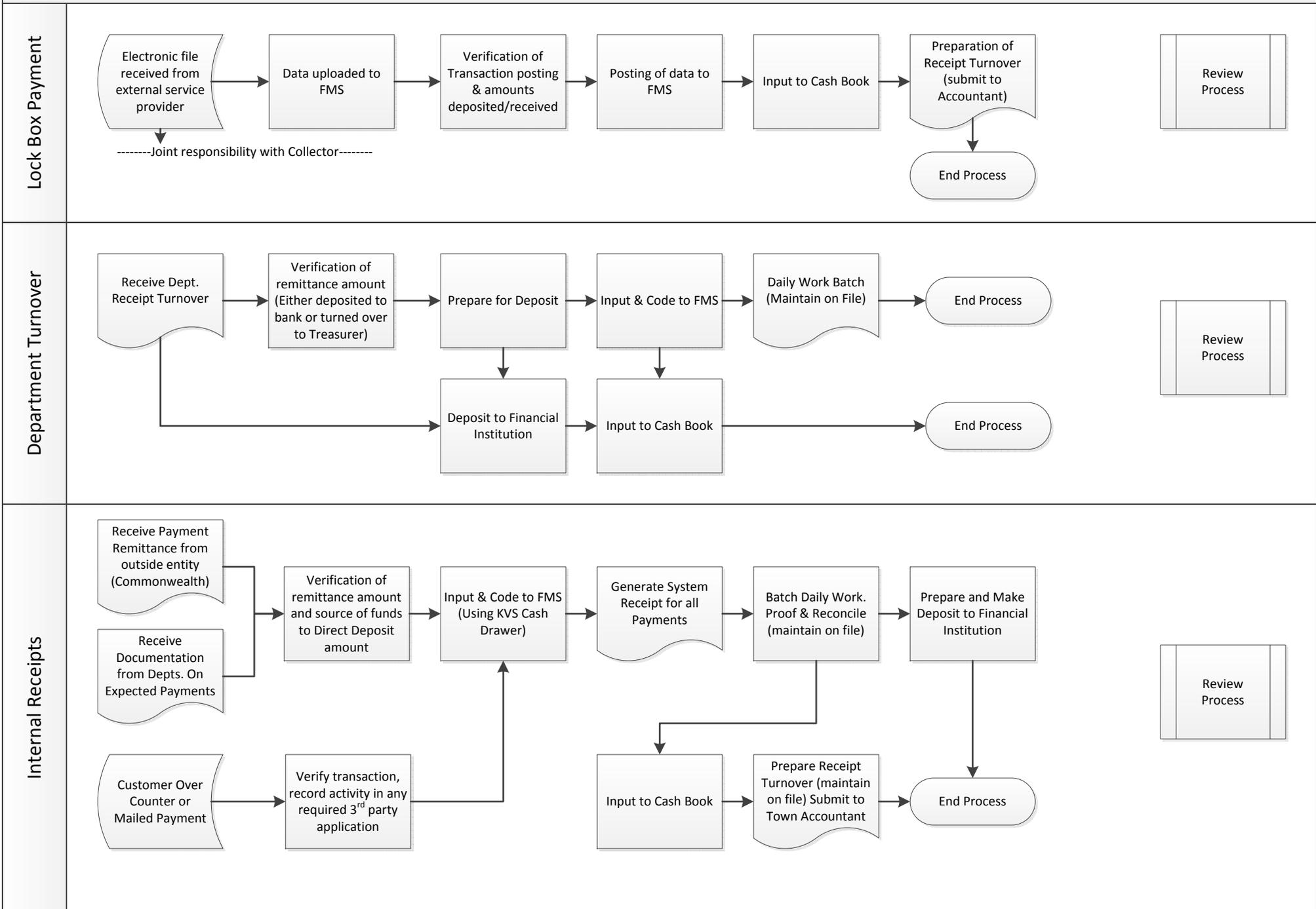
## TOWN ACCOUNTANT FUNCTION



# Receipt Turnover Procedures

Key Internal Controls

## TOWN TREASURER FUNCTION



**TOWN OF MANSFIELD, MASSACHUSETTS**

RECEIPT TURNOVER PROCEDURES

Treasurer-Receive Funds

- 1 Lock box: receive electronic file from external service provider
- 2 Departmental: receive departmental receipt turnover
- 3 Internal receipts: receive payment remittance from outside entity
- 4 Internal receipts: receive documentation from departments on expected receipts
- 5 Internal receipts: receive customer payment over the counter or by mail

**TOWN OF MANSFIELD, MASSACHUSETTS**

**RECEIPT TURNOVER PROCEDURES**

Treas-Verify receipts

- 1 Lockbox: verify transaction posting and amounts deposited/received
- 2 Departmental: verify remittance amount (either deposited to bank or turned over)
- 3 Internal receipts: verify remittance amount and source of funds to direct deposit

**TOWN OF MANSFIELD, MASSACHUSETTS**

RECEIPT TURNOVER PROCEDURES

Treas-Deposit funds

- 1 Lockbox: funds deposited by third party vendor
- 2 Departmental: prepare deposit and deposit to financial institution
- 3 Internal receipts: prepare deposit and deposit to financial institution

**TOWN OF MANSFIELD, MASSACHUSETTS**

RECEIPT TURNOVER PROCEDURES

Treas-Post to SoftRight

- 1 Post receipts following SoftRight procedures
- 2 (Link to workflow: Treasury Receipts Entry)

**TOWN OF MANSFIELD, MASSACHUSETTS**

RECEIPT TURNOVER PROCEDURES

Treas-Input to cash book

- 1 Lockbox: input to cash book immediately after posting to SoftRight
- 2 Departmental: input to cash book immediately after posting to SoftRight
- 3 Internal receipts: generate system receipt for all payments
- 4 Internal receipts: batch daily work, proof, and reconcile
- 5 Internal receipts: post to cash book
- 6 Internal receipts: prepare turnover and submit to town accountant

**TOWN OF MANSFIELD, MASSACHUSETTS**

**RECEIPT TURNOVER PROCEDURES**

Treas-Daily work batch

- 1 Maintain daily work batch on file

**TOWN OF MANSFIELD, MASSACHUSETTS**

**RECEIPT TURNOVER PROCEDURES**

Acct-Receive turnover

- 1 Town Accountant receives turnover from Tax Collector, Treasurer, or other Town Department

**TOWN OF MANSFIELD, MASSACHUSETTS**

RECEIPT TURNOVER PROCEDURES

Acct-Verify turnover

- 1 Collector's Receipts: Verify turnover against batch entries posted to tax collection system by collector
- 2 Treasurer's Receipts: Verify turnover against batch entries posted to SoftWright by treasurer
- 3 Departmental Receipts: Verify turnover against batch entries posted or released to SoftWright by treasurer

**TOWN OF MANSFIELD, MASSACHUSETTS**

RECEIPT TURNOVER PROCEDURES

Acct-approve and post

- 1 Collector's Receipts: Approve and post tax collection system entries to general ledger system
- 2 Treasurer's Receipts: Approve and post treasurer's entries to general ledger system
- 3 Departmental Receipts: Approve and post entries to general ledger system

**TOWN OF MANSFIELD, MASSACHUSETTS**

RECEIPT TURNOVER PROCEDURES

Acct-posting reports

- 1 Town Accountant maintains transaction posting reports on file

**TOWN OF MANSFIELD, MASSACHUSETTS**

**RECEIPT TURNOVER PROCEDURES**

Review Procedures

- 1 Treasurer reviews lockbox transaction posting
- 2 Treasurer reviews departmental turnovers
- 3 Treasurer reviews remittance advice and source of funds (direct deposit transactions)
- 4 Town Accountant reviews and verifies turnovers
- 5 Town Accountant reviews and posts transactions to general ledger system

**TOWN OF MANSFIELD, MASSACHUSETTS**

**RECEIPT TURNOVER PROCEDURES**

Key Internal Controls

- 1 Turnovers are submitted to the Town Treasurer
- 2 Turnovers are signed by the department head or personnel making turnover
- 3 Amount on turnover agrees to amount deposited/remitted
- 4 Turnover is entered into SoftRight by Collector/Treasurer/Department
- 5 Turnover is posted to the general ledger by the Town Accountant

## Treasury Receipts Entry

1. Click the Accounting button from the main menu.
2. Click the Treasury Receipts button.
3. Click the Receipt Entry button.

### Accepting the Collection Packets thru Treasury Receipts:

1. Click on the COLL PACK function button.
2. Choose: Effective Date, Post Date, or Packet # from.
3. Change Deposit number on each change of:  
Post Date, Packet number, Bank (will always be checked) and Effective Date
4. Check one under Packet Effective Date:  
Effective Date or Use Payment Effective Date.
5. Click the CREATE function button.
6. This will display a message giving you the packet number, number of entries, and packet total.
7. Click Okay
8. Click the FINISHED function button.
9. You would then choose your packet from the grid and hit enter.
10. You can enter a description if you would like

### To Delete a Treasury Receipt:

To delete a treasury receipt entry, select the entry from the lookup table and click the EDIT ENTRY button. Once the entry is displayed on the screen, click the menu option EDIT at the top of the screen and select Delete Entry. This will delete the treasury receipts entry.

### To Validate the Packet:

1. From the packet master screen, click the VALID PACK function button to begin the validation process.
2. If the validation fails, preview or print the Packet Proof report for error details. If the validation succeeds, print the Packet Proof report for your records.

### To Preview or Print the Packet Proof:

1. From Receipt Entry, select Reports at the top of the screen.
2. Select the report TR Packet Proof.
3. Enter the correct packet number.
4. Click the Preview button to view the report on the screen. To print the report, click the Print button.
5. Click the  button to exit the print preview.
6. Click the CANCEL button to exit the report interface window.
7. Click the PRINT TR function button to print the Treasury Receipts Deposit report.

### To Post the Treasury Receipts Packet:

1. Click the CREATE JNL function button to create the journal entries.
2. Click the PRINT JNL function button to preview or print the journal entries.
3. Click the Preview button to view the report on the screen. To print the Report, click the print button.
4. Click the  button to exit the print preview.
5. Click the CANCEL button to exit the report interface window.
6. Click the POST NOW function button to post the journal entry packet.
7. Click the EXIT function button to exit the Receipt Entry area.

## Adding Miscellaneous Receipt Codes

### Printing the List of Miscellaneous Receipt Codes

1. Click the Collections button from the main menu.
2. Click the Inquiry and Maintenance button.
3. Click on Fin Reports at the top of the screen.
4. Choose the List of Miscellaneous Receipts report. You will need this info when adding new codes.

### Entering Misc Receipt Codes

1. Click the Collections button from the main menu.
2. Click the Support Table Maintenance button.
3. Click the Misc Receipts button.

If entering a new misc receipt code button to show on the cash drawer screen or the TPM screen at the first menu level you would fill in the following fields:

L\_CODE – Enter the code you will use – Max of 6 characters

L\_DESCRIP – Enter description of code-this shows in the grid on the transaction

L\_AMOUNT – Will stay with the 0.0000

L\_KIND – Enter “T” It will always be T.

L\_MENU – Enter 0 in this field.

L\_NEXTMENU – These numbers will be numbered consecutively starting with 1. You would need to look at the List of Miscellaneous Receipt Codes for the last one that was used.

TRN\_CODE – Find the last one used and assign the next trn\_code number

If entering a new misc receipt code button on the cash drawer screen beneath an existing button (lower menu level) you would fill in the following fields:

L\_CODE – Enter the code you will use – Max of 6 characters

L\_DESCRIP – Enter description of code

L\_AMOUNT – Will stay with the 0.0000

L\_KIND – Enter “T” It will always be T.

L\_MENU – Enter the associated ‘L\_nextmenu’ number into this field. You will need to look at the List of Miscellaneous Receipt Codes.

L\_NEXTMENU – Enter 0 in this field.

TRN\_CODE – Find the last one used and assign the next trn\_code number

## 1. **Setup Collections – Accounting Link**

- a. Go to Accounting from the Main Menu. Under Accounting select the option to go to Treasury Receipts.
- b. Under Treasury receipts select option Support Tables and under Support Tables select option Collections Link.
- c. In collection link screen at top part of the screen check the Display Missing TR Codes box.
- d. The missing TR code fills in the table.
- e. You need to set the TR# and the Bank.
- f. To set the TR # click on TR # column. You will see a drop down arrow at the end of TR column. Click on the drop down arrow and select the TR Code.
- g. To set the Bank click on Bank column. You will see a drop down arrow at the end of Bank column. Click on the drop down arrow and select the Bank and the Bank Code will fill in.
- h. Click on EXIT button to the right to exit out of Accounting-Collection Link screen.

## Treasury Receipts Entry

1. Click the Treasury Management button from the main menu.
2. Click the Treasury Receipts button.
3. Click the Receipt Entry button.

### To Add a Treasury Receipt:

1. Click on the ADD PACK function button.
2. Enter the appropriate packet information.

**Packet Description:** Enter the description for the packet.

**Year:** Enter the fiscal year the packet relates to.

3. Click the ADD ENTRY function button.
4. Enter the appropriate treasury receipt information.

**Effective Date:** This field will default to the current date or can be modified to reflect the effective date of the receipt.

**ID Code:** Enter the ID Code of the receipt or click the book icon and select the treasury receipt code from the lookup table and press Enter. The ID Code description will auto-populate.

**Description:** Enter the description for this receipt.

**Amount:** Enter the amount of the receipt.

**Deposit Number:** Enter the deposit number.

**Bank Account:** Enter the bank account or click the book icon and select the bank account from the lookup table and press Enter.

**Reference #:** Enter the Reference number (if applicable).

5. Click the EDIT PACK function button to return to the packet screen.
6. To add another receipt, click the + sign or the ADD ENTRY function button.

### To Delete a Treasury Receipt:

To delete a treasury receipt entry, select the entry from the lookup table and click the EDIT ENTRY button. Once the entry is displayed on the screen, click the menu option EDIT at the top of the screen and select Delete Entry. This will delete the treasury receipts entry.

### To Validate the Packet:

1. From the packet master screen, click the VALID PACK function button to begin the validation process.
2. If the validation fails, preview or print the Packet Proof report for error details. If the validation succeeds, print the Packet Proof report for your records.

### To Preview or Print the Packet Proof:

1. From Receipt Entry, select Reports at the top of the screen.
2. Select the report TR Packet Proof.
3. Enter the correct packet number.
4. Click the Preview button to view the report on the screen. To print the report, click the Print button.
5. Click the  button to exit the print preview.
6. Click the CANCEL button to exit the report interface window.
7. Click the PRINT TR function button to print the Treasury Receipts Deposit report.

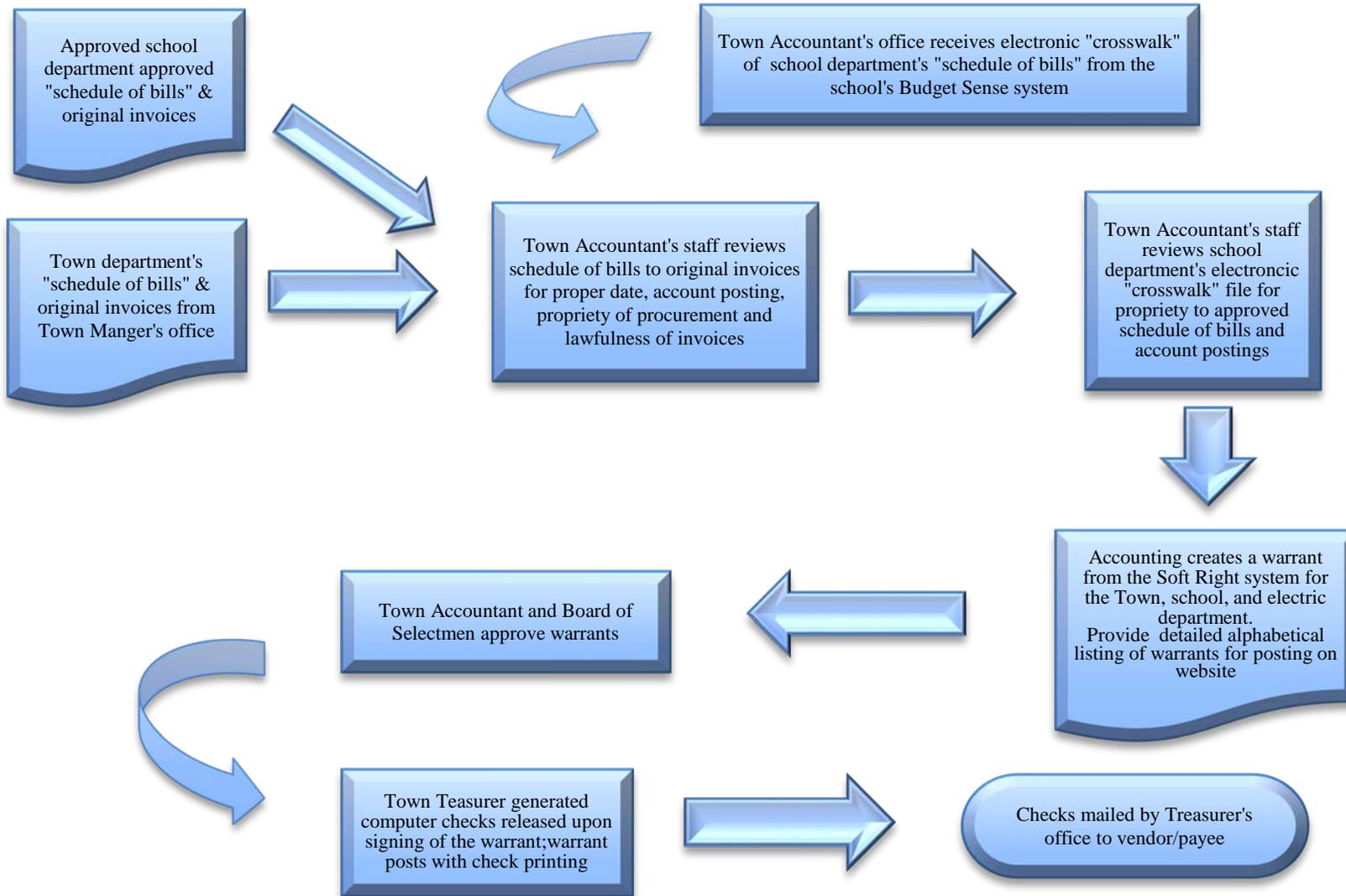
### To Post the Treasury Receipts Packet:

1. Click the CREATE JNL function button to create the journal entries.
2. Click the PRINT JNL function button to preview or print the journal entries.
3. Click the Preview button to view the report on the screen. To print the Report, click the print button.
4. Click the  button to exit the print preview.
5. Click the CANCEL button to exit the report interface window.
6. Click the POST NOW function button to post the journal entry packet.
7. Click the EXIT function button to exit the Receipt Entry area.

*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX C-3: Accounts Payable Workflows*

## TOWN OF MANSFIELD, MASSACHUSETTS

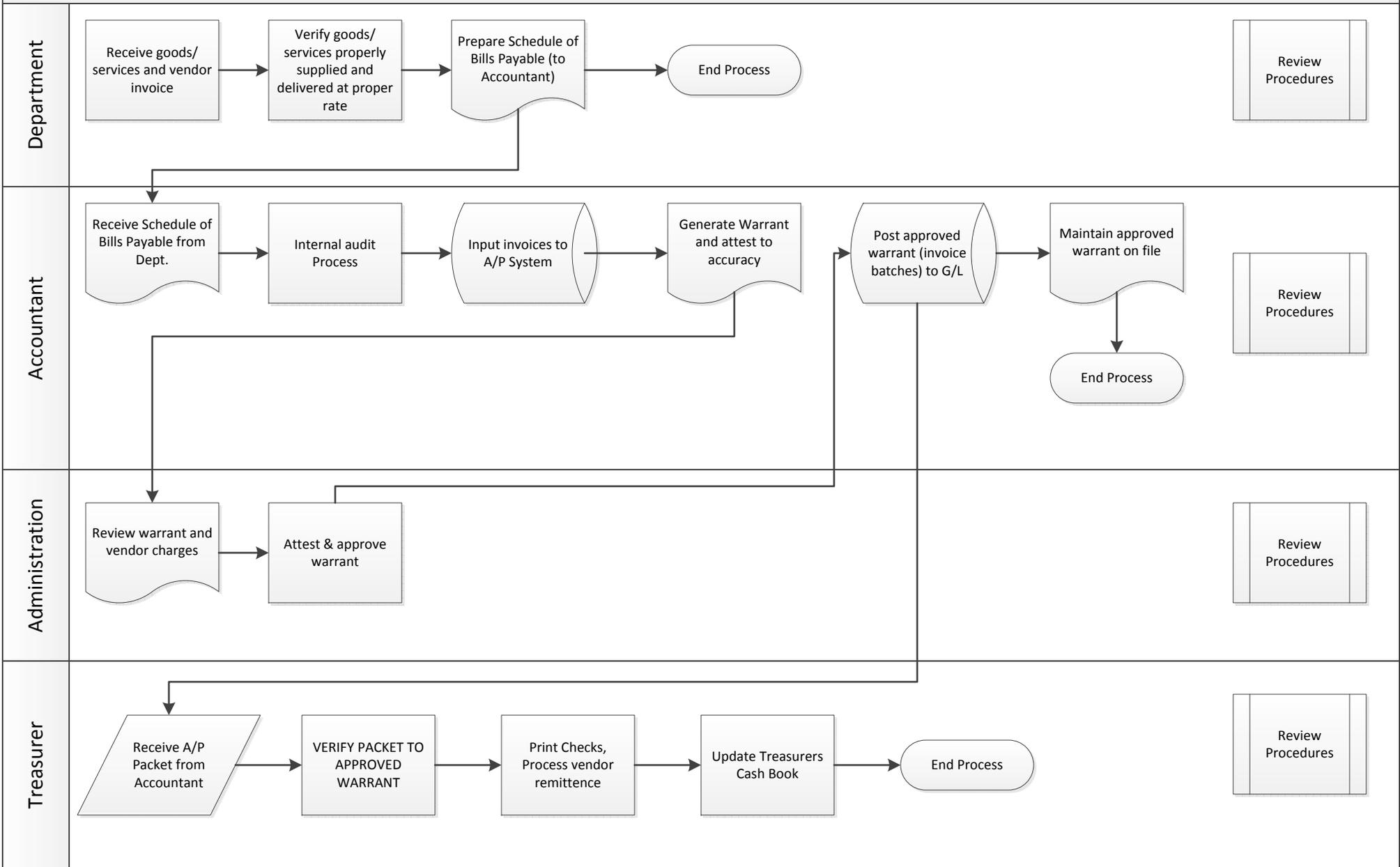
The following summarizes the Town's significant, basic processes for vendor warrant disbursements.



# Accounts Payable Process

Key Internal Controls

## ALL FUNCTIONS



**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Dept - verify goods-services

- 1 Goods are received or services are performed by vendor; perform physical inspection of goods/work performed
- 2 Verify goods/services have been properly supplied/delivered in accordance with the agreed-upon rate (verify to contract/purchase order where applicable)

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Dept-Prep Sch of Bills Payable

- 1 Prepare schedule of bills payable, including department, date, name of vendor, amount, and account to be charged
- 2 Department head signs/approves schedule of bills payable
- 3 Schedule of bills payable and original invoices sent to accountant's office

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Acct - Receive Sch of Bills

- 1 Accountant's office receives schedules of bills payable and original invoices from each department

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Acct - Internal audit

- 1 Verify name and original signature of municipal official authorizing schedule of bills payable
- 2 Review each original invoice noting date, vendor, amount, location where goods were delivered or services performed
- 3 Verify that expenditure is not fraudulent, unlawful, or excessive
- 4 Verify availability of funds to pay invoices
- 5 Verify compliance with procurement requirements

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Acct - Input to System

- 1 Enter invoices into accounting system in accordance with SoftRight procedures
- 2 (Link to SoftRight workflows - Invoices, warrant processing)
- 3 Add new vendors to the system in accordance with SoftRight procedures
- 4 (Link to SoftRight workflow - Vendor maintenance)
- 5 Verify that total of invoices reconciles to total entered into SoftRight

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

**Acct - Generate warrant**

- 1 Generate warrant in accordance with SoftRight procedures
- 2 (Link to SoftRight workflow - Warrant processing)
- 3 Town accountant attests to accuracy by signing warrant

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

**Acct - Post Warrant**

- 1 Post warrant in accordance with SoftRight procedures

(Link to SoftRight workflow - Warrant processing)

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Acct - Maintain on File

- 1 Retain information according to the Municipal Records Management Manual as published by the Secretary of the Commonwealth
- 2 Maintain the vendor file, including adding new vendors, updating existing vendors and purging vendor information when appropriate.
- 3 Request and maintain the Form W-9 file for all vendors

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

**Treas - Receive A-P Packet**

- 1 Receive accounts payable packet from Town Accountant's office

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Treas - Verify A-P Packet

- 1 Verify accounts payable packet received from Town Accountant's office

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

**Treas - Print Checks**

- 1 Print checks, following SoftRight procedures
- 2 (Link to SoftRight workflow - Warrant check process)
- 3 Reconcile check register total to warrant total

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Review Procedures

- 1 Town accountant reviews propriety of schedule of bills payable
- 2 Town accountant ensures schedule of bills payable contains appropriate signature(s)
- 3 Town accountant reviews invoices submitted for payment
- 4 Town accountant and selectmen review warrant
- 5 Treasurer reviews check register
- 6 Town accountant reviews general ledger posting

**TOWN OF MANSFIELD, MASSACHUSETTS**

**ACCOUNTS PAYABLE PROCEDURES**

Key Internal Controls

- 1 Schedule of bills payable properly completed and includes appropriate documentation
- 2 Schedule of bills payable signed by department head
- 3 Original invoices submitted with schedule of bills payable
- 4 Invoices reviewed by Town Accountant
- 5 Warrant approved by Town Accountant and a majority of the Board of Selectmen
- 6 Invoice paid and included in check register
- 7 Disbursements charged to the appropriate accounts

## **Invoices Overview** (aka AP Warrants)

**Purpose:** The Invoice or AP Warrant process begins when you receive a vendor invoice and ends when you issue the vendor a check. The following workflows will guide you through the various steps of this process:

Step 1: <a href="#">Create a Packet</a> .....	2
Step 2: <a href="#">Fill a Packet with Invoices</a> .....	3
Step 3: <a href="#">Validate a Packet</a> .....	6
Step 4: <a href="#">Preview or Print a Packet Proof</a> .....	7
Step 5: <a href="#">Fix Validation Errors</a> .....	8
Step 6: <a href="#">Wait Post a Packet</a> .....	9
Step 7: <a href="#">Print a Warrant Report for Approval</a> .....	10
Step 8: <a href="#">Print Checks</a> .....	11
Step 9: <a href="#">Post a Warrant</a> .....	14

## **AP Warrant - Create a Packet**

From the Main Menu: **Navigate to the Enter Warrant Screen**

Accounting > Accounts Payable > Warrant Processing > Enter Warrant

1. Click the Add Pack function button.
  - Alternatively, if you have already created a packet, you can select the packet from the lookup grid at the bottom of the screen and click the Edit Pack function button. All your packets will remain visible in the grid until the packet is posted to the General Ledger.
2. Enter the required packet information:
  - **\*Packet Name:** Enter a name for the packet (this is NOT the name of the warrant itself). The Packet Name will default to today's date, but you may override this.
  - **\*Warrant Type:** Click the drop down arrow and select AP Warrant.
  - **\*Year:** Enter the fiscal year (which may not be the same as the current calendar year).

## **AP Warrant - Fill a Packet with Invoices**

1. Click the Add Inv function button.
2. Enter the required invoice information:
  - **Voucher:** Enter a voucher number (please note that your community may have setup this field to automatically populate, or it may not require this field).
  - **\*PO Status:** Select the appropriate PO Status from the drop-down list. The options are:
    - **No PO:** Use to pay invoices with a **Request for Payment**.
    - **Fully Paid PO:** Use if you want to select a PO and fully pay every line on it.
    - **Partially Paid PO:** Use if you want to pay a partial amount of specific lines.
    - **Line Close PO:** Use if you want to make a final payment on a PO line and close the line so that no further payments can be applied (any remaining funds will be unencumbered).
    - If you select any of the PO options, you will be presented with a PO# field and a lookup icon where you can search existing POs.
  - **\*Vendor:** Enter the vendor number or click the lookup icon to select a vendor. This will auto-populate vendor information.
  - **\*Invoice Date:** Enter the date of the invoice.
  - **\*Invoice #:** Enter the invoice number.
  - **\*Invoice Amount:** Enter the invoice amount.
  - **\*Entry Type:** You will usually leave this at the default value of **Held**.
  - **Sep Check Grp:** Use this only if you know that you want to issue multiple checks to this vendor.
    - For example, if a vendor is to be paid for 3 invoices and you want to pay the first 2 invoices on one check and pay the 3rd invoice with another check, you would enter **1** in the Sep Check Grp field for the first 2 invoices and a **2** in the Sep Check Grp for the 3rd invoice.

- **\*Warrant Details:** This is where you specify dollar amounts and account codes.
  - **Line Descrip:** Enter the invoice description.
  - **Account:** Enter the account number or click on the lookup icon to select the account from the find grid.
  - **Amount:** Enter the appropriate amount.
- To add more than one detail line to a non-PO invoice payment (which you must do if you want to charge more than one account):
  - Click the Add Detail function button. A new invoice line will be added to the lookup grid at the bottom of the screen and the Warrant Details screen will be cleared.
  - Enter the appropriate Line Description, Account, and Amount information for the added invoice line.
  - Repeat until you've added all the invoice lines that you want.
- To edit lines on a PO-related invoice payment:
  - Background on editing PO-related invoice payments:
    - Note that when you choose to pay an invoice against a PO (in the PO Status field), once you enter the PO #, the system imports all PO lines from that PO into to Warrant Details area.
    - If you chose a PO Status of either Fully Paid PO or Line Close PO, all PO lines will be imported into the Warrant Details area with a dollar value totaling the remaining balance.
    - If you chose a Partially Paid PO, all PO lines will be imported into the Warrant Details area with a zero dollar value.
  - Click on any line in the Warrant Detail lookup grid at the bottom of the screen. The Warrant Details area automatically changes to show the details of the selected line.
  - Enter the appropriate dollar value into the Amount field.
  - Note that you cannot edit account numbers because this invoice is tied to a PO.

**3. If you want to add another invoice to the packet:**

- Click the Add Inv function button
- Repeat from step 2 above (enter the required invoice information).

**If you are done filling your packet...**

- Continue to the [Validate a Packet](#) workflow.

**If you want to add more invoices to your packet later...**

- You may exit from the system and repeat the steps in this workflow at a later time, beginning with the steps detailed in the "From the Main Menu..." section at the very top of this workflow.

## **AP Warrant - Validate a Packet**

1. Click the Valid Pack function button.
2. Enter the identifying warrant information:
  - **\*Warrant:** This identifies on which warrant the packet payments will be included. You should have received guidance from your accounting staff on exactly how to enter this information. For example, warrant "W12" and warrant "W-12" are 2 different warrants because they're typed differently.
  - **\*Year:** Enter the fiscal year of the warrant (which may not be the same as the current calendar year).
  - **\*Effective Date:** Enter the date of the warrant. You should have received guidance on what the effective date of each warrant should be.
3. Click the Validate function button.

### **If the validation fails...**

1. A message box will appear that states, "There are validation errors. You can not proceed to posting options. Print Invoice Proof for errors."
2. Click the OK button to close the message box.
3. Continue to the [Preview or Print a Packet Proof](#) workflow.

### **If the validation passes...**

1. A message box will appear that states, "There are no validation errors."
2. Click the OK button to close the message box.
3. You may exit from the system or continue to the [Wait Post a Packet](#) workflow.

## **AP Warrant - Preview or Print a Packet Proof**

1. Click on the SysReports menu at the top of the application window.
2. Click on AP Warrant Proof - System in the drop-down menu. This will open a Report Parameters Screen.
3. In the Selective Sort area of the screen, ensure that **ONLY** the packet box is checked and that the Packet field to the right contains the appropriate packet number.
4. Choose what you want to do:
  - **To print:** Click the Print button in the lower left-hand corner of the screen. This will open the print menu, where you can send the proof directly to a printer.
  - **To preview on screen:** Click the Preview button in the lower left-hand corner of the screen. This will open an onscreen report.
    - If you want to print the Proof after previewing, close the preview by clicking on the x in the top right corner, and follow the **To print** instructions above.
  - **To save as a PDF:** Click the PDF button in the lower left-hand corner of the screen. A "Save As" window will appear.
    - Click the "Save in" drop-down menu at the top of the window and choose where you want to save the file.
    - Enter a file name in the "Save PDF File" field in the middle of the window.
    - Click the Save button. The PDF will be saved and it will also automatically open.
    - Close or minimize the PDF file. This will return you to the Report Parameters Screen.
5. Click the Close button at the bottom of the screen. This will return you to the Enter Warrant Screen.

## **AP Warrant - Fix Validation Errors**

With the Packet Proof onscreen or printed ([click here](#) if you do not yet have your Packet Proof):

1. Review the Status column on the far right of the Packet Proof. Any invoices that passed validation will be marked as "Validated" in this status column and do not need additional attention. Any invoices that did NOT pass validation will contain a short error description in its Status column. Make note of which invoice numbers have errors and use the descriptive note to troubleshoot what the error is.

From the Enter Warrant Screen, with the appropriate packet selected...

1. Click on an invoice in the lookup grid that did not pass validation.
2. Click on the Edit Inv function button. This will bring up the invoice for editing.
3. Use the guidance provided by the error notes in the Packet Proof to fix any errors.
4. When finished editing the invoice, click the Edit Pack function button. This will return you to the screen where you can select another invoice in the lookup grid.
5. Repeat steps 1 through 4 above until you have addressed all errors noted in the Packet Proof.
6. Click the Valid Pack function button.
7. Click the Validate function button.

### **If the validation fails...**

1. A message box will appear that states, "There are validation errors. You can not proceed to posting options. Print Invoice Proof for errors."
2. Click the OK button to close the message box.
3. You will need to generate another Packet Proof and review it for errors. Complete the [Preview or Print a Packet Proof](#) workflow again.

### **If the validation passes...**

1. A message box will appear that states, "There are no validation errors."
2. Click the OK button to close the message box.
3. You may exit from the system or continue to the [Wait Post a Packet](#) workflow.

## **AP Warrant - Wait Post a Packet**

1. Click the Wait Post function button. A message box appears that states, "Waiting for Warrant Post."
  - o Please note that the Wait Post function button only appears after the packet has passed validation. If you do not see the Wait Post Function button, you must successfully complete the [Validate a Packet](#) workflow first.
2. Click the OK button to close the message box.
3. You may exit from the system or continue to the [Print a Warrant Report for Approval](#) workflow.

## **AP Warrant - Print a Warrant for Approval**

1. Click the drop down arrow and select the appropriate warrant.
  - Be aware of any miss-typed Warrants. For example, if your community's standard is to name warrants like "Warrant-1" and you see a variation of this, like "Warrant #1", "W-1", "War #1", etc. in the drop-down list, it likely means that a Warrant name has been entered incorrectly. You should select the incorrect warrant, make note of any packets attached to this incorrect warrant and change these warrant name mistakes.
2. Click the Reports menu.
3. Click the Appropriation Treasury Warrant in the drop-down menu (you may also use a report called Appropriation Treasury Warrant by Account #). The Report Parameters Screen will appear.
4. Verify that the report parameters are set correctly.
5. Choose what you want to do:
  - **To print:** Click the Print button in the lower left-hand corner of the screen. This will open the print menu, where you can send the proof directly to a printer.
  - **To preview on screen:** Click the Preview button in the lower left-hand corner of the screen. This will open an onscreen report.
    - If you want to print the Proof after previewing, close the preview by clicking on the x in the top right corner, and follow the **To print** instructions above.
  - **To save as a PDF:** Click the PDF button in the lower left-hand corner of the screen. A "Save As" window will appear."
    - Click the "Save in" drop-down menu at the top of the window and choose where you want to save the file.
    - Enter a file name in the "Save PDF File" field.
    - Click the Save button. The PDF will be saved and it will also automatically open.
    - Close or minimize the PDF file. This will return you to the Report Parameters Screen.
6. Click the Close button at the bottom of the screen. This will return you to the Post Warrant Process Screen.
7. You may exit from the system or continue to the [Print Checks](#) workflow.

## Vendor Checks - Print Checks

1. Click the **\*Warrant #** drop-down list (click on the down arrow to expand the list).
2. Click on the warrant whose checks you want to print.
  - Be aware of any miss-typed Warrants. For example, if your community's standard is to name warrants like "Warrant-1" and you see a variation of this, like "Warrant #1", "W-1", "War #1", etc. in the drop-down list, it likely means that a Warrant name has been entered incorrectly. You should select the incorrect warrant, make note of any packets attached to this incorrect warrant (attached packets are shown in the lookup grid that appears in the lower left-hand portion of the screen), and change the warrant name mistakes on these packets before continuing.
3. Verify that all the packets for this warrant have a status of "Waiting for Warrant Post". You can see this information in the grid on the lower left-hand area of the screen.
  - If any invoice in the packet is not "Waiting for Warrant Post", you are not ready to print checks.
4. Click the Checks function button. The Check Detail Screen will appear.
5. Enter the appropriate information in the Check Detail Screen
  - **\*Bank Account:** Click the drop-down list and select the appropriate bank account.
  - **\*Check Range:** Enter the first and last check numbers to be printed.
  - **\*Check Date:** Enter the date to appear on the check.
  - **\*Year:** Enter the Fiscal Year
  - **\*Assign Checks By:** Use the drop-down to specify which criteria should be used to determine the order that the checks print (the default is vendor name).
6. Click the ASSIGN function button to assign the check numbers.
7. Click the PRINT function button. The Report Parameters Screen will appear.
8. **Please verify that the check numbers match the check stock in the printer.**

**9. Please verify that the check stock is loaded into the printer correctly.**

10. Choose what you want to do:

o **To print:**

- Click the Print button in the lower left-hand corner of the screen. This will open the print menu.
- Select the printer that you want to use and set the page range to print.
- Click OK. The checks will be printed and the print menu will disappear.
- Click Close at the bottom of the screen to leave the Report Parameters Screen. This will return you to the Post Warrant Process Screen.

o **To preview on screen:**

- Click the Preview button in the lower left-hand corner of the screen. This will open an onscreen report of the vendor checks.
- When you're done previewing the report, click the Close Preview icon in the Print Preview menu or click the x in the top right corner of the preview window.
- Use the **To Print** instructions above if you want to print the checks after previewing.
- Click Close at the bottom of the screen to leave the Report Parameters Screen. This will return you to the Post Warrant Process Screen.

o **To save as a PDF:**

- Click the PDF button in the lower left-hand corner of the screen. A "Save As" window will appear."
- Click the "Save in" drop-down menu at the top of the window and choose where you want to save the file.
- Enter a file name in the "Save PDF File" field in the middle of the window.
- Click the Save button. The PDF will be saved and it will also automatically open.
- Close or minimize the PDF file. This will return you to the Report Parameters Screen.

- Click Close at the bottom of the screen to leave the Report Parameters Screen. This will return you to the Post Warrant Process Screen.
11. **Verify that the checks printed correctly**
- It's suggested that you look for at least the following when verifying that your checks printed correctly:
    - Look for any paper jams that may have occurred during check printing.
    - Look at the first AND last checks printed and make sure that their pre-printed check numbers match what SoftRight says their check numbers should be.

**If the checks did not print correctly**

- Continue to the [Reprint Checks](#) workflow and follow **Scenario 1** detailed within that workflow.

**If the checks printed correctly**

- Click the Completed function button.
- You may exit from the system or continue to the [Post a Warrant](#) workflow.

## **AP Warrant - Post a Warrant**

**\*Please make sure that all checks printed successfully before posting a warrant.\*** Once you post a warrant, you cannot print or reprint checks, you can only void them.

1. Click the drop down arrow and select the warrant to be posted.
  - Be aware of any miss-typed Warrants. If your community's standard is to name warrants like this "Warrant-1" and you see a variation of this, like "Warrant #1" in the drop-down list, it likely means that a Warrant name has been entered incorrectly. You should select the incorrect warrant, make note of any packets attached to this incorrect warrant and change these mistakes before posting your warrant.
  - Information on the screen fills in for the warrant selected and a grid appears in the lower left-hand corner of screen that displays information for all the packets associated with the selected Warrant.
2. Verify that all the packets listed in the grid in the lower left-hand corner of the screen have a status of Waiting for Warrant Post.
  - If any packets do NOT have a status of Waiting for Warrant Post, you must complete the [Wait Post a Packet](#) workflow for those packets before posting the warrant.
3. Click the POST WAR function button.
4. **If you want to view/save a report of the journal entries that the warrant will post**, click the Print function button. The Print Parameters screen will appear.
  - Choose what you want to do:
    - **To print:** Click the Print button in the lower left-hand corner of the screen. This will open the print menu, where you can send the proof directly to a printer.
    - **To preview on screen:** Click the Preview button in the lower left-hand corner of the screen. This will open an onscreen report.
      - If you want to print the Proof after previewing, close the preview by clicking on the x in the top right corner, and follow the **To print** instructions above.
    - **To save as a PDF:** Click the PDF button in the lower left-hand corner of the screen. A "Save As" window will appear."

- Click the "Save in" drop-down menu at the top of the window and choose where you want to save the file.
  - Enter a file name in the "Save PDF File" field in the middle of the window.
  - Click the Save button. The PDF will be saved and it will also automatically open.
  - Close or minimize the PDF file. This will return you to the Report Parameters Screen.
5. Click the POST function button. A message box stating, "Journal Post Successful" will appear.
  6. Click the OK button and the message box will disappear.
  7. The warrant is now posted to the general ledger and you may exit the system.

## Vendor Maintenance

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Vendors button.
4. Click the Vendor Maintenance button.

### To Add a Vendor:

1. Click the ADD function button.
2. A message box appears displaying the message, “Current Vendor Number is invalid. Would you like an auto-assigned vendor number?” Click “Yes” to auto-assign the vendor number. Click “No” to manually assign the vendor number.
  - If you click “Yes” to auto-assign the vendor number, a message box is displayed with the question, “Will this be a seldom used vendor?” Click “Yes” to add a seldom used vendor. Click “No” to add a normal vendor.
  - If you click “No” to manually assign the vendor number, enter the appropriate number in the Vendor # field.
3. Enter the appropriate vendor information.
  - Code:** Enter the vendor code (if applicable).
  - Vendor Name:** Enter the vendor name.
  - DBA:** Enter the doing-business-as information (if applicable).
  - Vendor Address:** Enter the vendor’s physical address. The default setting marks the vendor address as the mailing address. If the mailing address is different, uncheck the box labeled “Payment Address same as vendor address” and enter the mailing address.
  - Product:** Enter the product information for this vendor (if applicable).
  - Perform:** Enter the vendor’s performance information (if applicable).
  - Print on Check As:** Enter the vendor’s name as you would like it to appear on a check if it is to be represented differently than how it has been entered in the vendor name field (if applicable).
  - Parent Vendor #:** Enter the parent vendor number for this vendor (if applicable).
  - SS#:** Enter the vendor’s social security number (if applicable).
  - FID#:** Enter the vendor’s federal identification number (if applicable).
  - Payment Method:** Populate the payment method field using the drop down list box for vendors consistently paid by the same method during the warrant entry process (if applicable).

**Preferred Account:** Populate the preferred account field with the appropriate account to auto-populate the invoice when paying this vendor in warrant entry (if applicable).

**1099 Box:** Select the box that should contain the total amount paid to this vendor on a 1099 form (if applicable). By default this information will appear in box 7, “NonEmployee Comp.”

**Active:** This checkbox denotes active or inactive vendors. Leave the box checked for an active vendor. Uncheck the box for an inactive vendor.

**Seldom Used:** This checkbox denotes seldom used or normal vendors. Seldom used vendors are those vendors that are rarely used and will be filtered out by default vendor searches. Leave the box unchecked for a normal vendor. Check the box for a seldom used vendor.

**Suspect:** This checkbox denotes suspect vendors. Suspect vendors are those vendors with an inconsistent performance history. Leave the box unchecked for a normal vendor. Check the box for a suspect vendor.

**Hide Name:** This checkbox denotes vendors whose name should not appear on a warrant. Leave the box unchecked for a normal vendor. Check the box to the hide the name of the vendor on a warrant.

**Use 1099:** This checkbox denotes vendors that are paid using a 1099 form. Leave the box unchecked for normal vendors. Check the box for vendors being paid by 1099.

4. The Contact tab in the upper left-hand side of the screen allows you to enter additional contact information for the vendor. Enter the appropriate vendor contact information.

**Fax:** Enter the vendor’s fax number (if applicable).

**Email:** Enter the vendor’s email address (if applicable).

**Web Site:** Enter the vendor’s website address (if applicable).

**Contact 1 Phone:** Enter the phone number for a vendor contact (if applicable).

**Contact 2 Phone:** Enter the phone number for a second vendor contact (if applicable).

**Contact 3 Phone:** Enter the phone number for a third vendor contact (if applicable).

**Vendor Notes:** Enter any notes about this vendor (if applicable).

5. When finished, click the EXIT function button to exit Account Maintenance.

#### Notes on navigation:

1. To Add another Vendor you can click the ADD function button or use the + button.

## Processing a Void Check Warrant

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Check Processing button.
4. Click the Check Void button.

### To Create the Void Check Warrant:

1. Enter the appropriate void check information.  
**Bank Account:** Select the appropriate Bank Account from the drop down list box.  
**First Check#:** Enter the check or check range to be voided.
2. Click the Find function button. This will populate the find grid with the check information.
3. Continue to enter the appropriate void check information.  
**Effective Date:** Enter the effective date of the void.  
**Description:** Enter the description.  
**Warrant:** Enter the warrant number.
4. Click the Void function button to create the Void Check Warrant. A message box will appear asking, “Are you sure you want to void these checks?” Click “Yes” to void the check or series of checks. Click “No” to cancel.
5. Click the Exit function button to exit the Void Check area.

## Posting a Void Check Warrant

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Warrant Processing button.
4. Click the Post Warrant Process button.
5. Click the drop down arrow and select the Warrant to be posted.  
Information on the screen fills in for the warrant selected and a grid appears on left side of the screen which displays all the packets for the warrant and their status. Make sure all the packets for this warrant have a status of Wait Posted.

### To Print the Warrant:

1. From the reports menu, select the Appropriation Treasury Warrant Report or the Appropriation Treasury Warrant by Account# Report.
2. Click the PREVIEW button to preview the report on the screen or click the PRINT button to send the report to the printer.
3. If you previewed the report, click the  button to exit the print preview.
4. To exit the report interface, click the CANCEL button.

### To Post the Warrant:

1. After printing the warrant, you can post the warrant to the general ledger.
2. Click the POST WAR function button.
3. Click the PRINT function button to view the journal entries that are about to be posted.
4. If you previewed the report, click the  button to exit the print preview.
5. To exit the report interface, click the CANCEL button.
6. Click the POST function button.
7. A message box stating “Journal Post Successful” will appear. Click the OK button.
8. The warrant is posted to the general ledger. Click the EXIT function button to exit the Post Warrant Process area.

## Clearing Checks

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Check Processing button.
4. Click the Checks Cleared button.

### To Manually Clear Checks:

1. Enter the appropriate check information.  
**Bank Account:** Select the appropriate Bank Account from the drop down list.  
**First Check #:** Enter the check or check range to be cleared.  
**Clear Date:** Enter the clear date.
2. Click the FIND function button. This will populate the grid with the check information.
3. Click the CASHED function button. A message box will appear asking “Would like to clear these checks?” Select YES.
4. Click the EXIT function button to exit the Clear Checks screen.

### To Electronically Clear Checks:

1. Click the IMPORT CHECK FILE button.
2. Click Browse to select the appropriate bank file. The checks contained in the bank file will now be displayed at the bottom of the screen.
3. Click Yes to import the file.
4. The checks will import and display in the grid at the bottom of the screen.
5. Run the Cleared Checks Report and compare it to the file the bank provided to determine if any checks do not reconcile to the bank file. The Cleared Checks Report and the file from the bank will be sorted in Check order.
6. Click the CASHED Function Button. A message box will appear asking “Would you like to clear these checks?” Select YES.
7. Click on the EXIT function button to exit the Clear Checks screen.

## Print Check Process

1. Click the Accounting button from the Main Menu.
2. Click the Accounts Payable button.
3. Click the Warrant Processing button.
4. Click the Post Warrant Process button.
5. Click the drop down arrow and select the warrant to print checks for.

Information on the screen fills in for the warrant selected and a grid appears on left side of screen which displays all the packets for the warrant and their status. Make sure all the packets for this warrant have a status of Wait Posted.

### To Print Checks:

1. Click the CHECKS function button.
2. Select the Bank Account by clicking the drop down arrow.
3. Verify the First Check# and enter the Check Date and Year.
4. Select the Assign Checks By by clicking the drop down arrow.
5. Click the ASSIGN function button to assign the check numbers.
6. Click the PRINT function button to bring up the check print screen.
7. Click the PREVIEW button to preview the checks to the screen.  
\*\*\* Please verify the check numbers match the check stock in the printer.

8. Click the  button to exit the print preview.
9. After you have verified the check stock is loaded into the printer correctly, click the PRINT button.

10. Before you exit out of the Check Print screen, verify the checks are finished printing and are printed correctly, then click the CANCEL button.
11. If the checks need to be reprinted, click the REPRINT function button. From the Check Reprint screen, reassign the same check numbers (If the check numbers are not reprinted) or assign the next set of check numbers then click on the PRINT button.
12. Click the COMPLETED function button. This will bring you to initial Check Screen.
13. Click the EXIT function button to complete the check print process.
14. After exiting the check print menu, go to Reports at the top of screen and click on CHECK REGISTER.
15. Click the PREVIEW button to preview the report to the screen.
16. Click the  button to exit the print preview.

### To Create Bank Reconciliation File

1. From the Reports Menu, select the Bank Reconciliation Export.
2. Make sure the correct warrant number and year are entered and click the export button.
3. Click the look in box and select where the file should be outputted to.
4. Click the exp filename box and type a name for the file that you are creating and then click OK. When complete a message will display stating that the file has been created. Click OK.
5. To exit the report interface window, click the CANCEL button. The file can now be transmitted to the bank.

## Create an Appropriation Warrant

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Warrant Processing button.
4. Click the Enter Warrant button.
5. From the Warrant Entry screen, click the ADD PACK function button. \*\* If you have already created the warrant packet, select the packet from the lookup grid at the bottom of the screen, and click the EDIT PACK function button. Enter the appropriate information.

**Packet Name:** Enter the name of the warrant packet. (You are NOT naming the warrant you are naming the packet).

**Warrant Type:** Click the drop down arrow and select AP Warrant.

**Year:** Enter the fiscal year.

### To Enter Invoices for an Appropriation Warrant:

1. Click the ADD INV function button.
2. Enter the appropriate information for the invoice.

**Voucher:** Enter the voucher number.

**PO Status:** The PO status defaults to No PO. If you are entering this invoice to pay a PO, click the drop down arrow and select whether the payment is for a Partially Paid PO, Fully Paid PO, or Line Close PO. If you make a selection other than No PO, then a PO number box appears below it. You can either enter the PO number or click the PO Book Icon to select the PO number from the lookup table.

**Vendor:** Enter the vendor number (the vendor information will auto-populate) or, click the vendor book icon and select the vendor from the lookup table.

**Invoice Date:** Enter the appropriate date using the MM/DD/YYYY format.

**Invoice #:** Enter the invoice number.

**Invoice Amount:** Enter the invoice amount.

**Entry Type:** Click the drop down arrow and select the entry type (Check, Manual Check, etc).

**Sep Check Grp:** Separate Check Group is used only if you want to print more than one check for a vendor. For example, if a vendor has 3 invoices and you want to put the first 2 invoices on one check and the 3<sup>rd</sup> invoice on another check then you enter the Sep Check Grp as 1 for first 2 Invoices and enter Sep Check Grp as 2 for the 3<sup>rd</sup> invoice.

**Warrant Details:**

- a. **Line Descrip:** Enter the invoice description.
- b. **Account:** Enter the account number or click the Account Book Icon to select the account from the find grid.
- c. **Amount:** Enter the appropriate amount.

To add more than one detail line to an invoice payment click the Add Detail Button or the F9 function key.

3. Click the ADD INV function button to add another invoice, click the Edit Pack function button to validate your packet, or click the EXIT function button to exit invoice entry.

To Validate The Packet:

1. From the Warrant Packet Screen, select the packet from the find grid and click the EDIT PACK function button.
2. Click the VALID PACK function button.
3. Enter the Warrant # and the Effective Date. Verify the year is the correct fiscal year for this warrant.
4. Click the VALIDATE function button.
5. If the validation fails, you will receive a message box stating, “There are validation errors”. Click the OK button and run the packet proof for error details.
6. Fix the validation errors and repeat steps 1-5 until the packet validates.
7. When the packet validates, you will receive a message box “ There are no validation errors”. Click the OK button.

To Preview or Print the Packet Proof:

1. From the Warrant Packet screen, select System Reports at the top of the screen.
2. Select the AP Warrant Proof.

3. Enter the warrant number and the packet number.
4. Click the Preview button to view the report on the screen or the print button to print the report from a printer.
5. Click the  button to exit the print preview.
6. To exit the Report Interface, click the CANCEL button.

### To Wait Post The Packet:

1. After the packet is validated, click the WAIT POST function button to wait post the packet and prepare it for posting. If you don't want to wait post the packet, click the CANCEL function button.
2. After the packet is wait posted, the status shows "Waiting for Warrant Post" in the packet find grid.

### Other Warrant Options

1. **Add/Edit a Vendor:** Select the menu option, Edit, at the top of the screen. Click Vendor Maintenance. You can Add/Edit the vendor information then click the EXIT function button to return to the invoice entry screen.
2. **Add a Detail Item:** The Warrant Detail Section also allows you to add Detail Items for an invoice. Click the ADD DETAIL function button to add a Detail Item to the invoice. Enter the account number and the amount for the Detail Item. The Detail Items added to the invoice appear in the find grid at the bottom of the screen.
3. **Delete a Detail Item:** From Invoice Entry, highlight the Detail Item from the Detail Item find grid at the bottom of the screen. Select the menu option Edit and select Delete Detail. It will display the Delete Detail confirmation box. Click the Yes or No button.
4. **Delete an Invoice:** From Invoice Entry, select the invoice you would like to delete. Select menu option Edit and select Delete Invoice. It will display the Delete Invoice confirmation box. Click the Yes or No button.

## Create A Payroll Warrant

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Warrant Processing button.
4. Click Enter Warrant.

### To Import a Posted Payroll Packet into Accounts Payable:

\*\* The system can be set to automatically double the Medicare Deduction when importing the Payroll Packet into Accounting. Please call SoftRight if you would like to take advantage of this feature.

1. Click the Import Pay function button.
2. From the Payroll Warrant tab, enter the Payroll Date, Payroll Packet Number, Fiscal Year, and if used, the Voucher Number.
3. Select the checkbox for group employees by account number if you want the packet to include totals only. Unselect the checkbox if you want each employee listed separately.
4. Click the Payroll function button to import the payroll warrant packet.
5. A message box with: "Load Payroll Warrant?" is displayed, click YES to load the payroll warrant, click NO to cancel the process.
6. A message box with: "Payroll warrant totaling XXX successfully imported" is displayed. Click the OK button to proceed.
7. The newly created payroll warrant packet is displayed in the find grid.

\*\* The payroll warrant packet is now ready to be validated and posted.

### To Create a Payroll Warrant Manually:

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Warrant Processing button.
4. Click the Enter Warrant button.
5. From the Warrant Entry screen, click the ADD PACK function button. \*\* If you have already created the Warrant Packet, select the packet from the lookup grid at the bottom of the screen and click the EDIT PACK function button. Enter the appropriate information.

**Packet Name:** Enter the name of the Warrant Packet. (You are NOT naming the warrant you are naming the packet).

**Warrant Type:** Click the drop down arrow and select Payroll Warrant.

**Year:** Enter the fiscal year.

To Enter Invoices for a Payroll Warrant:

1. Click the ADD INV function button.
2. Enter the Voucher number.
3. Enter the total invoice amount in the Invoice Amount box.
4. Entry type should be Payroll Entry.
5. Enter the Line Description (optional), Account Number and Amount for the Detail Item in the Warrant Details Section.
6. Click the Add Detail function button to add additional detail items to the invoice.
7. Once you have completed your work, click the EDIT PACK function button.

Notes on navigation:

1. A Payroll packet has one invoice with many detail line items. DO NOT DELETE AN INVOICE FOR A PAYROLL WARRANT AS IT WILL DELETE THE WHOLE INVOICE AND NOT JUST THE DETAIL ITEM.
2. There are 3 buttons in Warrant Detail Section. The + button allows you to add a new Detail Item and the left/right arrow buttons allow you to go to the previous/next Detail Items of the invoice.

## Refunds: Accounting – Collections Link

### How To Add a Link

1. Click the Accounting button from the Main Menu.
2. Click the Treasury Receipts option.
3. Under Treasury Receipts, select the option Support Tables. Under Support Tables, select the option Collections Link.
4. In the Collections Link screen, at top part of the screen,
  - a. Click on the box next to the Bill Field to enter a checkmark.
  - b. Using the drop down list, select the Bill Type
  - c. Click the box next to the Year Field to enter a checkmark
  - d. Using the up and down arrows, select the Year
5. Choose the Add a New Line button on the upper right side of the screen. The new line will be added as the last line on the grid.
6. Complete the fields as appropriate. When you click into the Refund Acct# Field, the TR# Field, or the Bank Field, you will find a drop down arrow at the end of the column. Click the drop down arrow and select the value you wish to add.

## Creating a Refunds Warrant

1. Click the Accounting button from the Main Menu.
2. Click the Accounts Payable button.
3. Click the Warrant Processing button.
4. Click the Enter Warrant button.

### To Import a Refunds Warrant:

1. In the Warrant Entry screen, click the ADD PACK function button to create a new Warrant Packet. If you have already created the Packet, select the Packet from the Lookup Table at the bottom of the screen and click the EDIT PACK button. Enter the appropriate information.

**Packet Name:** Enter the name of the Warrant Packet. (You are NOT naming the warrant, you are naming the packet).

**Warrant Type:** Click the drop down arrow and select Refund Warrant.

**Year Field:** Enter the fiscal year.

**Refund Pack #:** Enter the Collections packet number.

**Refund Voucher #:** Use this field to assign a voucher number to the refund transactions.

2. Click the IMPORT REF function button to import the Refunds Packet. All of the Invoices that are created in this Refunds Packet show at the bottom of the screen in the Invoices Lookup Table.
3. Click the VALID PACK button.
4. Enter the WARRANT # into the warrant field.
5. Validate the Packet; print the Packet Proof and Wait Post the Packet as described in this workflow.

## Post Warrant Process

1. Click the Accounting button from the Main Menu.
2. Click the Accounts Payable button.
3. Click the Warrant Processing button.
4. Click the Post Warrant Process button.
5. Click the drop down arrow and select the warrant to be posted.

Information on the screen fills in for the warrant selected and a grid appears on left side of screen which displays all the packets for the warrant and their status. Make sure all the packets for this warrant have a status of Wait Posted.

### To Print the Warrant:

1. From the Reports Menu, select the Appropriation Treasury Warrant Report or the Appropriation Treasury Warrant by Account# Report.
2. Click the PREVIEW button to preview the Report on the screen or click the PRINT button to send the report to the printer.
3. If you preview the report, click the  button to exit the print preview.
4. To exit the report interface window, click the CANCEL button.

### To Print Checks:

1. Click the CHECKS function button.
2. Select the Bank Account by clicking the drop down arrow.
3. Verify the First Check# and enter the Check Date and Year.
4. Select the Assign Checks By by clicking the drop down arrow.
5. Click the ASSIGN function button to assign the check numbers.
6. Click the PRINT function button to bring up the check print screen.
7. Click the PREVIEW button to preview the checks to the screen.  
\*\*\* Please verify the check numbers match the check stock in the printer.
8. Click the  button to exit the print preview.
9. After you have verified the check stock is loaded into the printer correctly, click the PRINT button.

10. Before you exit out of the Check Print screen, verify the checks are finished printing and are printed correctly, then click the CANCEL button.
11. If the checks need to be reprinted, click the REPRINT function button. From the Check Reprint screen, reassign the same check numbers (If the check numbers are not reprinted) or assign the next set of check numbers then click on the PRINT button.
12. Click the COMPLETED function button. This will bring you to initial Check Screen.
13. Click the EXIT function button to complete the check print process.
14. After exiting the check print menu, go to Reports at the top of screen and click on CHECK REGISTER.
15. Click the PREVIEW button to preview the report to the screen.
16. Click the  button to exit the print preview.

### To Create Bank Reconciliation File

1. From the Reports Menu, select the Bank Reconciliation Export.
2. Make sure the correct warrant number and year are entered and click the export button.
3. Click the look in box and select where the file should be outputted to.
4. Click the exp filename box and type a name for the file that you are creating and then click OK. When complete a message will display stating that the file has been created. Click OK.
5. To exit the report interface window, click the CANCEL button. The file can now be transmitted to the bank.

### To Post the Warrant:

1. After printing the checks and printing the warrant, you can post the warrant to the general ledger.
2. Click the Post War function button.
3. Click the Print function button to view the journal entries that are about to be posted.
4. Click the Post function button.
5. A message box stating “Journal Post Successful” will appear. Click the OK button.
6. The warrant is posted to the general ledger.

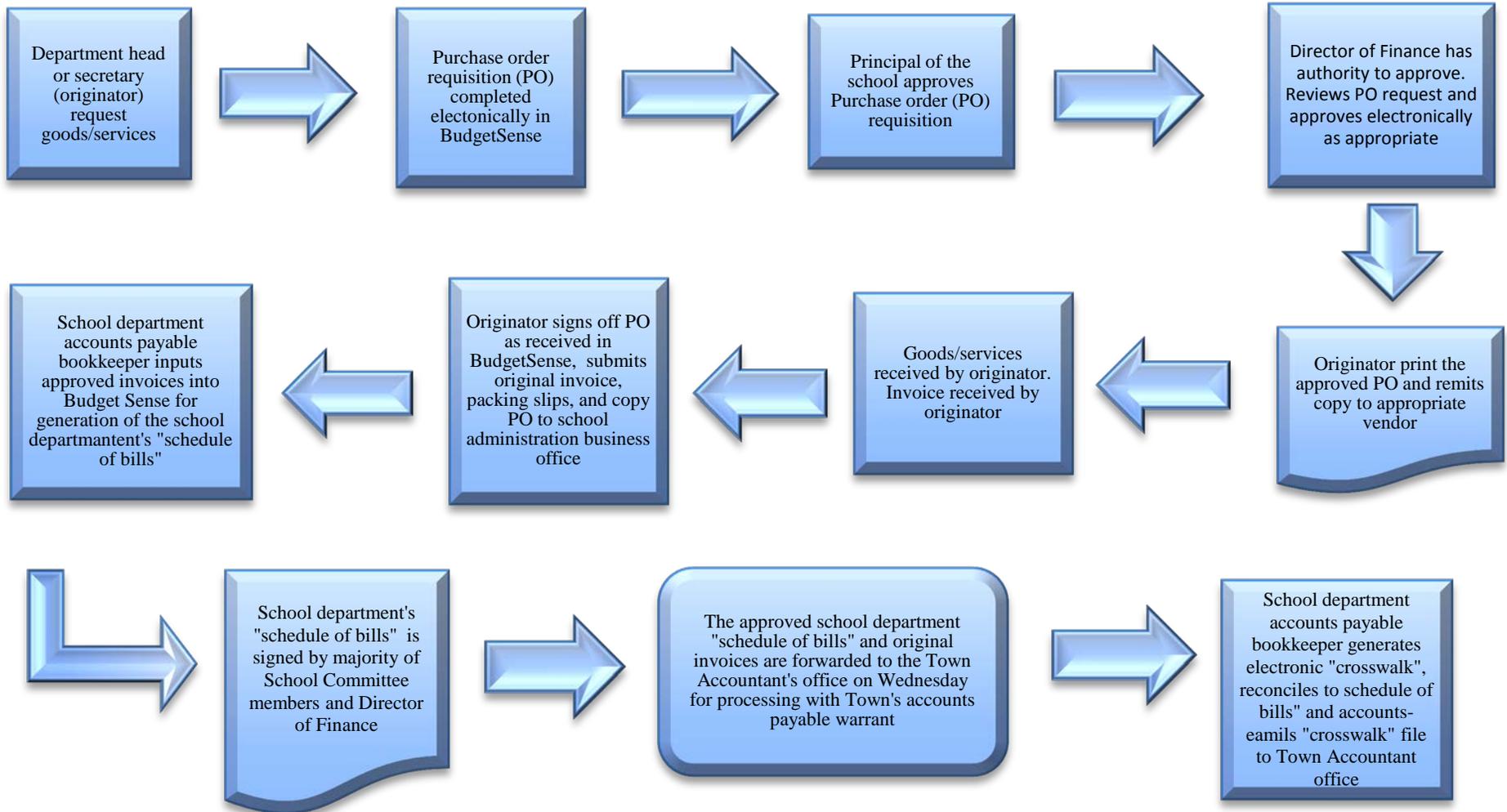
*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX C-4: Procurement Workflows*



## TOWN OF MANSFIELD, MASSACHUSETTS

The following summarizes the school department's significant, basic processes for the procurement of goods & services.

Note: the school department processes bi-weekly vendor schedule of bills.



## **Purchase Orders Overview**

**Purpose:** The Purchase Order process is used to encumber funds for a specific purpose for a specific vendor.

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Step 8: <a href="#">Approve a Purchase Order</a> .....	15

## **Purchase Orders - Create a Packet**

From the Main Menu: **Navigate to the PO Entry Screen**

Accounting > Accounts Payable > Purchase Orders > PO Entry

**1. Click the Add Pack function button.**

- Alternatively, if you have already created a packet, you can select the packet from the lookup grid at the bottom of the screen and click the Edit Pack function button. All your PO packets will remain visible in the lookup grid until they are finally approved.

**2. Enter the required packet information:**

- **Packet ID:** This is a system generated unique identifier. No entry needed.
- **\*Packet Name:** Enter a descriptive name for the packet. The Packet Name will default to your user name plus today's date, but you may override this.
- **Effective Date:** This field will be grayed-out when you first create a packet. During the [Validate a Packet](#) workflow, you will enter a date in this field.
- **\*Year:** Enter the fiscal year (which may not be the same as the current calendar year).

**3. Continue to the [Fill a Packet with Purchase Orders](#) workflow.**

## **Purchase Orders - Fill a Packet with Purchase Orders**

1. Click the ADD PO function button. The PO Details Screen will appear.
2. Enter the appropriate information for the purchase order:
  - **\*Vendor:** Enter the vendor number or, click the lookup icon to use the lookup grid to search through all vendors that you have on record.
  - **PO Descrip:** Enter a description for the purchase order.
  - **\*PO Date:** Enter the purchase order date.
  - **\*PO #:** Enter the PO number.
    - If you want to auto-assign the next available PO #:
      - Click or tab into the PO # field.
      - Type nothing (or delete any entry if the field is not already blank)
      - Hit the Tab key on your keyboard to leave the field. A message box will appear asking, "Would you like an auto-assigned PO number?"
      - Click the Yes button. The message box will disappear.
  - **Ship To:** Select the ship to address in the dropdown list (if applicable).
  - **Bill To:** Select the bill to address in the dropdown list (if applicable).
  - **Contract/30B:** Enter any contract or 30B designations.
  - **Terms:** Enter any purchasing or contract terms.
  - **PO Group:** Select the PO group in the dropdown list (if applicable).
  - **Comment:** Enter any comments that you want to attach to this Purchase Order.
  - **PO Details:**
    - **Line Description:** Enter a line item description.
    - **\*Account:** Enter the account number or click the lookup icon to select the account from the lookup grid.
    - **\*Quantity:** Enter the appropriate **quantity** of items in the first field, the **cost per item** in the second field and any **additional charges** in the third field. The fourth field

will be grayed-out and will calculate the **total cost** based on your entries in the first three fields.

▪ **If you want to add another line to this PO:**

- Click the Add Detail function button. A new PO line will be added to the lookup list at the bottom of the screen and the PO Details area will be cleared.
- Enter the appropriate Line Description, Account, and Quantity information for the added PO line.
- Repeat until you've added all the PO lines that you want.

**3. If you want to add another PO to this packet:**

- Click the ADD PO function button. A new PO will be created and the PO Detail screen will be cleared.
- Repeat from step 2 above.

4. Click the Edit Pack function button to return to the PO Packet detail screen.

5. Continue to the [Validate a Packet](#) workflow.

## **Purchase Orders - Validate a Packet**

1. Click the Valid Pack function button.
2. Enter the necessary information:
  - **\*Effective Date:** Enter the date that these POs should become effective (i.e., the date that funds will be marked as encumbered in the General Ledger). Please note that the effective date must fall in the fiscal year marked in the Year field.
  - You can also review and change the entries in the Packet Name and Year fields. These fields were filled-in during the [Create a Packet](#) workflow.
3. Click the Validate function button.

### **If the validation fails...**

1. A message box will appear that states, "There are validation errors. You can not proceed to posting options. Print Validation Report for errors."
2. Click the OK button to close the message box.
3. Continue to the [Run a Packet Proof](#) workflow.

### **If the validation passes...**

1. A message box will appear that states, "There are no validation errors. Proceed to Posting Options." This means that your packet is ready to be submitted.
2. Click the OK button to close the message box.
3. You may continue to the [Print Purchase Orders for Approval](#) workflow.

## **Purchase Orders - Run a Packet Proof**

1. Click on the SysReports in the menu at the top of the screen.
2. Click on PO Proof - System in the drop-down menu. This will open a Report Parameters Screen.
3. Ensure that the packet box is selected and that the Packet field contains the appropriate packet number.
  - If you clicked on the appropriate packet in the grid (step 1 above), the Packet field should auto-populate with the needed information.
4. Choose what you want to do:
  - **To print:**
    - Click the Print button in the lower left-hand corner of the screen. This will open the print menu.
    - Select the printer that you want to use and set the page range to print.
    - Click OK. The checks will be printed and the print menu will disappear.
    - Click Close at the bottom of the screen to leave the Report Parameters Screen. This will return you to the Packet Details Screen.
  - **To preview on screen:**
    - Click the Preview button in the lower left-hand corner of the screen. This will open an onscreen report.
    - When you're done previewing the report, click the Close Preview icon in the Print Preview menu or click the x in the top right corner of the preview window.
    - Use the **To Print** instructions above if you want to print the checks after previewing.
    - Click Close at the bottom of the screen to leave the Report Parameters Screen. This will return you to the Packet Details Screen.

- **To save as a PDF:**
    - Click the PDF button in the lower left-hand corner of the screen. A "Save As" window will appear."
    - Click the "Save in" drop-down menu at the top of the window and choose where you want to save the file.
    - Enter a file name in the "Save PDF File" field in the middle of the window.
    - Click the Save button. The PDF will be saved and it will also automatically open.
    - Close or minimize the PDF file. This will return you to the Report Parameters Screen.
    - Click Close at the bottom of the screen to leave the Report Parameters Screen. This will return you to the Packet Details Screen.
5. Continue to the [Fix Validation Errors](#) workflow.

## **Purchase Orders - Fix Validation Errors**

With the Packet Proof onscreen or printed:

1. At the top of the proof, there are four fields: Packet, Packet Desc, Year, and Effective Date. These fields represent packet-level information and will affect ALL POs in this packet. The most common error with packet-level information is when the effective date does not fall into the fiscal year marked in the Year field. If this is the case, to the right of the Effective Date field, you will see the error "Effdate not in fiscal year". Fix this error first and [run the proof again](#).
2. If your packet-level information is error-free, review the status of each PO within the packet. Each PO will be represented by a gray row in the Packet Proof. The far-right side of each gray row will show either the word "validated" or an error message. Make note of which POs have errors and use the descriptive note in the Status column (on the far right) to troubleshoot what the error is.

From the PO Entry Screen, with the appropriate packet selected for editing...

1. Click on a PO in the lookup grid that did not pass validation.
2. Click on the Edit PO function button. The PO Details Screen will appear.
3. Use the guidance provided by the error notes in the PO Proof to fix any errors.
4. When finished editing the PO, click the Edit Pack function button. This will return you to the Packet Details Screen.
5. Repeat steps 1 through 4 above until you have addressed all errors noted in the PO Proof.
6. Once all errors have been addressed, click the Valid Pack function button.
7. Click the Validate function button.

### **If the validation fails...**

1. A message box will appear that states, "There are validation errors. You can not proceed to posting options. Print Validation Report for errors."
2. Click the OK button to close the message box.
3. You will need to generate another Packet Proof and review it for errors. Complete the [Run a Packet Proof](#) workflow again.

### **If the validation passes...**

1. A message box will appear that states, "There are no validation errors. Proceed to Posting Options."
2. You may exit from the system or continue to [Print Purchase Orders for Approval](#) workflow.

## **Purchase Orders - Print Purchase Orders for Approval**

Below, the workflow for printing an entire packet of POs for approval is presented first and the workflow for printing a single PO for approval is presented second.

### **To print an entire packet of POs for approval:**

1. Click on the Reports menu at the top of the application window.
2. Click on the report titled "Purchase Order - (Your Town/City Name)". The Report Parameters Screen will appear.
3. Notice that by default, in the Selective Sort area, the Year and PO Number options are selected.
4. To print an entire PO packet, un-check PO Number, and check both Year and Packet Number.
5. Ensure that the appropriate fiscal year is marked in the Year field.
6. Ensure that the actual Packet Number is correct (it will auto-populate to the packet that you were last looking at, so you should not have to change this field in most cases).
7. Choose what you want to do:
  - **To print:**
    - Click the Print button in the lower left-hand corner of the screen. This will open the print menu.
    - Select the printer that you want to use and set the page range to print.
    - Click OK. The checks will be printed and the print menu will disappear.
    - Click Close at the bottom of the screen. This will return you to the previous screen.

- **To preview on screen:**
    - Click the Preview button in the lower left-hand corner of the screen. This will open an onscreen report.
    - When you're done previewing the report, click the Close Preview icon in the Print Preview menu or click the x in the top right corner of the preview window.
    - Use the **To Print** instructions above if you want to print the checks after previewing.
    - Click Close at the bottom of the screen. This will return you to the previous screen.
  - **To save as a PDF:**
    - Click the PDF button in the lower left-hand corner of the screen. A "Save As" window will appear."
    - Click the "Save in" drop-down menu at the top of the window and choose where you want to save the file.
    - Enter a file name in the "Save PDF File" field in the middle of the window.
    - Click the Save button. The PDF will be saved and it will also automatically open.
    - Close or minimize the PDF file. This will return you to the Report Parameters Screen.
    - Click Close at the bottom of the screen. This will return you to the previous screen.
8. You may exit from the system or continue to the [Submit a Packet](#) workflow.

**To print one specific PO for approval:**

1. Click on the PO that you want to print in the lookup grid in the lower right-hand corner of the screen.
2. Click on the Edit PO function button. The PO Details Screen will appear with information on the PO you selected.
3. Click on the Reports menu at the top of the application window.
4. Click on the report titled "Purchase Order – Andover DPW". The Report Parameters Screen will appear.
5. Notice that by default, in the Selective Sort area, the PO Number option is selected.
6. Ensure that the auto-populated PO Number fields are correct (these fields auto-populate with the information from the last PO you looked at, so you should not have to change this field if you selected the appropriate PO in Step 1 above).
7. Choose what you want to do:
  - **To print:**
    - Click the Print button in the lower left-hand corner of the screen. This will open the print menu.
    - Select the printer that you want to use and set the page range to print.
    - **Ensure that your pre-printed PO form is loaded into the printer correctly.**
    - Click OK. The PO will be printed and the print menu will disappear.
    - Click Close at the bottom of the screen. This will return you to the previous screen.
  - **To preview on screen:**
    - Click the Preview button in the lower left-hand corner of the screen. This will open an onscreen report.
    - When you're done previewing the report, click the Close Preview icon in the Print Preview menu or click the x in the top right corner of the preview window.
    - Use the **To Print** instructions above if you want to print the checks after previewing.
    - Click Close at the bottom of the screen. This will return you to the previous screen.

- **To save as a PDF:**
  - Click the PDF button in the lower left-hand corner of the screen. A "Save As" window will appear."
  - Click the "Save in" drop-down menu at the top of the window and choose where you want to save the file.
  - Enter a file name in the "Save PDF File" field in the middle of the window.
  - Click the Save button. The PDF will be saved and it will also automatically open.
  - Close or minimize the PDF file. This will return you to the Report Parameters Screen.
  - Click Close at the bottom of the screen. This will return you to the previous screen.
- 8. Click the Edit Pack function button. This will return you to the Packet Details Screen.
- 9. You may exit from the system or continue to the [Submit a Packet](#) workflow.

## **Purchase Orders - Submit a Packet**

1. Click the SUBMIT function button. A message box appears stating, "Do you want to submit these for approval?"
2. Click Yes.
  - If all the POs in the packet need further approval:
    - A message box appears stating, "These purchase orders have been Submitted/Approved".
    - Click the OK button to close the message box.
    - You may exit from the system or continue to the [Approve a Purchase Order](#) workflow.
  - If you have authority to approve at least one of the POs in the packet:
    - A message box appears stating, "Journal Post Successful". This means that at least one of the POs was successfully posted.
      - Please note that which POs are posted and which POs are sent to someone else for approval is determined by the dollar value of the PO and your user privileges.
    - Click the OK button to close the message box.
    - A message box appears stating, "These purchase orders have been Submitted/Approved".
    - Click the OK button to close the message box.
    - You may continue to the [Print Approved Purchase Orders](#) workflow to print or continue to the [Approve a Purchase Order](#) workflow.

## **Purchase Orders - Approve a Purchase Order**

1. Under Find Criteria, in the lower-left-hand corner of the PO Entry Screen, there are three drop-down lists.
  - First, make sure that the lower-right drop-down list shows the option "Awaiting Approval".
    - If "Awaiting Approval" is not shown, click the lower-right drop-down list.
    - Click "Awaiting Approval". This will filter the packets in the lookup grid so that only those awaiting approval will be shown.
  - Next, make sure that the lower-left drop-down list shows the option "My".
    - If "My" is not shown, click the lower-left drop-down list.
    - Click "My". This will filter the packets in the lookup grid so that only those awaiting your specific approval will be shown.
2. In the lookup grid, click on one of the packets that you want to review for approval.
3. Click the Edit Pack function button.
4. Optional: review specific POs
  - Click on a specific PO in the lookup grid.
  - Click the Edit PO function button. The PO Detail Screen will appear.
  - Review and change any specific information about the PO.

- On the right side of the PO Detail Screen, about halfway down, there is a drop-down list labeled "**Status**". The default status value is "Approve". If you do not want to approve this specific PO, click this drop-down list and select another value. Your options are:
    - **Approve:** This status means that the PO will be approved with the entire packet.
    - **Deny:** This status means that this specific PO will be denied when the packet is approved. Denying a PO will give it a permanent status of "Denied" and it will not be able to be changed. Only use this option if you want to permanently deny and remove a PO from the approval process. Please note that marking a PO as "Denied" does not notify the PO creator that it has been denied.
    - **Hold:** This status means that the PO will be held for further consideration. A PO on hold can be edited and approved at a later date.
5. To Approve all POs marked for approval click Valid Pack.
- Note: all POs are initially marked for approval. If you want to approve some POs in the packet, but not others, follow the process in Step 5 above to change the status of specific POs within the packet.
6. Review the PO Packet information:
- **Packet Name:** Enter a descriptive name for the packet. The Packet Name default will be the user name of the user that created the packet plus the date on which the packet was created. You may override these defaults.
  - **Effective Date: Enter the date that these POs should become effective (i.e., the date that funds will be marked as encumbered in the General Ledger).**
  - **Year:** Enter the fiscal year (which may not be the same as the current calendar year).
7. Click the Validate function button.
8. If the validation passes, a message box will appear that states, "There are no validation errors. Proceed to Posting Options."
9. Click the Submit function button. A message box appears asking, "Do you want to submit these for approval?"

10. Click Yes.
  - If you have the permission to issue the final approval for any POs in the packet, a message box will appear stating, "Journal Post Successful".
    - Click OK. A second message box appears stating, "The purchase orders Approved/Submitted".
    - Click OK. At least one purchase order has been posted to the General Ledger, while others may now be awaiting approval from the next person in the chain of approval.
  - If you do not have permission to issue the final approval for any POs in the packet, a message box appears stating, "The purchase orders Approved/Submitted".
    - Click OK. No purchase orders have been posted to the General Ledger and all are now awaiting approval from the next person in the chain of approval.
11. If you have other PO packets to approve, you can select them from the lookup grid and repeat the steps above.
12. You may exit the system or continue to the [Print Approved Purchase Orders](#) workflow.

## Approving a Requisition

1. Once a department submits their requisitions for approval the next person in the approval tree will receive a message box stating, “You have X POs waiting for your approval” after logging into the system. Click OK.
2. Click the Accounting button from the main menu.
3. Click the Accounts Payable button.
4. Click the Purchase Orders button.
5. Click the PO Entry button.
6. There are three drop down lists in the find box. The bottom left drop down should already be defaulted to My. Click the drop down list on the bottom right and select Awaiting Approval. This will display all packets that are waiting for your approval in the grid.

### To Validate The Packet:

1. From the PO Entry Packet Screen, select the packet from the find grid and click the EDIT PACK function button.
2. The entries in the packet need to have purchase order numbers assigned to them before the packet can be validated. Select the Edit menu at the top of the screen and then select Auto-assign PO #s. Purchase order numbers will be assigned to the requisitions in the packet.
3. Click the VALID PACK function button to begin the validation process.
4. Review the packet name, effective date and fiscal year.
5. Click the VALIDATE function button to finish the validation process.
6. When the packet validates, you will receive a message box stating, “There are no validation errors”. Click the OK button.

### To Preview or Print the Packet Proof:

1. From the PO Entry Packet screen, select System Reports at the top of the screen.
2. Select the PO Proof report.
3. Enter the packet number.
4. Click the Preview button to view the report on the screen or the print button to print the report from a printer.
5. Click the  button to exit the print preview.
6. To exit the report interface, click the CANCEL button.

### To Preview or Print the Purchase Orders:

7. From the PO Entry Packet screen, select Reports at the top of the screen.
8. Select the Purchase Order report.
9. Enter the packet number.
10. Click the Preview button to view the purchase orders on the screen or the print button to print the purchase orders from a printer.
11. Click the  button to exit the print preview.
12. To exit the report interface, click the CANCEL button.

### To Approve the Purchase Order:

1. After the packet is validated and the purchase orders are printed, click the SUBMIT/APPROVE function button to approve the purchase order packet. Click OK to the open PO notification messages.

## Create a Requisition

1. Click the Accounting button from the main menu.
2. Click the Accounts Payable button.
3. Click the Purchase Orders button.
4. Click the Requisition Entry button.
5. From the Requisition Entry screen, click the ADD PACK function button.

Enter the appropriate packet information.

**Packet Name:** Enter the name of the requisition packet.

**Year:** Enter the fiscal year.

### To Enter Requisitions:

1. Click the ADD REQ function button.
2. Enter the appropriate information for the requisition.

**Vendor:** Enter the vendor number (the vendor information will auto-populate) or, click the vendor book icon and select the vendor from the lookup table.

**Req Descrip:** Enter a description for the overall requisition.

**Req Date:** Enter the requisition date.

**Req #:** Enter the requisition number.

**Ship To:** Enter the ship to address or location.

**Bill To:** Enter the bill to address or location.

**Contract/30B:** Enter the contract or 30B number.

**Terms:** Enter any purchasing terms.

**PO Group:** Enter the PO group.

**Comment:** Enter any comments or justifications for this requisition.

#### **PO Details:**

**Line Description:** Enter a line item description.

**Account:** Enter the account number or click the account book icon to select the account from the find grid.

**Quantity:** Enter the appropriate quantity of items in the first box, the amount per item in the second box and any additional charges in the third box.

3. Click the ADD REQ function button to add another requisition, click the ADD DETAIL function button to add more line items to the current requisition, or click the EXIT function button to exit requisition entry.

#### To Validate The Packet:

1. From the Requisition Packet Screen, select the packet from the find grid and click the EDIT PACK function button.
2. Click the VALID PACK function button to begin the validation process.
3. Click the VALIDATE function button to finish the validation process.
4. If the validation fails, you will receive a message box stating, “There are validation errors”. Click the OK button and view the packet proof for error details.
5. Fix the validation errors and repeat steps 1-4 until the packet validates.
6. When the packet validates, you will receive a message box stating, “There are no validation errors”. Click the OK button.

#### To Preview or Print the Packet Proof:

1. From the Requisition Packet screen, select System Reports at the top of the screen.
2. Select the Requisition Proof report.
3. Enter the packet number.
4. Click the Preview button to view the report on the screen or the print button to print the report from a printer.
5. Click the  button to exit the print preview.
6. To exit the report interface, click the CANCEL button.

#### To Preview or Print the Requisitions:

7. From the Requisition Packet screen, select System Reports at the top of the screen.
8. Select the Requisition report.
9. Enter the packet number.
10. Click the Preview button to view the report on the screen or the print button to print the report from a printer.
11. Click the  button to exit the print preview.
12. To exit the report interface, click the CANCEL button.

To Submit/Approve the Requisition:

1. After the packet is validated and the requisitions have been printed, click the SUBMIT function button to submit the requisition packet for approval. A message box appears asking, “Do you want to submit these for approval?” Click Yes to submit the requisition for approval. A message stating, “The purchase orders Approved/Submitted” appears. Click No to return to the requisition entry screen.

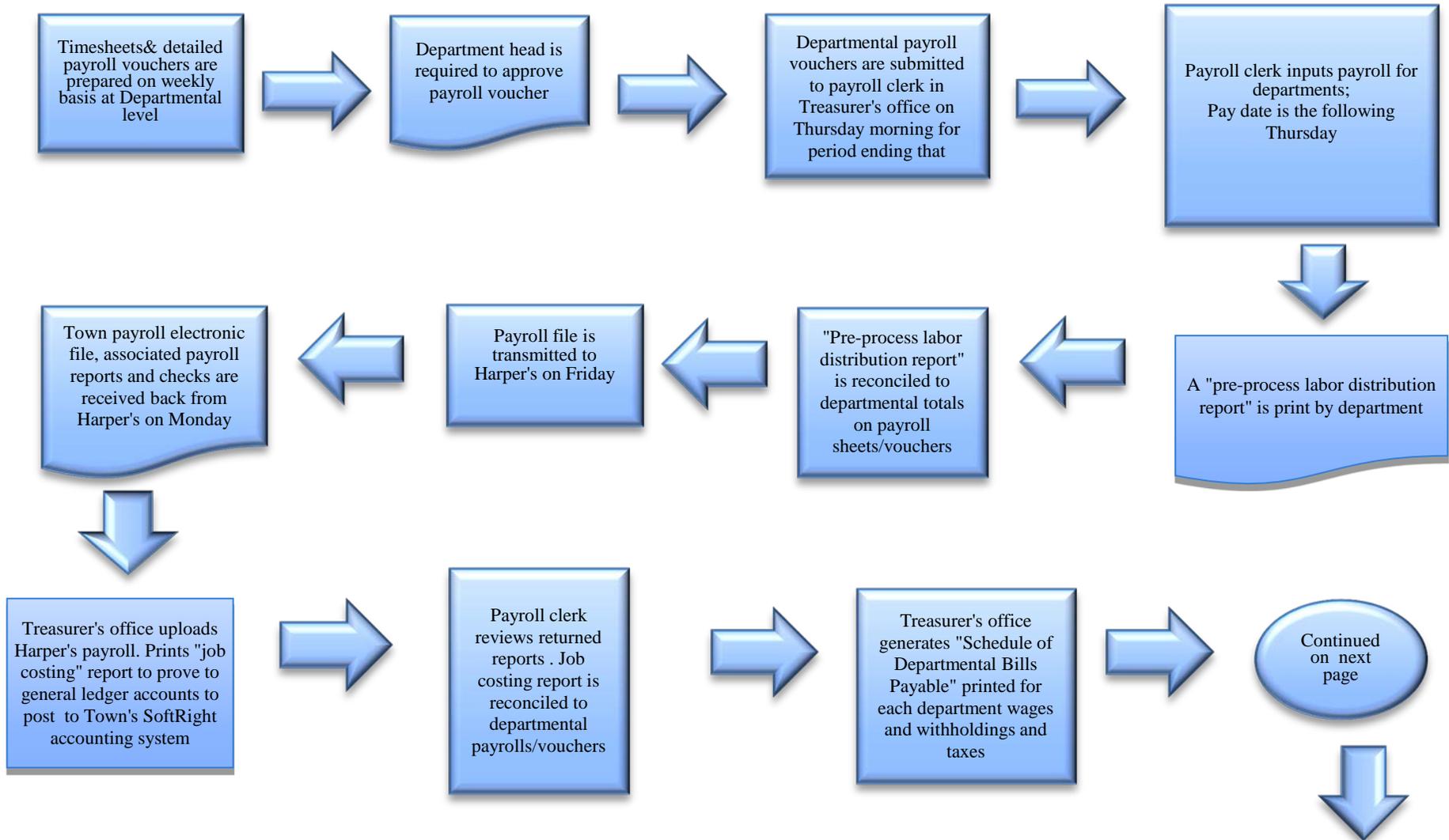
*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX C-5: Payroll Workflows*

## TOWN OF MANSFIELD, MASSACHUSETTS

The following summarizes the Town departments' significant, basic processes for the processing payroll.

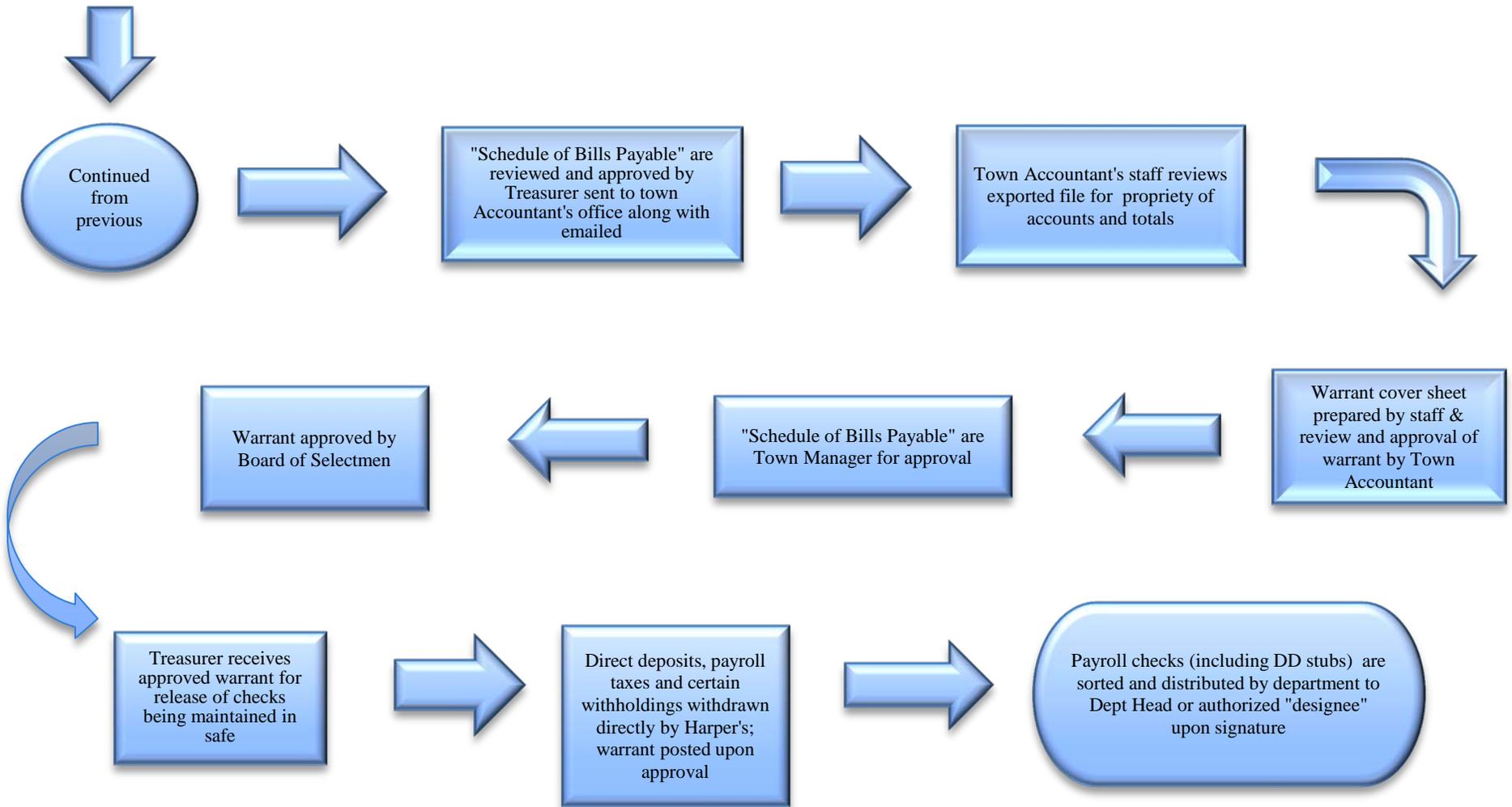
Note: Town payroll is processed on a weekly basis.

Town utilizes third-party payroll service provider - Harper's Payroll Service.



## TOWN OF MANSFIELD, MASSACHUSETTS

The following summarizes the Town departments' significant, basic processes for the processing payroll.

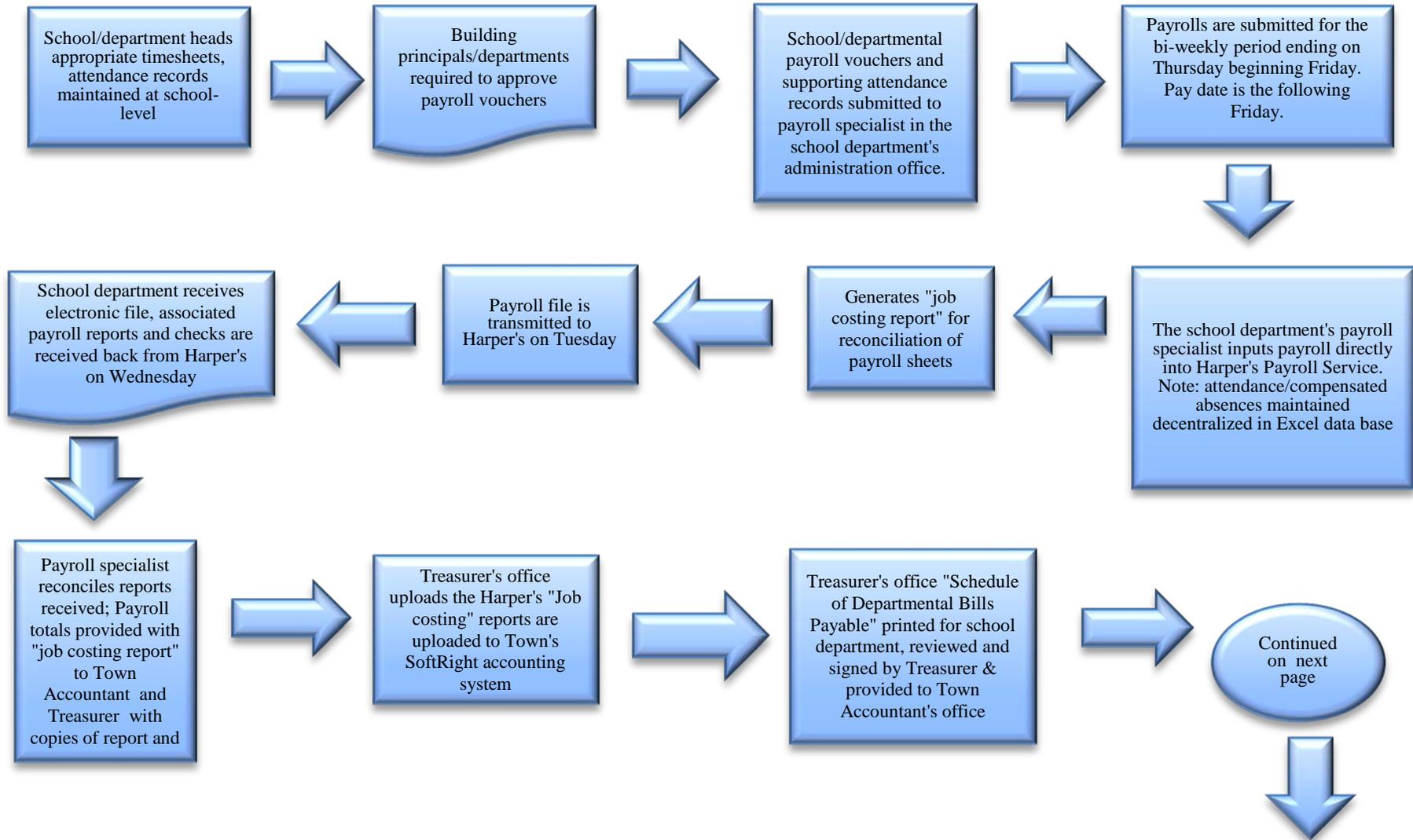


## TOWN OF MANSFIELD, MASSACHUSETTS

The following summarizes the Town departments' significant, basic processes for the processing payroll.

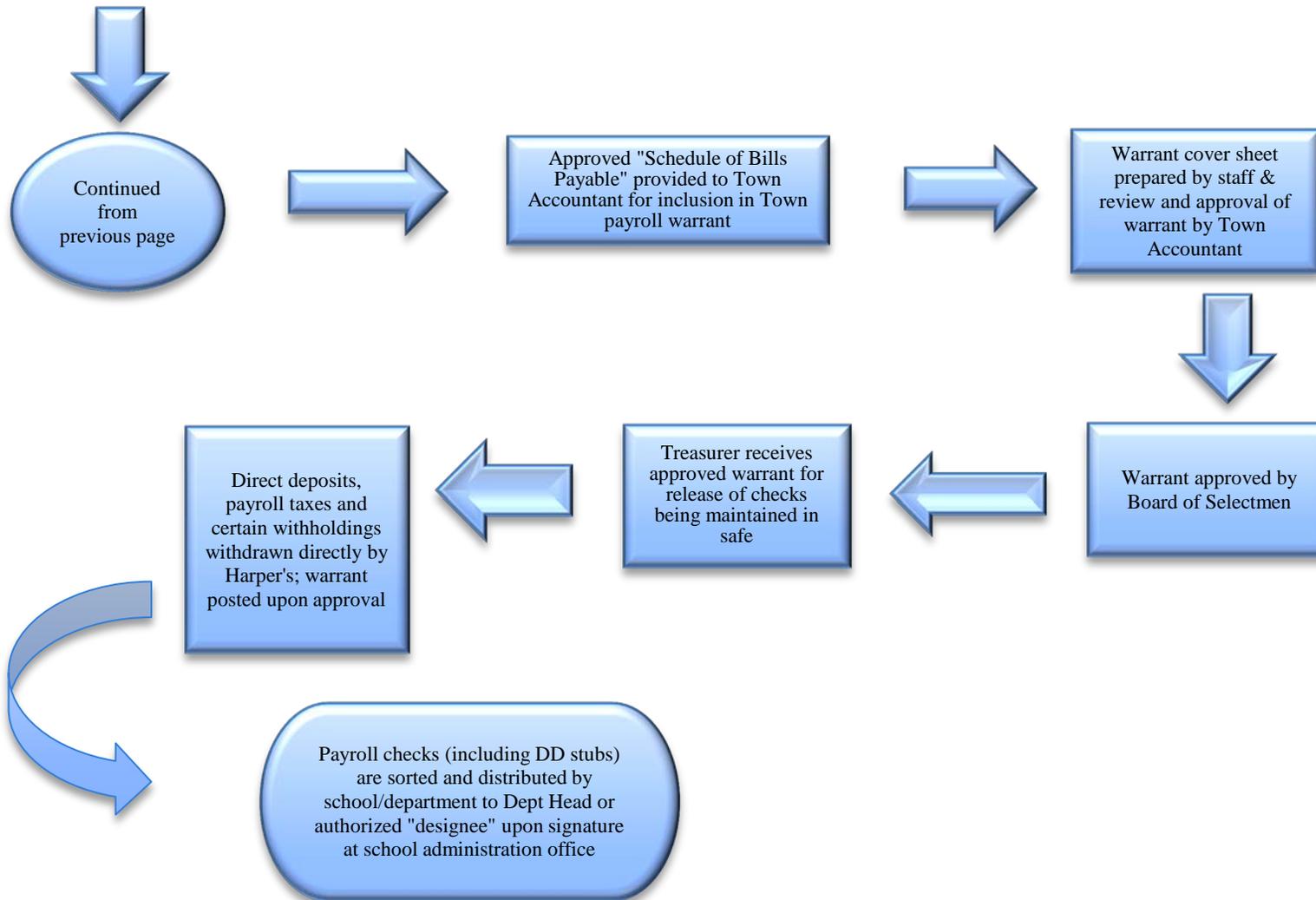
Note: School department payroll is processed on a bi-weekly basis.

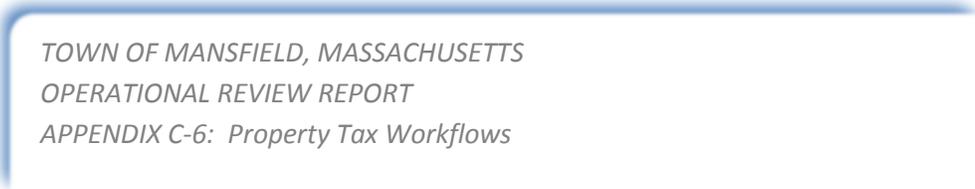
School department utilizes third-party payroll service provider - Harper's Payroll Service.



## TOWN OF MANSFIELD, MASSACHUSETTS

The following summarizes the School departments' significant, basic processes for the processing payroll.





*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX C-6: Property Tax Workflows*

# Property Tax Commitment & Collection Procedures

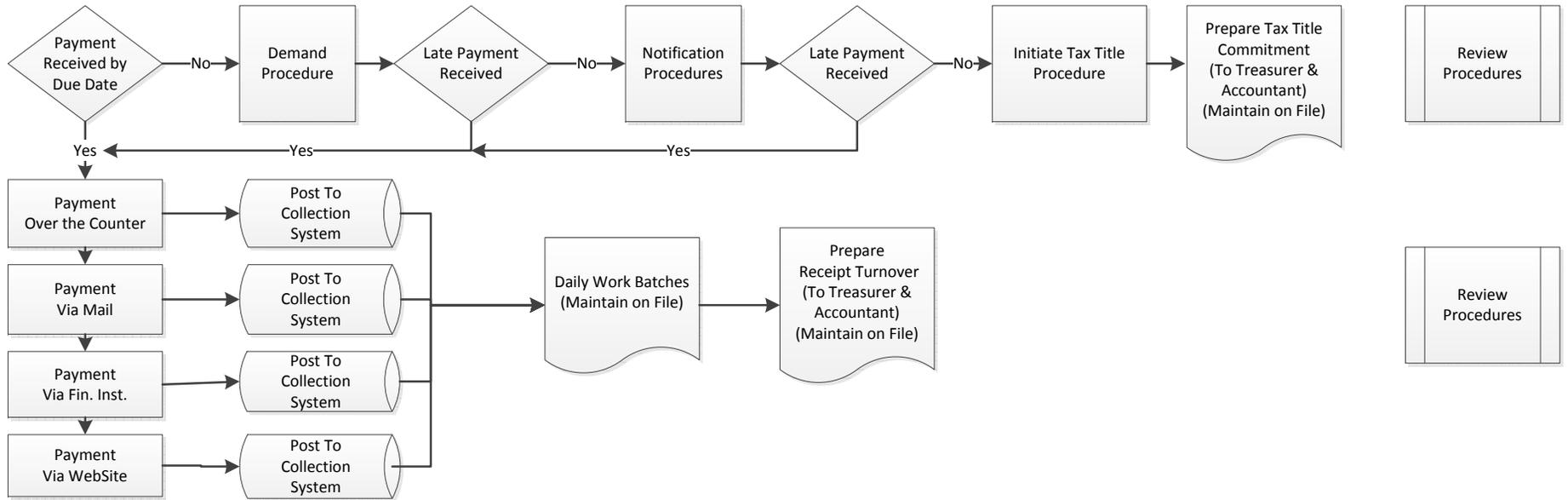
Key Internal Controls

## TAX COLLECTOR FUNCTION

Commitment Procedures



Collection Procedures



Abatement Procedures



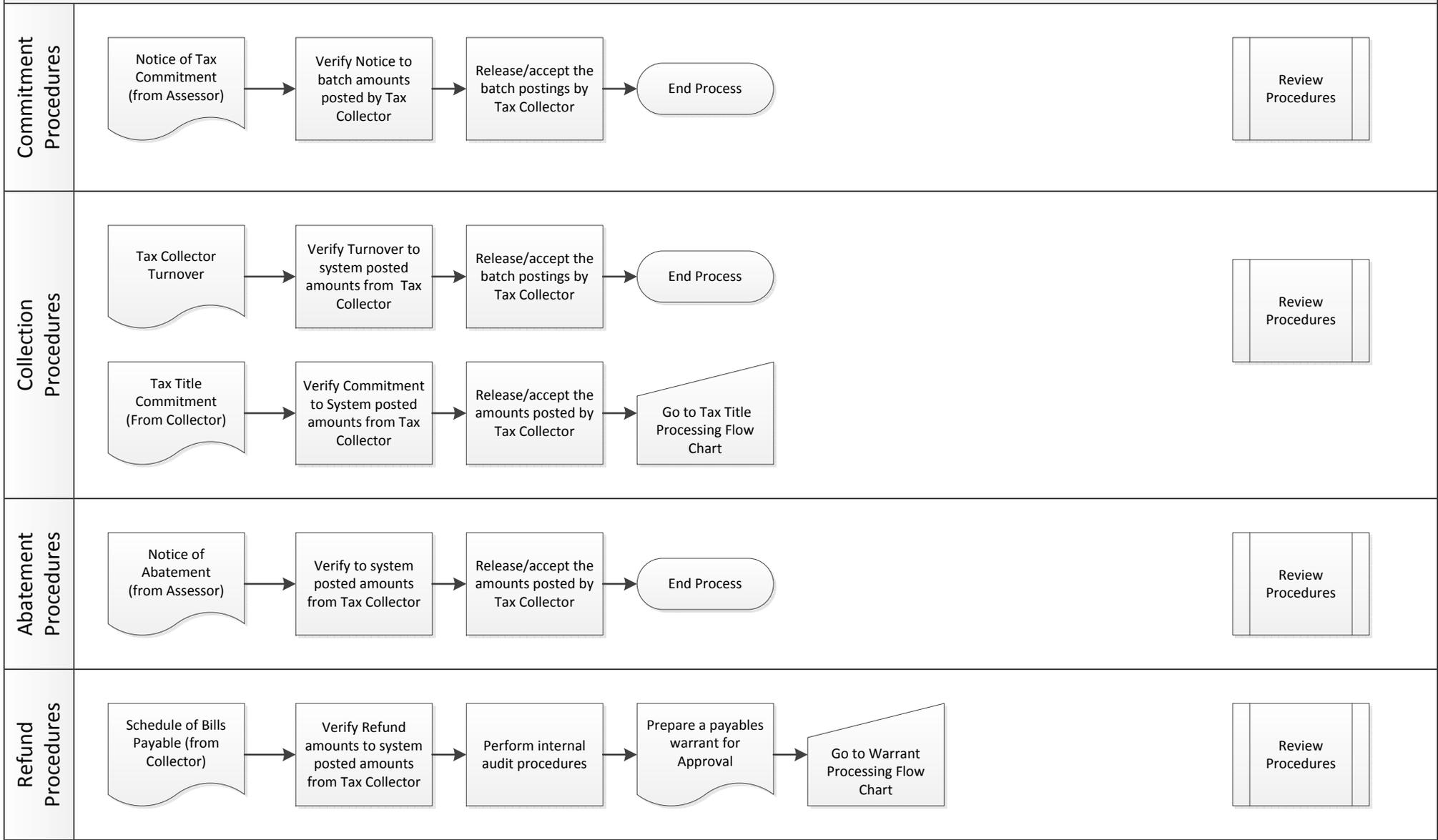
Refund Procedures



# Property Tax Commitment & Collection Procedures

Key Internal Controls

## TOWN ACCOUNTANT FUNCTION



**TOWN OF MANSFIELD, MASSACHUSETTS**  
**PROPERTY TAX COMMITMENT PROCEDURES**  
Receive Notice of Commitment

- 1 Notice of Commitment is received from the Assessing Office, along with a warrant to collect. This is our indication of to proceed with the Collection process for Property taxes following the procedures as set forth under Massachusetts General Law and regulations of the Massachusetts Department of Revenue.
- 2 Maintain the notice of commitment and the Assessors warrant in the FY property tax binder.

**TOWN OF MANSFIELD, MASSACHUSETTS**  
PROPERTY TAX COMMITMENT PROCEDURES  
Verify Tax Commitment

The following procedures are used to verify the tax commitment before amounts are released for posting against customer accounts in the Tax Collectors system.

- 1 Verify dollar amount on both the commitment and warrant are in agreement.
- 2 Verify the dollar amount and number of bills on the file match to the amounts reported on the commitment
- 3 Review the commitment for obvious error or misspostings, i.e. any negative or zero bill amounts, or individually significant tax bill items - follow up for review/verification.
- 4 Evaluate the number of parcels being committed for a reasonableness/ expectation check.

**TOWN OF MANSFIELD, MASSACHUSETTS**  
PROPERTY TAX COMMITMENT PROCEDURES  
Post to Collection System

- 1 Once verified the Collector must post the tax billing to the Softright System, follow SoftRight workflows for posting procedures.

[Softright Workflows\Collector Workflows\Posting all Commitment Packets for RE Billing.pdf](#)

- 2 Once posted, bills may be printed in-house or submitted to an outside vendor for printing. Currently, we process bills via an outside vendor - see "Print and Send Tax Bills" tab.

- 3 Preliminary commitments may be necessary if the tax rate is not finalized

[Softright Workflows\Collector Workflows\Posting the RE Preliminary Commitment.pdf](#)

[Softright Workflows\Collector Workflows\Posting the PP Preliminary Commitment.pdf](#)

- 4 Sometimes we receive additional commitments from the Assessors that were not included in the tax levy in error, these are known as omitted assessments and should be posted to the Softright System.

[Softright Workflows\Collector Workflows\Posting an Omitted Assessment.pdf](#)

- 5 Ensure each packet created validates before closing/completing the posting work.  
Unvalidated packets need to be addressed immediately and corrected.  
Packet Proof reports will identify the issues that are causing the packet not to validate.

Once validated, review the Packet Proof Report and Close Report and ensure totals between these reports match.

**TOWN OF MANSFIELD, MASSACHUSETTS**  
**PROPERTY TAX COMMITMENT PROCEDURES**

Print and Send tax bills

- 1 Once posted Property tax bills are printed. Tax bills should be arranged to print by postal trays. Utilization of postal trays allows the town to have a postal bulk rate. In order to qualify for the bulk rate, all mail must be in order in accordance with the postmasters instructions.
- 2 Prior to printing of bills, schedule pick up with the Deputy Tax Collector. (Brady)  
The Deputy Tax Collectors office stuffs and seals the bills into envelopes and returns to our office for mailing. (this is done at no charge).
- 3 Ensure enough time is provided to stuff, seal and run postage on envelopes prior to mailing the property tax bills by the due date.  
Stuffing and sealing is usually completed over one weekend by the Deputy Collectors Office  
Tax Collector requires at least a day to verify and correct any last minute errors that may occur.
- 4 Notify the Post Office approximately one week ahead of time to give them a heads-up that a large bulk-mailing will be occurring.
- 5 Prior to delivery of the bulk mailing to the Post Office, town IT will run the postage machine "Cass" Report to indicate the postage amounts.
- 6 Verify the Cass report for dates, trays used, number of bills and postage. This report is provided to the Post Office to assist them in processing the bulk mailing.
- 7 Bulk mailing is delivered to the rear door of the Post Office.

**TOWN OF MANSFIELD, MASSACHUSETTS**  
PROPERTY TAX COMMITMENT PROCEDURES  
Affidavit of Tax Bill

- 1 An Affidavit of Tax Bill is required to maintain on file.
- 2 Link to this form below
- 3 Affidavit is brought to the Post Office to be stamped by the Postmaster and acts as proof of mailing, in accordance with MGL.
- 4 Maintain Affidavit of Tax Bill on file in the appropriate FY property tax binder

**TOWN OF MANSFIELD, MASSACHUSETTS**  
**PROPERTY TAX COMMITMENT PROCEDURES**  
Review Procedures

- 1 Completion of verification process should be documented and reviewed by Collector
  
- 2 Tax Collector verifies maintenance of FY Property tax folder maintaining copy of :
  - Notice of Commitment
  - Assessors Warrant
  - Affidavit of Tax Bill
  - Proof of Mailing
  
- 3 Review of Packet Proof and Close Reports should be documented to ensure proper validation

- 1 Monthly reconciliation of receivable balances between Town Accountant general ledger and Tax Collector collection system detail balances ensures commitment and collection activity has been properly posted.
- 2 Segregation of duties in the determination of values and setting of tax rates between the Collector and Assessors offices ensures no management override of controls or manipulation of tax bills.
- 3 Segregation of duties in the recording of summary commitment and collection activity to the general ledger by the Town Accountant and to the detail records by the Tax Collector ensures one party cannot improperly record data, either on purpose or by error, without the other noting the difference in the monthly reconciliation.
- 4 Separate, direct reporting of commitment, collection, abatement and refund activity using standardized forms from the Assessors, Collector and Treasurer to the Town Accountant minimizes the risk of colusion and the opportunity to misreport information.
- 5 Departmental internal review policies and practices are documented;  
Performance and observance of those policies and procedures are documented;  
Supervisory review of adherence to policies and procedures is documented.
- 6 Reporting and posting of commitment and collection transactions is performed timely
- 7 Disposition of Collectors daily work is verified and maintained on file in an organized easily accessible manner.
- 8 Abatements and refunds are authorized by departments not charged with collections
- 9 Collection policies, including demand procedures and timely transfer to tax title, are documented and followed.  
(minimized in a joint Treasurer/Collector office)
- 10 Adequete audit trail and history of transactions is maintained by Collection System on all customer account transactions.
- 11 System generated receipt is produced and provided for all cash transactions
- 12 Town Collection staff have no access to cash, other than daily receipts.  
(More difficult in joint Treasurer/Collector office)
- 13 Monthly reconciliation of balances between third-party collection agents and detail records is performed by someone outside of the collection office

## Posting all Commitment Packets

### To Post All Commitment Billing Packets, (Exemption & Betterments) and Print Bills:

1. Click the Collections button from the main menu.
2. Click the Transaction Packet Maintenance button.
3. Click FIND PACK function button. Select the Billed packet. Verify the total on the screen  
with the total on the commitment book.
4. Click the VALIDATE function button. Enter the correct total for the billing packet in the validate screen and click OK.
5. Select the Fin Reports drop down menu at the top of the screen. Select the "PACKET PROOF" report.
6. Click the PREVIEW button to view the packet proof on the screen or the PRINT button to print the packet proof from a printer. **NOTE:** The packet proof will be huge because it is every record in the commitment. It is your personal preference to print this or not.
7. Click the  button to exit the print preview.
8. Click the CANCEL button to exit the report interface.
9. Click the POST NOW function button to post the packet, repeating this process for any exemption or betterment packets.
10. Click the EXIT function button to exit Transaction Packet Maintenance.

### To Print RE Bills:

1. Click the Collections button from the main menu.
2. Click the Inquiry & Maintenance button.
3. Select the RE Reports drop down listing at the top of the screen. Select RE Bill from the report listing.
4. Enter the appropriate sort criteria and click the PREVIEW button. Verify the information on the bills is accurate.
5. Click the  button to exit the print preview.
6. Click the PRINT button to print the bills.
7. Click the CANCEL button to exit the report interface.

To Create the Export file for RE Bills:

1. Select the RE Reports drop down listing from the top of the screen.
2. Click on the Expanded Export Credbf.
3. Enter the appropriate sort criteria and click the EXPORT button. A message box will appear where you can name the export file and save it.
4. Click the CANCEL button to exit the report interface.

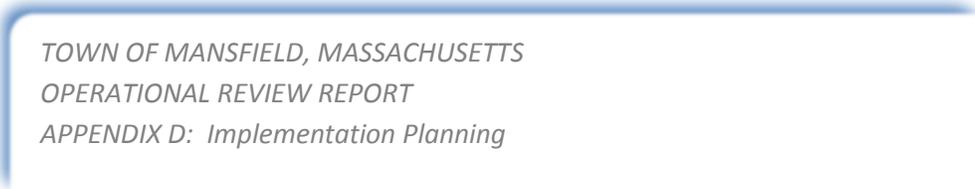
## To Create a Billing Adjustment Packet:

NOTE: The billing adjustment packet will adjust any bills that were included in the preliminary and are not going to be on the actual. (You should find these bills on the Missing Addresses report). This process also makes the adjustments for any payments that were posted to 1st and 2<sup>nd</sup> quarters.

1. Ensure that all of the parameters on the screen are set correctly before creating the Billing Adjustment Packet. Enter the appropriate information:
  - Post to Year:** Enter the current fiscal year for billing.
  - Post Com#:** Enter the commitment number, the issue date, the due date and then select RE Bill Adjustment Q1.
  - Post Com#:** Enter the commitment number, the issue date, the due date and then select RE Bill Adjustment Q2.
2. Click the COMMIT function button to create the Billing Adjustment Packet. A message box will appear asking, “Are you sure you want to create a Billing Adjustment Packet?” Click YES.
3. You will need to inform the Collector that she needs to post this packet before you can go on.

## Posting the Billing Adjustment Packet

1. Click the Transaction Packet Maintenance button.
2. Click FIND PACK function button. Select the appropriate packet.
3. Click the VALIDATE function button. Enter the correct total for the billing packet in the validate screen and click OK.
4. Select the Fin Reports drop down menu at the top of the screen. Select the “Packet Proof” report.
5. Click the PREVIEW button to view the packet proof on the screen or the PRINT button to print the packet proof from a printer.
6. Click the  button to exit the print preview.
7. Click the CANCEL button to exit the report interface.
8. Click the POST NOW function button to post the packet
9. Click the EXIT function button to exit Transaction Packet Maintenance.



*TOWN OF MANSFIELD, MASSACHUSETTS  
OPERATIONAL REVIEW REPORT  
APPENDIX D: Implementation Planning*

## **IMPLEMENTATION PLANS**

*“If you want to make enemies, try to change something.” Woodrow Wilson*

This report contains numerous observations; comments, considerations and specific recommendations for change. Taken together, all of these items represent a substantial change to the organization. Not only are specific operational changes recommended, but so are steps that can be taken to improve the Town’s top-down management; organizational culture and operating environment of expectations and accountability. To affect these changes more than just certain operational practices need to be changed – culture and attitude about the towns administrative functions need to change and attention and leadership need to be focused on these matters.

The accompanying pages of this appendix list each of the recommendations contained within this report. These recommendations have been prioritized; a timeline for implementation assigned and personnel assigned to each task. Some of these tasks can be easily implemented and are on a short timeline. Others will require a longer process, some collaboration and commitment to change among various stakeholders. In some respects, developing the process for these changes to occur will be more difficult than accepting and implementing the change itself.

The most important, high priority items are also those items which will require the most time and effort to implement. The level of difficulty in these items acceptance and implementation is, in our opinion, commensurate with the importance to the towns operations and operating environment.

These items, listed as organizational in the appendix are critical to the Town’s long-term success in implementing and maintaining an efficient, responsible, transparent operation. Without these building blocks in place, the follow through needed to ensure implementation and proper application of smaller operational changes will not occur.

Nor will the proper administrative capacity be in place to ensure the ultimate integration and maintenance of the Town’s administrative practices; resulting in eroding confidence of stakeholders and citizens and lost opportunity costs to the Town.

We are pleased to have presented these comments and recommendations to the Town. As part of our commitment to assisting the Town move forward with its ambitious agenda of improvement to its administrative functions, we remain available to assist the Town in fleshing out any details that arise in fine tuning its implementation plans. We encourage the Town to maintain its efforts to effect positive change and incremental improvement in its operations along its road to becoming a Town Hall of the 21<sup>st</sup> Century.

*“Change is hard because people overestimate the value of what they have – and underestimate the value of what they may gain by giving that up.” James Belasco*

**TOWN OF MANSFIELD, MASSACHUSETTS****OPERATIONAL REVIEW REPORT****Implementation Plan**

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<b>Comment Number</b>	<b>Recommendation</b>	<b>Function</b>	<b>Priority</b>	<b>General Timeline</b>	<b>Responsible Party</b>
2.1	Consolidate Finance Functions	Organizational	High	Short - Med.	Town Manager
2.2	Dedicated HR Function	HR	High	Short - Med.	Town Manager
2.3	Reorganize purchasing function	Purchasing	High	Short	Town Manager
2.4	Financial policies & procedures	Organizational	Medium	Medium	Town Manager
2.5	Town-School Collaboration	Organizational	Low	Long	Manager/Superintendent
2.6	SoftRight Implementation	Finance	High	Short - Med.	Finance Director
2.7	Re-evaluate FMS needs & products	Finance	Low	Long	Finance Director
2.8	Re-evaluate org. structure	Organizational	High	Medium	Manger/Finance Dir.
3.1	Accounting policies & procedures	Accounting	Medium	Medium	Town Accountant
3.2	Restrict general ledger postings	Accounting	High	Short	Town Accountant
3.3	Limit changes to approved transactions	Accounting	High	Short	Town Accountant
3.4	Improve periodic financial reporting	Finance	Medium	Medium	Finance Director
3.5	Utilize financial dashboards	Finance	Medium	Short	Finance Director
3.6	Improve capability for financial planning	Finance	Medium	Medium	Finance Director
3.7	Allocation of costs to other funds	Accounting	Low	Short	Town Accountant
3.8	Maintenance of capital asset records	Accounting	Low	Medium	Town Accountant
3.9	Reporting of capital projects vs. capital outlay	Accounting	Low	Medium	Town Accountant
3.10	Record & Monitor TIF agreements	Accounting	Medium	Medium	Town Accountant
3.11	Review & update fund structure & chart of accounts	Accounting	Low	Medium	Town Accountant
4.1	Treasury policies and procedures	Treasury	Medium	Medium	Treasurer
4.2	Establish a revenue manual	Finance	Low	Long	Finance Director
4.3	Gift acceptance & maintenance	Treasury	Low	Medium	Treasurer
4.4	Deposit & investment policy	Treasury	Medium	Medium	Treasurer
4.5	Procedures to identify unauthorized bank accounts	Treasury	Low	Short	Treasurer
4.6	Implement cash book	Treasury	High	Short	Treasurer
4.7	Cash reconciliations within 30 days of month end	Treasury	High	Short	Treasurer
4.8	Abandoned property regulations	Treasury	Low	Long	Treasurer

**TOWN OF MANSFIELD, MASSACHUSETTS****OPERATIONAL REVIEW REPORT****Implementation Plan**

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<b>Comment Number</b>	<b>Recommendation</b>	<b>Function</b>	<b>Priority</b>	<b>General Timeline</b>	<b>Responsible Party</b>
4.9	Evaluate "cash drawer" set up and utilization	Treasury	High	Short	Treasurer
4.10	System generated receipts for over the counter transactions	Treasury	Medium	Short	Treasurer
4.11	Departmental turnover reporting	Treasury	Medium	Short	Treasurer
4.12	Over the phone credit card transactions	Treasury	Medium	Short	Treasurer
4.13	Posting of abatements & adjustments to customer accounts	Treasury	Medium	Medium	Treasurer
4.14	Monthly reconciliation of receivable accounts	Treasury	High	Short	Treasurer
4.15	Reconciliation of Deputy Collector accounts	Treasury	Medium	Medium	Treasurer
4.16	Deputy Collector procedures	Treasury	Medium	Medium	Treasurer
4.17	Ongoing cash flow projections	Treasury	Medium	Medium	Treasurer
4.18	Evaluate number of bank accounts	Treasury	Low	Medium	Treasurer
4.19	Reconcile withholding accounts monthly	Treasury	Medium	Medium	Treasurer
4.20	Evaluation of employee bonding	Treasury	Low	Short	Treasurer
5.1	Human Resource policies and procedures	HR	Medium	Medium	HR Director
5.2	Implement HR manual	HR	Medium	Medium	HR Director
5.3	HRM functionality	HR	Medium	Medium	HR Director
5.4	OPEB Trust fund	Treasury	Medium	Short	Treasurer
5.5	Compensated absence reporting	HR	Medium	Medium	HR Director
5.6	Align payroll periods	HR	Low	Long	Manger/HR Director
5.7	Review overtime calculations	HR	Medium	Medium	HR Director
5.8	Update payroll link with the general ledger	HR	High	Short	Treasurer
5.9	Health Insurance enrollment audit	HR	High	Short	HR Director
5.10	Retiree health insurance proration	Treasury	Low	Medium	Treasurer
6.1	Assessors policies & procedures	Assessing	Medium	Medium	Assessor
6.2	Evaluate reliance/monitoring of outside vendors	Assessing	High	Short	Assessor
6.3	Complete cyclical re-inspection program	Assessing	High	Short	Assessor
6.4	Explore further use of PILOT agreements	Finance	Low	Long	Finance Director
6.5	Utilization of the overlay account	Finance	Low	Medium	Finance Director

**TOWN OF MANSFIELD, MASSACHUSETTS**

## OPERATIONAL REVIEW REPORT

Implementation Plan

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<b>Comment Number</b>	<b>Recommendation</b>	<b>Function</b>	<b>Priority</b>	<b>General Timeline</b>	<b>Responsible Party</b>
7.1	Purchasing policies & procedures	Purchasing	Medium	Medium	Purchasing Officer
7.2	Consider town-wide purchasing officer	Organizational	High	Short - Med.	Town Manager
7.3	CPO designation	Purchasing	High	Short	Town Manager
7.4	Contract authorization	Purchasing	High	Short	Town
7.5	Implementation of P.O. requisition system	Purchasing/Accounting	Medium	Medium	Purchasing Officer/Accountant
7.6	Reconcile vendor documents to procurement documents	Purchasing	Medium	Short	Purchasing Officer
8.1	Town-School Collaboration	School	Low	Long	Manager/Superintendent
8.2	School department policies & procedures	School	Medium	Medium	Business Manger
8.3	Approval of vendor warrants	School	Medium	Short	Business Manger
8.4	Approval of payroll warrants	School	Medium	Short	Business Manger
8.5	Utilization of BudgetSense FMS	School	Medium	Medium	Business Manger
8.6	Documentation of EOYR allocations	School	Medium	Short	Business Manger
8.7	Student activity funds	School	Medium	Medium	Business Manger
8.8	Utilization of revolving funds	School	Medium	Short	Business Manger

