Using Technology To Maximize Efficiency & Strengthen Internal Control

BY

ANDREW LAFLIN, PRESIDENT ACLARIAN LLC

SCOTT BIRD, DIRECTOR OF BUSINESS OPERATIONS ACLARIAN LLC

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Agenda

Considerations for Maximizing Efficiency and Strengthening Internal Controls in the Following Areas:

- Dashboards & Workflows
- Billing & A/R, Cashiering
- Budgeting
- Capital Assets & Inventory
- Financial Reporting & General Ledger
- HR & Payroll
- Interface w/Applications
- Purchasing & Payment Processing
- Projects & Grants
- Task Management
- Treasury Management
- User & Workflow Management

Dashboards & Workflows - Avoid

Documents are shared manually for physical review and approval

Attachments are submitted via email for review and approval

Documents (vendor invoices, contracts, check copies, etc.) are stored in file cabinets or scattered throughout various network folders

Your favorite reports (budget vs actual comparison by department, remaining amount available on your purchase orders, remaining vacation and sick leave balance, etc.) are not easily accessible within the system

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Dashboards & Workflows - Embrace

Workflow Approvals...On Everything

Good and Services Requested

Purchase electric vehicle (Ford F-150)

GL Categories	Amount
125.5240.564000 - Capital Equipment	$30,000.00

Procurement Method	PO Number
Piggyback	268

Approver List (4)

Name	Has Approved?	Workflow Step	Is Current Approver?	Approved Date
Frank DeSantis	Yes	First Approval	No	3/10/22, 12:33 PM
Andrew Laflin	Yes	Second Approval	No	3/11/22, 9:58 AM
Robin Gomez	Yes	Third Approval	No	3/11/22, 5:55 PM
Karen Paulson	Yes	Final Approval	No	3/14/22, 8:55 AM

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Dashboards & Workflows - Embrace

Dashboard reporting provides meaningful data to each user (budget vs actual, amount remaining on department POs, remaining sick/vacation balances, etc.)

Notifies user of pending/required action on a particular process (payment approval, prepare/approve a particular journal entry, invoice a customer, etc.)
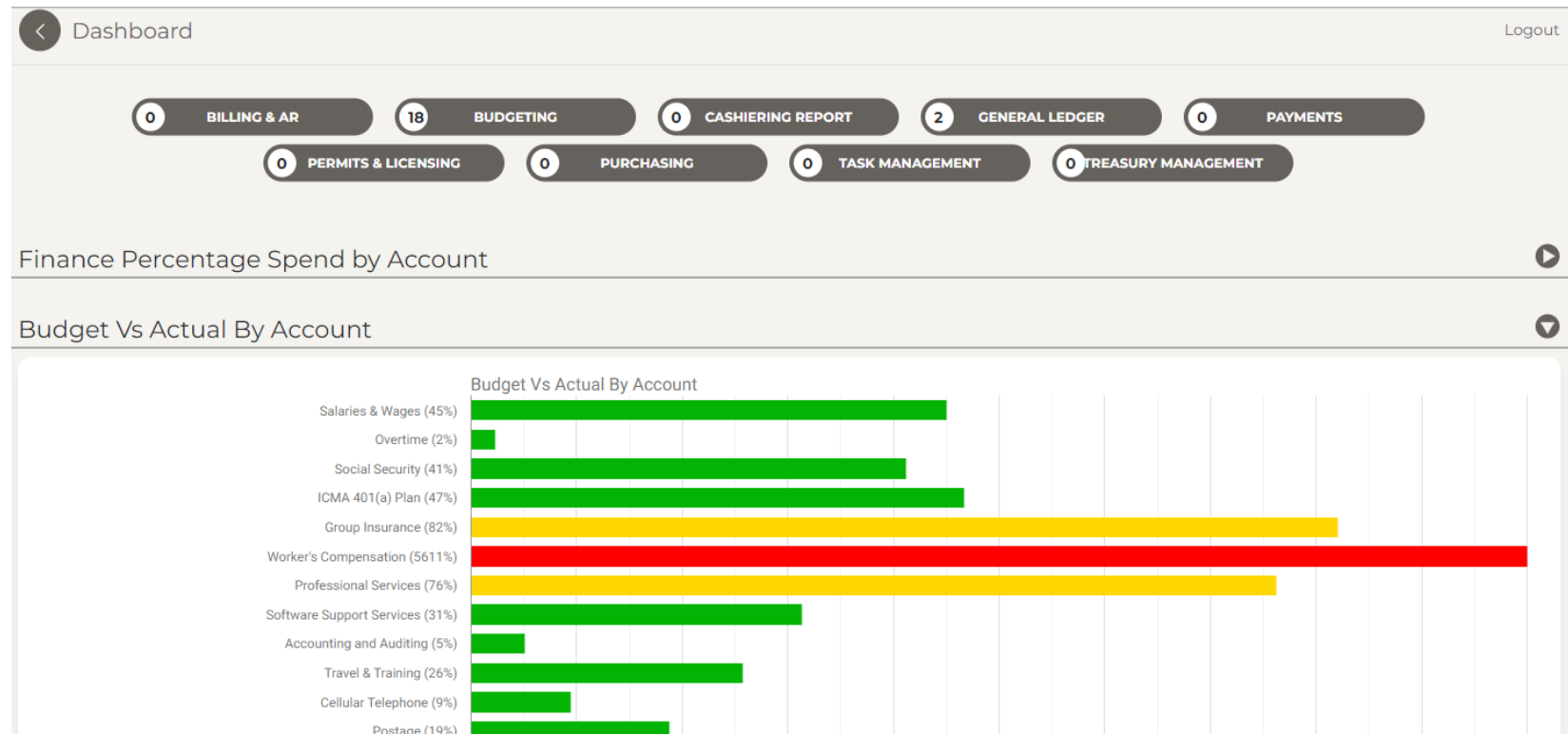
Billing & A/R & Cashiering - Avoid

Customer invoicing not performed in other modules is handled using Word/Excel

Receipting & cashiering process not centralized

Receipt transactions not separated between cash, check, and electronic payments

Batching per GL not matching batching per bank (most common with electronic payments) for cash postings

Reporting per module (A/R aging, detailed revenue reports, etc.) not agreeing to general ledger balances

Billing & A/R & Cashiering - Embrace

All customer collections from various billing sources logged in Central Cashiering module and segregated by user (cashier), which as a strong internal control measure, allows for reliable reconciliation and close out procedures by each cashier.

Impressive invoice/bill design with local government logo displaying pertinent information about customer bill (usage graphs, other relevant historical data, clear layout)

Convenient payment options (pay online via credit card or ACH); customer can obtain/review account detail online

Auto-email customer invoices; automated notifications

Application & setup process available online (self-service option)

One for one matching on bank & GL cash postings

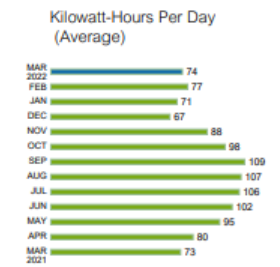**Details of Charges – Service from 02/08/2022 to 03/08/2022**

Service for: 4240 W MORRISON AVE, TAMPA, FL 33629-4301   Rate Schedule: Residential Service

Meter Number	Read Date	Current Reading	-	Previous Reading	=	Total Used	Multiplier	Billing Period
1000094780	03/08/2022	3,665		1,509		2,156 kWh	1	29 Days

Daily Basic Service Charge	29 days @ $0.70000	$20.30
Energy Charge		
First 1,000 kWh	1,000 kWh @ $0.06174/kWh	$61.74
Above 1,000 kWh	1,156 kWh @ $0.07174/kWh	$82.93
Fuel Charge		
First 1,000 kWh	1,000 kWh @ $0.02745/kWh	$27.45
Above 1,000 kWh	1,156 kWh @ $0.03745/kWh	$43.29
Storm Protection Charge	2,156 kWh @ $0.00329/kWh	$7.09
Clean Energy Transition Mechanism	2,156 kWh @ $0.00441/kWh	$9.51
Florida Gross Receipt Tax		$6.47

Tampa Electric Usage History

Kilowatt-Hours Per Day (Average)

Month	kWh
MAR 2022	74
FEB	77
JAN	71
DEC	67
NOV	88
OCT	96
SEP	109
AUG	107
JUL	106
JUN	102
MAY	95
APR	80
MAR 2021	73

Budgeting - Avoid

Excessive use of spreadsheets
- Version control issues
- Double entry required
- Potentially considerable up-front effort to pre-populate spreadsheet templates
- Limited reporting capabilities

Budgeting module in ERP system
- Training required for user departments
- No customization options
- No or limited scenario analysis
- Limited reporting capabilities

Budgeting - Embrace

◦ Clear understanding by all departments of level of budgetary control

◦ Workflows & dashboards – budget transfers, amendments, and next year budget entries by department

◦ Customized budget configurations that enables scenario analysis

◦ Robust reporting capabilities with charts, graphs, and tables that can be exported for inclusion into the annual operating budget document

Budget Configuration Page

Personnel ∨

FICA *	Overtime *	Workers' Comp *	Life/Disability *
7.65 %	✕ 1.5	0.15 %	1.15 %

City-wide Pay Increase *	ICMA Regular *	ICMA City Manager *	FRS Regular *
0 %	9 %	12 %	11 %

FRS DROP *	FRS Special Risk *	Group Insurance Full *	Group Insurance Stipend *
19 %	26 %	$ 11,300	$ 3,000

| REVENUES	FY 2020 Actual	FY 2021 Actual	FY '21 Year To Date Actual	FY '22 Year To Date Actual	% Of Budget
Asset Transfer In from Governmental Activities	$0	$0	$0	$0	0%
Container Rent	$0	$81	$71	$0	0%
Insurance Proceeds	$0	$0	$0	$1,276	--
Interest Earnings	$17,314	$22,365	$12,562	$3,623	24%
Late Fees	$0	$0	$0	$6	--
Other Miscellaneous Revenues	$452	$0	$452	$0	0%
Pinellas County Recycling Grnt	$3,186	$2,453	$0	$0	0%
Recycling Service Fee	$37,202	$38,672	$19,691	$24,210	61%
Refund Prior Year Expenses	$22	$11,382	$4,819	$7,924	792,366%
Sale/Disposition of Capital Assets	$51,698	$0	$25,558	$0	0%
Sanitation Charges	$1,226,236	$1,339,204	$774,723	$667,837	45%
Transfer from Marina Fund	$0	$0	$0	$0	0%
Transfer from Stormwater Fund	$0	$0	$0	$0	0%
Total	$1,336,109	$1,414,158	$837,876	$704,876	

Capital Assets & Inventory - Embrace

Use of approval workflow for asset additions, disposals, and transfers

GL integration for all capital asset transactions

Tracking physical assets, either by scanning barcode labels attached to the assets or by using tags using GPS, BLE or RFID which broadcast their location

Efficient fixed asset addition to capital outlay reconciliations
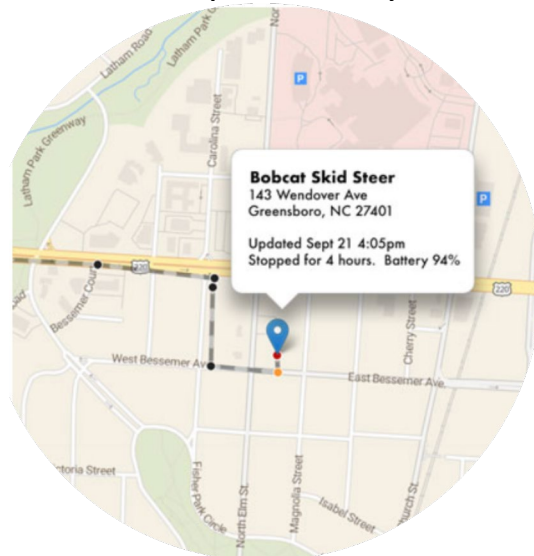
Capital Outlay Report

Page Size: 20

Fund Name	Department Name	Account	Account Description	Remaining Amount
General Fund	Human Resources	001.1030.564000	Capital Equipment	$0.00
General Fund	Non-Departmental	001.1400.563000	Capital Improvements	$0.00
General Fund	Non-Departmental	001.1400.563001	Gulf Blvd. Improvements	$7,087.00
General Fund	Non-Departmental	001.1400.563003	Municipal Complex Reconstrux	$0.00
General Fund	Non-Departmental	001.1400.564000	Capital Equipment	$77,852.70
General Fund	Public Works Administration	001.3000.563000	Capital Improvements	$0.00
General Fund	Fire/Ems	001.4000.563000	Capital Improvements	$0.00
General Fund	Fire/Ems	001.4000.564000	Capital Equipment	$8,266.00
General Fund	Parks	001.4900.563000	Capital Improvements	$43,711.25

Account	Short Description	Source	Source Reference Id	Entry Number	Month	Fiscal Year
001.4900.563...	Beginning Balance	Beginning Balance		0		2021
001.4900.563...	Marina daily 10-17-20	GEN	205	576		2021
001.4900.563...	SPRINKLER TEST & INSP	APM	59	6147		2021
001.4900.563...	AP CASH DISBURSEMEN...	APP	77	4631		2021

Capital Assets & Inventory - Avoid

Manual asset addition, disposal, and transfer forms

Inventories performed using spreadsheets or manual count sheets

Difficult to reconcile capital outlay to capital asset additions through the system

Not clear on which capital asset transactions generate automatic journal entries and which do not (additions, disposals, transfers, depreciation)

Limited reporting capabilities

GL & Custom Reporting - Avoid

Journal entry approval process is manual (or nonexistent)

Inability to import journal entries from a CSV/Excel file

Limited reporting options within GL

Lack of clarity on preparation and approval process over adding/deleting/deactivating funds, departments, and accounts and creating new GL strings

No clear linkage between the chart of accounts and the State of Florida UAS Manual

Too many journal entries!! (See Interface w/Applications section)

GL & Custom Reporting - Embrace

Journal entry approval process via workflow, as well as adding/deleting/deactivating funds, departments, and accounts and creating new GL strings

Easy to understand journal entry import option; ability to attach files to a journal entry and denote whether recurring & reversing

Reports out of General Ledger (trial balance, GL transaction detail, budget vs actual plus encumbrances, etc.) with filtering capabilities to report desired data and can be exported to Excel

Chart of accounts is based on the State of Florida UAS Manual

Custom reporting options to include export to Excel or PDF with particular layout, style, graphics, etc. as desired by governmental entity

HR & Payroll – Avoid

Manual timesheets: accumulation effort, requires double entry, accuracy risk, inefficient approval process

Vacation request forms and other Payroll & HR forms: same issues!

Manual personnel files…employee pay stubs, annual form W-2, performance evaluation results, leave history, benefit elections, etc. not easily accessible for each employee

Benefits elections and changes/updates made in multiple places; difficult reconciliation between insurer statements and inter nal HR data

Run Payroll is a time-consuming process

HR & Payroll - Embrace

Electronic timekeeping; timesheets completed and approved via workflow

Personnel Action Form – department transfers or new allocations, position changes, pay rate changes, bonus payment, termination, etc. all handled on one dynamic electronic form with workflow approval

Employee information (direct deposit info, employee pay stubs, annual form W-2, performance evaluation results, leave history, benefit elections, etc.) in one location for an employee to review and update as needed (such as address change or new banking info for direct deposit)

Benefits elections and changes/updates made in HRIS and interfaced with benefits provider or vice versa

Run Payroll consists of 5 button clicks or less!

HR & Payroll - Embrace

Example of Employee
Self Service features:

Test HR Employee

Personal Info	
Department Allocation	
Employment	
Leave History	
Pay History	
Direct Deposit Info	
Benefits	
Performance	
Tax Info	
Time Off	
Note	

First Name	Test	Edit
Middle Name	HR	
Last Name	Employee	
Social Security Number	XXX-XX-9225	
Birthday	12/31/1989	
Email	rietzelg+44@gmail.com	
Primary Phone	(555) 555-5555	
Secondary Phone	(555) 555-5555	

Addresses

No Address is available

+ ADD MORE ADDRESS

Emergency Contact

Add a contact to your profile so your employer will know who to call in case of an emergency

+ADD EMERGENCY CONTACT

Beneficiaries Information

ADD NEW

| FIRST NAME	MIDDLE NAME	LAST NAME	RELATION	PRIMARY PHONE	ACTION
lhvolhvoy	zdfbsfb	fbsfdbf	Spouse	6516516516	edit

Interface w/Applications - Avoid

Disparate systems with no interface capabilities to General Ledger

Manual journal entries recorded to capture summarized data from other applications

Transactional data not easily accessible

Examples: Recreation, Merchandise (Point of Sale),

Permitting, Utility Billing, Cemetery, and others

[Connecting Disparate Systems]
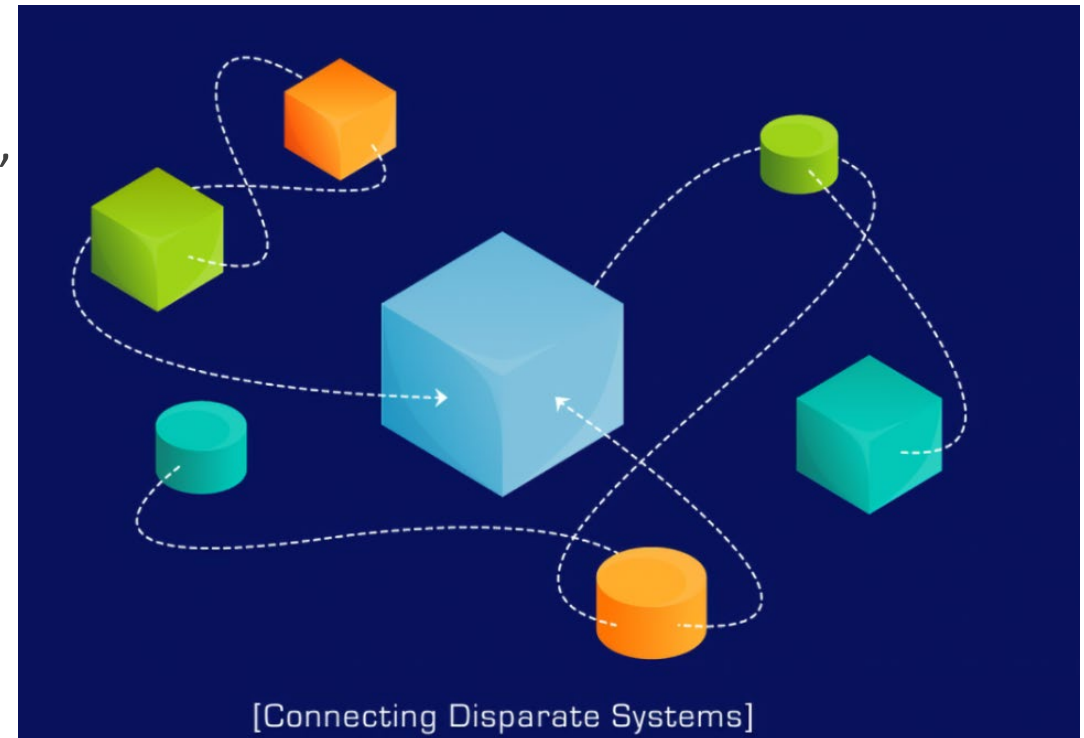
Interface w/Applications - Embrace

Data file automatically transmitted nightly from external software application to ERP

Automatic journal entry recorded to capture the daily activity; pooled cash entry agrees to amount recorded to bank statement

Additional transactional data available within ERP system to perform data analytics, run reports, etc.
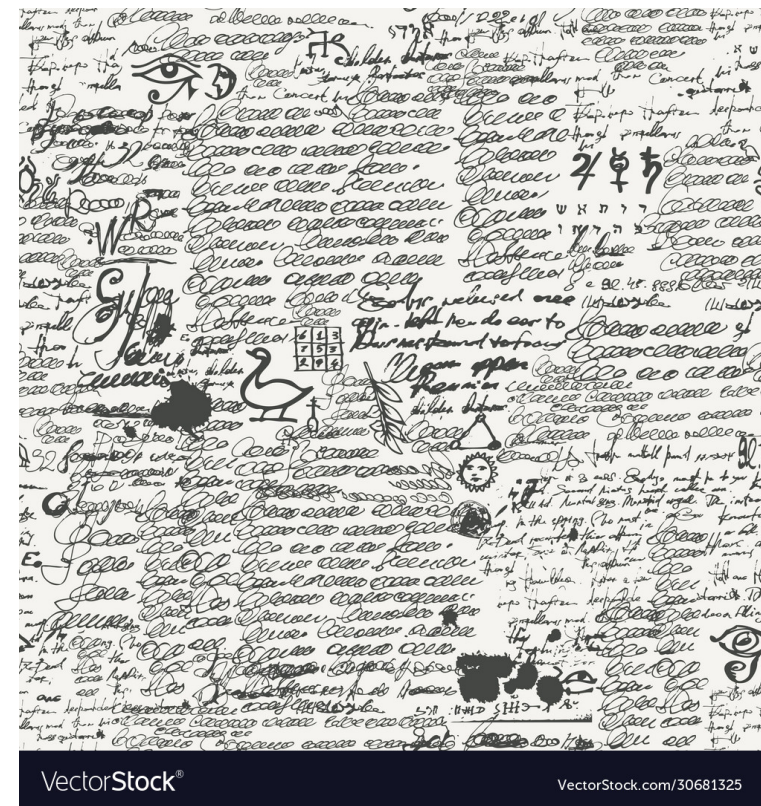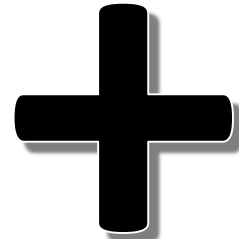
Purchasing/Payment Processing - Avoid

Lack of understanding of purchasing policies across the organization

Manual purchase requisition and payment approval process
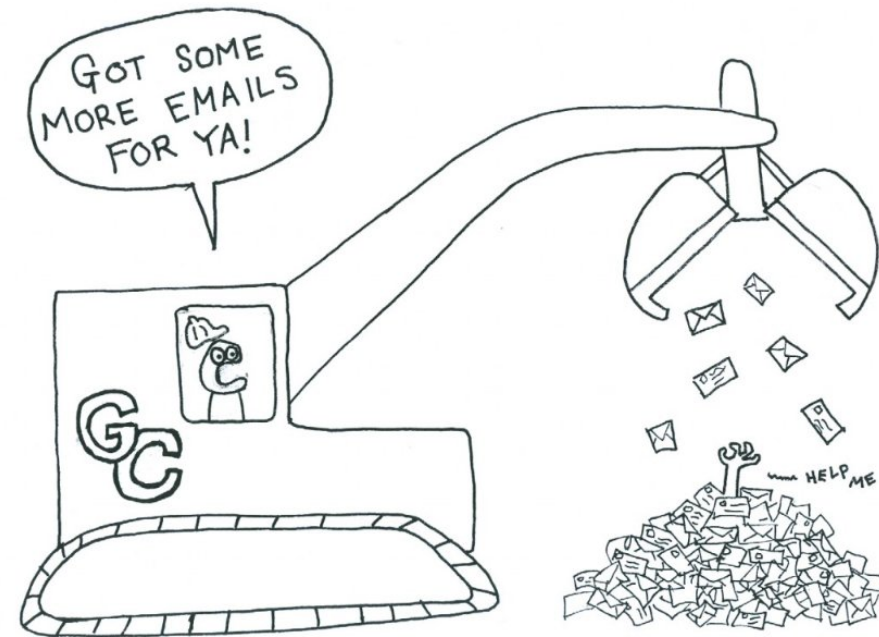
Purchasing/Payment Processing - Avoid

Purchasing/Credit Card Usage: Paper receipts with handwritten notes; messy preparation, review, and approval process

Purchasing/Payment Processing - Embrace

Organization-wide understanding of procurement requirements
- Concise manual with reasonable requirements and clarity surrounding exceptions to competitive selection process
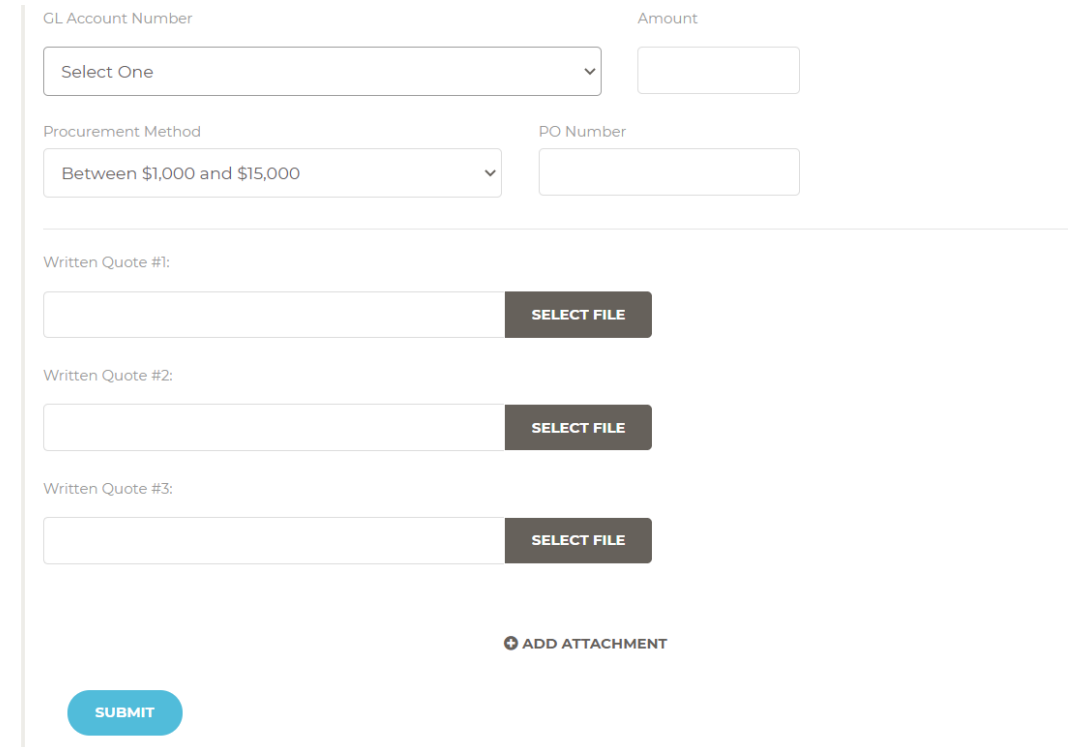- Adequate training across departments

Use of workflows and dashboards
- Include document capture & retention
- Notifications of workflow items requiring a user's action

Avoidance of double entry

Vendor Registration and Invoicing Portal

Electronic payment file (minimize paper checks)

GL Account Number
Select One

Amount

Procurement Method
Between $1,000 and $15,000

PO Number

Written Quote #1:
SELECT FILE

Written Quote #2:
SELECT FILE

Written Quote #3:
SELECT FILE

⊕ ADD ATTACHMENT

SUBMIT

Projects & Grants - Avoid

Project-related and grant-related revenues and expenses are buried in transaction detail within particular general ledger accounts

Project details maintained on a spreadsheet based on sporadic correspondence with Public Works Director, Recreation Director, and other stakeholders as applicable

Lax oversight regarding grant application, award, and ongoing reporting requirements

Projects & Grants - Embrace

Projects and grants separately tracked with unique ID numbers. Payments to vendors and employees and receipts from grantors and other sources associated with project/grant numbers

Project and grant details (background info, relevant attachments, revenue and expense activity, status updates, other comments) available for each project/grant within module

Ability to assign tasks to particular project and grant; denote as capital or operating

Project accounting: capture capital-related as CIP; close out to capital asset when placed in service

Task Management - Avoid

Less desirable options to manage tasks: Email, spreadsheet task list, post-it notes, phone calls

Tasks generated from the system (work orders, etc.) are generated, printed, and physically handed to assigned employees

Task Management - Embrace

Tasks generated from the system (work orders, etc.) are generated and submitted via workflow to assigned employees, who can receive tasks and remain in the field

Organized workflow system: reduces risks of overlooking tasks, sets expectations, deadlines, and more

Work Order Request Form

Requested By
alaflin@aclarian.com

Category
Select Category

Requesting Department
Select Departments

Assign To
Select Assignees

Location Name

Address Street
4240 West Morrison Avenue, Tampa, FL, USA

Requested Completion Date

900 S Manhattan Ave
Tampa, Florida
View on Google Maps

Relates to a Project?
No

Priority
Select a Priority

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Treasury Management - Avoid

Multiple bank accounts with multiple reconciliations performed in Excel

Frequent one-to-many or many-to-one transaction matching between GL postings to cash and transactions amounts per bank statement

Bank statements received from bank via hard copy or PDF and information physically entered on Excel bank rec worksheet

Task Management - Embrace

Utilization of pooled cash with one reconciliation of main operating account

Automatically import daily deposit & withdrawal transaction data from the bank into bank rec program

Automatically match transactions based on certain criteria (amount, check number, transaction ID)

Facilitate as many one for one transaction matches as possible!

User/Workflow Management - Avoid

Setting user permissions is very generalized (access or no access to modules; view only or full editing capabilities to all or no modules, admin or non-admin)

Workflows non-existent or limited in ability to customize

Changes to user settings can only be performed by software vendor; no access internally

User/Workflow Management - Embrace

Setting user permissions specific to each module – access or no access to specific forms, data management items, or reports within a module

For edits made to a record that do not involve workflow approval, maintain audit log of changes made

Admin rights can be made to add users, delete users, or modify user settings (admin rights provided or denied for each action)

Standard workflows for each user, department heads, supervisors of employees, and workflow group customizations

Contact Info

Andrew Laflin, CPA
President
Aclarian LLC
alaflin@aclarian.com
Direct: (813) 784-3140
www.aclarian.com

ACLARIAN LLC

Contact Info

Scott Bird
Director of Business Operations
Aclarian LLC
sbird@aclarian.com
Direct: (321) 287-0381
www.aclarian.com

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