

# Accounting Software

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A common topic of conversation in the municipal space is accounting software. Whether you are planning to replace your accounting system or not, it's a good idea to start planning for it now.

Much of the work required for a successful implementation starts with planning well in advance. And as an added benefit, this preparation often alleviates pain points with existing software.

## **The challenge**

The biggest barrier to efficient accounting and reporting systems lies primarily in mindset. Shifting from a mindset of configuring systems to accommodate existing processes to one of leveraging how the system is designed to capture, categorize and report information will transform your finance department.

## **Plan with the end in mind**

A complete re-structuring of your chart of accounts should be considered once a new system is chosen. While most systems can accommodate any account structure, best practice is to understand how the system captures and reports information and then design the account structure. This will ensure the building blocks within the account string will most effectively leverage the system's capabilities.

## **Document processes**

It is truly eye-opening to step back and see your processes on paper (yes, paper!). Taking the time to document and understand your current processes is the foundation for configuring a new system, and it allows you to identify 'quick win' process improvements that will provide immediate benefits.

## **Determine timelines**

Understand the vendor's plan for future support and enhancements of your existing software, what functionality you have now and what you will need in the future to help determine if/when it makes sense to replace your existing system.

Knowing when the organization intends to replace a system will give you lead time to prepare and determine whether further investments in the existing system makes sense.

## **Engage stakeholders**

Connect with people across the organization to understand what information they need, what is working well and where pain points exist. This can help identify how to improve existing reporting and processes as well as requirements for a new system.

As part of this work, ensure to identify what are critical and optional requirements for new software.

## **Do your research**

There are many options available when choosing new accounting software – taking the time to research before starting the RFP process will lead you to better decisions during the selection process. Many modern accounting systems do not have specialized municipal modules such as property taxes and utilities, thus a fully integrated system may not be feasible.

The best part about working in the municipal space is that we are a community, not competitors. Many municipalities have gone through this process and are willing to share their experiences, so leverage your network throughout the decision process.