



City of  
**HOPEWELL**  
VIRGINIA

THE  
**ROBERTBOBB**  
GROUP<sup>®</sup>



# STATUS REPORT

## PROJECT MANAGEMENT OFFICE AND ACCOUNTING REMEDIATION SERVICES

11-10-2023

**PROJECT MANAGER**  
Heather Ness

## INTRODUCTION

This status report provides an overview of the progress made to date and outlines the upcoming actions and challenges related to the Project Management Office (PMO) and Accounting Remediation Services.

In this report, we will delve into completed milestones, immediate next steps, and potential challenges we may encounter. The accomplishments detailed in the "Completed to Date" section reflect the diligent efforts of our team in the initial phase of this critical undertaking. These actions underscore the commitment to establishing a strong foundation for the City's financial recovery and revitalization.

Additionally, the "Next Period Actions" section outlines our forward-looking strategies and immediate priorities, emphasizing the dedication to achieving our objectives. Through collaboration, proactive planning, and targeted actions, we are poised to steer the City toward financial stability.

We invite you to explore the detailed sections of this report to gain a deeper understanding of our achievements, ongoing initiatives, and the roadmap that will guide us in the coming period as we work towards financial recovery and transformation.

## EXECUTIVE SUMMARY

This update offers a succinct overview of recent activities within the Project Management Office (PMO) and the Accounting Remediation Services project. During the past week, the teams collaborated to identify immediate and ongoing needs as well as long-term solutions. Over the next four to five weeks, the primary focus is addressing immediate requirements and advancing toward comprehensive resolutions. Specifically, the teams are working diligently to expedite the reconciliation of financial statements for timely auditor review. Simultaneously, strategic initiatives are underway to enhance Munis System long-term operational efficiency for Hopewell. This dual-track approach requires unwavering commitment, seamless collaboration, and a meticulously crafted plan to achieve the objectives.

Over the recent period, the project has seen substantial advancements across multiple fronts. A series of internal team meetings have solidified communication, ensuring all members are informed of their roles and the project's evolution. The ERP Consultants have been actively advancing our ongoing initiatives to optimize the utilization of the Munis System. Notably, they successfully addressed training issues by engaging with the Tyler PACE project manager, resolved concerns regarding the person responsible for maintaining Bank Codes and Bank Accounts within the Tyler Munis ERP, and conducted a thorough review of the Bank Codes and Bank Accounts in close collaboration with city staff and other project teams, contributing to our project's overall progress and efficiency.

Despite the progress in Standard Operating Procedures (SOPs), most of the narratives have reached finalization, with a few currently under review and in production. Simultaneously, the Business Process Team has been making substantial strides in the transformation of these narratives into SOP documents.

Top of Form

In the reconciliation process, the team successfully reconciled FY 2022 and FY 2023 state revenues and initiated the reconciliation process for accounts payable and payroll. They are also

actively working on reconciling bank statements. Collaborating with ERP Consultants, they also retrieved crucial documents to support ongoing reconciliation effort.

## 1. COMPLETED THIS PERIOD

### 1.1. WALKTHROUGH AND MEETINGS

**Status Report Meeting:** Multiple status report meetings were held with the City Manager Dr. Concetta Manker to provide an update on the current position and progress within the project.

**Bank Reconciliation and Munis System Overview:** A pivotal meeting took place involving the Enterprise Resource Planning (ERP) Consultants, the UHY Team, and the Interim Financial Director, aimed at aligning the City of Hopewell's immediate and strategic financial objectives. The session was critical for addressing existing discrepancies and enhancing the bank reconciliation process to ensure the punctual preparation of financial statements. The meeting's agenda covered a comprehensive review and discussion of the following points:

- The present and projected status of the bank reconciliation process.
- An examination of the documented narratives detailing the City's approach to bank reconciliation.
- Reflections on the outcomes from the recent Bank Reconciliation Setup and History Meeting with ERP Administrator of the City of Hopewell.
- An evaluation of the current cash and bank account configurations within the Munis system.
- Consideration of recommendations to implement a pooled cash fund, which is anticipated to improve cash management and streamline bank reconciliation for the City.
- Support provided to the UHY team in generating additional Accounts Receivable (AR) reports utilizing the Tyler Munis ERP.
- A collaborative determination of the next steps and the path forward.

To enhance team coordination and adapt to the evolving needs of the project, a bi-weekly bank reconciliation progress meeting has been instituted. This regular check-in

will function as a critical touchpoint for evaluating progress, addressing new challenges, and ensuring the project remains on schedule to meet impending deadlines.

**MUNIS Bank Codes / Accounts Meeting:** A meeting was held with RGB Teams, Financial Department Personnel and Treasurer Office Personnel. This critical meeting focused on addressing issues previously pinpointed and establishing immediate action steps to facilitate the reconciliation process and improve the Munis System's effective operation. The main goals of the meeting are described below:

- Assign clear responsibility for the maintenance of Bank Codes and Bank Accounts within the Tyler Munis ERP, ensuring transparency and accountability.
- Conduct a review of the Hopewell-ERP Bank Codes and Bank Accounts Mapping Workbook to validate current data and designate the individuals responsible for completing the mapping process subsequent to the meeting.
- Define/Update Munis Bank Codes to reflect the City's banking structure accurately.
- Map the City's physical cash and investment bank accounts to the corresponding Munis General Ledger (GL) accounts, capturing the current financial state.
- Review recommendations for a pooled cash fund to better facilitate the City's cash management and bank reconciliation processes.
- Confirm timing of follow-up Tyler Technologies training for Bank Reconciliation and discuss prerequisites to be completed prior to confirmed meeting with Tyler to ensure a successful training.

The outcome of the meeting was positive, with the successful identification of the accountable party responsible for maintaining the Bank Codes and Bank Accounts. City personnel were assigned to complete the mapping process by the end of the week, a step that will contribute to the ongoing reconciliation efforts of the team.

**Accounts Receivable Reports Meeting:** A meeting was held with ERP Consultants and the UHY Team to retrieve crucial data from Munis System. This data retrieval is essential for supporting ongoing reconciliation efforts.

**Meeting with Robert Half:** UHY Team held a meeting with Robert Half temporary staff on the pre-audit team to review the scope and detail of tasks conducted on the 2020 and 2021 audit schedules.

## 1.2. STANDARD OPERATING PROCESS (SOP) STATUS

In the first phase of the project, the UHY Team has collaborated with various key city departments and offices to create narratives describing the existing processes and activities within the city, reflecting the current state. Once these narratives are finalized, the Business Process team will step in to transform these narratives into Standard Operating Procedures (SOPs). The team will meticulously craft these SOPs into comprehensive Word documents, detailing step-by-step processes and clearly defining roles and responsibilities. To complement this, role-based visual flowcharts are going to be created for a more intuitive understanding of these procedures. After completing the initial version of the SOPs, the Business Process Team will return the documents to the contributors of the narratives for further refinement, approval, and to address any questions that arise. This collaborative and iterative phase is key to ensuring that the final output—well-documented Word files and flowcharts—accurately represents the current state of operations in the city.

Below are the activities performed this week related to the narratives and Standard Operating Process progress:

**Narrative Documentation & Review:** The narratives for Real Estate Tax, Special Welfare, and Parks & Recreation have all been successfully finalized and approved. Under review with the client are The Children’s Service Act narrative (under review by the Treasurer's Office), Emergency Medical Service (EMS) narrative (under review by the Fire Department), and Personal Property Tax narrative (under review by the Treasurer and Commissioner of Revenue). The last walkthrough to be performed is with Data Integrators, scheduled for next week. This will mark the end of this phase of the process, with all the walkthroughs

successfully converted into narratives. These narratives are vital as they identify potential risks and recommend improvements in controls and processes.

**Standard Operating Procedures (SOP):** This week marks a significant phase in the project, with our Business Process team deeply engaged in converting narratives into SOPs and corresponding flowcharts. A key highlight is the commencement of internal reviews for three SOPs from last week, alongside the development of two new SOPs and their respective flowcharts. To ensure a cohesive approach, we are collaborating closely with both the UHY and ERP Teams. This collaboration is pivotal in aligning the review process for updates, which will be reflected in all SOPs and flowcharts as we recommend updates for the future state.

In terms of specific progress, the Business Process Team is dedicating substantial efforts to the transformation of narratives into detailed SOPs. This involves intensive internal meetings aimed at aligning our team and refining our processes. Currently, we are in the process of finalizing Word documents and Visio flowcharts for critical areas such as Payroll, Accounts Payable, Business Property Tax, Business License Tax, and Procurement. Following completion, these documents will undergo a thorough review by both the UHY Team and ERP Consultants. This step is crucial to ensure the accuracy and efficacy of the SOPs, reflecting our commitment to enhancing operational efficiency within the City.

The table below offers an overview of the ongoing narratives and the progress in creating Standard Operating Procedure (SOP) documents. This tracker will be updated weekly to provide a real-time snapshot of our progress.

Table 1 - Narrative and Standard Operating Procedures (SOP) Tracker.

Walkthrough	Narrative	SOP Word Document	SOP Visio Flowchart
Business License Tax	Finalized	Draft - In Process	Draft - In Process
Procurement	Finalized	Draft - In Process	Draft - In Process
Accounts Payable	Finalized	Internal Review - In Process	Internal Review - In Process
Business Property Tax	Finalized	Internal Review - In Process	Internal Review - In Process
Payroll	Finalized	Internal Review - In Process	Internal Review - In Process
Asset Forfeiture	Finalized		
Bank Franchise Tax	Finalized		
Budget	Finalized		
Estimated Income Tax	Finalized		

Walkthrough	Narrative	SOP Word Document	SOP Visio Flowchart
Food and Beverage Tax	Finalized		
Community Development Block Grant (CDBG)	Finalized		
Hopewell Regional Water Treatment Facility (HRWTF)	Finalized		
Machinery and Tools Tax	Finalized		
Parks and Recreation	Finalized		
Public Service Tax	Finalized		
State Income Tax	Finalized		
Personal Property Tax	City Reviewing		
Emergency Medical Services	City Reviewing		
Children Service Act	City Reviewing		
Real Estate Tax	Finalized		
Special Welfare	Finalized		
Data Integrators	Walkthrough Scheduled		
Munis Employee Expense Reimbursement Module	Finalized		

### 1.3. ENTERPRISE RESOURCE PLANNING (ERP) CONSULTANTS STATUS

During this week, as part of the ongoing initiatives to enhance the utilization of the Munis System, the ERP Consultants have accomplished the following:

**Training Issues Resolution:** The ERP Consultants reached out to the Tyler PACE project manager to highlight the shortcomings observed in the previous Bank Reconciliation training conducted by Tyler Technologies for the City of Hopewell. In response, the project manager acknowledged the issues and consented to deliver an extra half-day of follow-up training on bank reconciliation at no additional expense to the City. This session will be led by a specialist proficient in the Bank Reconciliation Manager process. Due to scheduling conflicts during the busy end-of-year period for the City's Treasurer's office, the training is going to be rescheduled for January.

Assisted the UHY Team with the generation of various Accounts Receivable reports and data extractions within the Tyler Munis ERP for reconciliation purposes.



Continued the configuration of the pooled cash/Treasury fund in Hopewell's Tyler Munis ERP TEST environment to assess its potential to streamline the City's bank reconciliation process.

- Upon completion and testing of the pooled cash fund configuration in TEST, ERP Consultants will organize a review meeting with the Finance department, the Treasurer's Office, and the ERP Administrator.

#### 1.4. RECONCILIATION STATUS

This week, the reconciliation team has made substantial progress. The successful completion of the FY 2022 and FY 2023 state revenue reconciliations marks a significant achievement. Additionally, the team has initiated the reconciliation process for accounts payable and payroll. Moreover, the team has diligently reviewed and approved the accounts payable and debt schedules for FY 2020, ensuring accurate recording and management of financial obligations.

Furthermore, the review and approval of the 2020 bank reconciliations for the Supplemental Nutrition Assistance Program (SNAP) and bond trustee accounts have been finalized. The team's ongoing efforts have also focused on reconciling the FY 2020 operating cash bank account, along with real estate and personal property tax revenues and receivables. Details of key activities performed are provided below:

**Bank Statements:** The team is currently focused on reconciling bank statements from the fiscal year 2020. In addition, the team has made headway in transitioning bank statement data into reconciliation templates. This transition is critical for facilitating an efficient and streamlined reconciliation process.

While some Bank/Investment Statements are still missing, there are no outstanding requests at the present moment. The matrix tracker effectively keeps track of gaps in documents, facilitating the identification of needed items in case of urgency.

**New Reports/Analytics:** Creating and utilizing new financial reports and analytic tools specifically for the Real Estate and Personal Property Tax accounts to facilitate the roll forward process.

Accounts Receivable: A series of documents was retrieved this week in collaboration with the ERP Consultants, which will aid in the reconciliation process.

## 1.5. INDUSTRY ASSESSMENT STATUS

**Wastewater Enterprise Accountant Report Review:** The comprehensive review of the 2020 report is complete, and the review of the 2021 has been initiated. Subsequent reports will undergo review upon receipt. It is important to highlight that both the 2020 and 2021 reports do not exhibit any deviations from what was expected.

**Report Layout Creation:** Work on the report layout has commenced and will continue to be developed upon receipt of additional reports. The final draft of the layout is expected to be available shortly after the receipt of the final reports, unless unforeseen issues arise.

## 2. INTERIM FINANCIAL DIRECTOR INSIGHTS

### Current Week

- Successfully addressed a cash flow issue in the City Master Account, ensuring the smooth operation of financial activities.
- Collaborated closely with the Treasurer to identify necessary investment transfers, optimizing financial resources.
- Played a key role in identifying and addressing underlying issues contributing to excess costs during the first four months of the year, promoting financial efficiency.

### Upcoming Week

- Scheduled a meeting with the Schools Finance Director and Treasurer for Thursday to foster collaboration and information exchange.
- Draft financial statements and an agenda for the upcoming Finance Committee meeting scheduled for November 30th, ensuring preparedness and transparency.
- Develop an extensive cash flow model to proactively anticipate potential cash flow issues over the next 12+ months, enhancing financial planning and management.

### 3. OBSERVATIONS AND INSIGHTS

During the past week, key issues were successfully addressed. The individual responsible for maintaining Bank Codes and Bank Accounts within the Tyler Munis ERP was identified. Tasks included confirming bank accounts as specified in the City Bank Accounts Listing worksheet, defining, or updating Munis Bank Codes as necessary, and mapping physical cash and investment bank accounts to Munis General Ledger (GL) accounts in their current state. The responsibility for completing Bank Account mapping was assigned with the goal of finishing by the end of the week. These activities are crucial to completing Bank Reconciliation. Additionally, dates have been provided by the Tyler PACE project manager to conduct a half-day training session with the City. This training will be led by another resource knowledgeable in the Bank Reconciliation Manager and BAI file process. The objective is to enhance the City staff's knowledge and improve the reconciliation process using the Munis system.

Efforts are underway to tackle the 96 identified issues, focusing on enacting the recommended solutions. In the coming week, the table detailing these issues will be reviewed to refresh the status of each finding, ensuring that all information is current and reflects the progress made. The table 3 shows the issues that were addressed this past week.

The assessment of policies and procedures, enriched by departmental interviews and walkthroughs, plays a pivotal role in delineating departmental workflows. Presently, most narratives are in the final stages of completion, while others are undergoing review and development. These narratives are indispensable for the evaluation of existing processes to ensure alignment with contemporary standards.

The concurrently developed flowcharts aim to deliver a comprehensive representation of the phases, processes, and procedures that define the day-to-day activities of city departments. This meticulous approach pinpoints any inherent operational risks, facilitating the establishment of corresponding controls and procedures to mitigate them. This meticulous identification and analysis will serve as a robust foundation for the introduction of improved and streamlined standard operating processes.

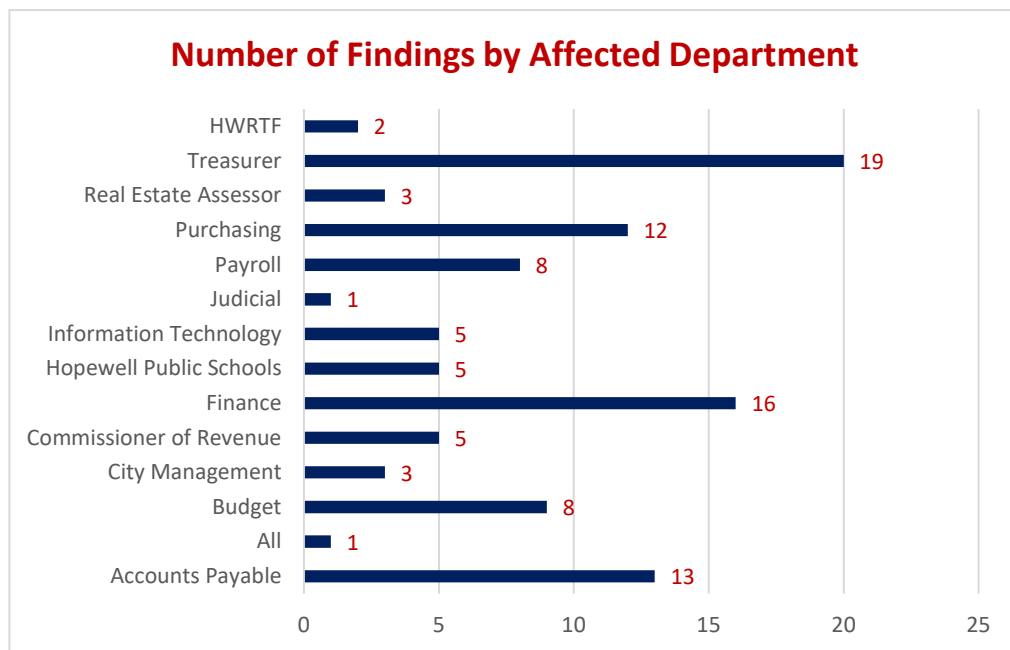
The table below offers a summarized breakdown of findings, enhancing visualization and organization. It's worth highlighting that 62 of the identified issues fall under the category of Policies/Procedures. As the Business Process Team continues its collaborative efforts with other project teams, we anticipate substantial progress in the months ahead.

Table 2 - Summary of findings.

Category	Count
People / Training	17
Policies / Procedures	62
Reconciliations	3
Internal Controls	14
<b>Grand Total</b>	<b>96</b>

The chart below shows the findings distribution among impacted departments. Notably, Finance, Accounts Payable, Purchasing and Treasurer are the most affected as of the date of this report. It's important to note that this data is updated weekly.

Figure 1 - Findings by Affected Department



\*\* HWRTE: Hopewell Wastewater Renewal Treatment Facility

Table 3 – Issues under Resolution, Impacted Department, and Next Actions.

Impacted Dept	Issue Detail	Recommendation	Status	Current State
Treasurer	Determine person responsible for maintaining Bank Codes and Bank Accounts within the Tyler Munis ERP, for purposes of completing Bank Reconciliation.	Schedule meeting with ERP Administrator and Treasurer's office to confirm responsible person.	Addressed	Personnel Responsible identified.
Treasurer	Once person responsible is determined, need to review current configuration of Bank Codes and Bank Accounts within the Tyler Munis ERP for accuracy, and to review/update or confirm that the correct Munis GL accounts are mapped to the appropriate physical bank accounts in the Tyler Munis ERP.	Schedule meeting with ERP Administrator and Treasurer's office to review and update/confirm configuration and mapping for Bank Accounts to ensure it is set up correctly for using the Bank Reconciliation Manager process.	On Going	Review of current state of bank accounts and bank codes.
Tyler Technologies (ERP Vendor)	Tyler needs to follow-up with the City to provide a detailed explanation of how the "Create Transfer Transactions" setting on Bank Accounts functions and whether it needs to be utilized for the City's Bank Reconciliation process.	If the Tyler implementation consultant is not able to provide sufficient information to help the City decide on the use of the "Create Transfer Transactions" setting, follow-up with Tyler PACE Manager to schedule sessions with a Tyler resource who has knowledge of this function and how it fits into the overall Bank Reconciliation Manager process.	On Going	Tyler has provided dates to re-do a half-day training with the City with another resource who is knowledgeable with the Bank Reconciliation Manager and BAI file process. Re-training to be scheduled in January.

#### 4. NEXT PERIOD ACTIONS

- **Plan for the Week of 11/13:** In the upcoming week, teams will continue their collaborative efforts to address immediate requirements. Furthermore, the ongoing finalization of narratives will progress, and the Business Process Team will continue their work on creating SOPs.
- **Reconciliation Team:** In the coming week, the reconciliation team will continue its diligent work in refining the City's financial records. The team will persist on with the ongoing bank reconciliations, including reconciling the operating cash bank account. Additionally, they aim to complete the integration of Bank and Investment statements into reconciliation templates, which will facilitate a more efficient reconciliation process. A key objective is the completion of the FY21-23 Real Estate and Personal Property tax roll forwards, as well as the related tax reconciliations. A new task set for the upcoming week is to begin coordination on the School Board's 2020 audit schedules. Moreover, a meeting is scheduled with the remaining temporary staff from Robert Half to continue reviewing the reconciliations they have prepared to date.
- **ERP Consultants:** The ERP Consultants will continue supporting the reconciliation team on bank reconciliation efforts, ensuring a seamless process and advancing the project goals.
- **Business Process Team:** The ongoing efforts to draft SOP documents and flowcharts continue, with the goal of having at least four documents ready every week – two Word documents and two Visio flowcharts. Following this goal, next week's objectives include initiating the development of the next set of two SOPs and flow diagrams, completing the internal review of SOPs and flow diagrams from the previous week, submitting them to Subject Matter Experts (SMEs) for validation, and updating SOPs and flowcharts based on feedback received from SMEs to ensure accuracy and alignment with established processes.
- **Industry:** Ongoing reviews of the Wastewater Enterprise Accountant Reports are planned, while simultaneous work is in progress to create a report layout.

- **City Council Meeting:** The team is preparing to brief the City Council on current status both in open and closed sessions. Additionally, amendments as discussed in the prior sessions have been drafted for signature.
  
- **Detailed Meetings:** The week's meetings are designed to foster cross-departmental collaboration and facilitate smooth operations by completing the necessary walkthroughs. They are scheduled as follows:
  - 11/13/2023
    - Status Meeting
    - Internal Meeting
    - Annual Audit Service (CAAS) Meeting
    - Budget Review Meeting with Budget Director
  - 11/14/2023
    - Bank Reconciliation and Munis System Overview
    - City Council Meeting
  - 11/15/2023
    - Bank Reconciliation Progress Meeting
    - 2020 Audit Kickoff with School Board
    - Data Integrators Walkthrough

## 5. ISSUES PREVENTING PROGRESS

- Remaining reports from Wastewater Enterprise Accountant – lack of resources present to do both this and wastewater billing.
- Collections, by customer, by month, of the leachate billings.
- Cash flow model and tracking that back to where the cash is located.