



City of  
**HOPEWELL**  
VIRGINIA

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# STATUS REPORT

## PROJECT MANAGEMENT OFFICE AND ACCOUNTING REMEDIATION SERVICES

11-24-2023

**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 concise overview of recent activities within the Project Management Office (PMO) and the Accounting Remediation Services project. Despite the shortened week due to the Thanksgiving holiday, the project continued to make advances on various fronts. This report provides a summary of these developments, highlighting both the progress achieved and ongoing efforts across different areas of the project.

Significant progress has been achieved in documenting and reviewing departmental narratives. The week saw the completion of the Personal Property Tax and Emergency Medical Service (EMS) narratives, leaving just one more document to be finalized, which is currently under review with the client. Regarding the creation of Standard Operating Procedures (SOPs), notable progress has been made, with eighteen documents currently in the creation or review phases.

Throughout this reporting period, the ERP Consultants diligently advanced their ongoing initiatives aimed at optimizing the Tyler Munis ERP system and providing essential support for Accounting Remediation Services. Key activities included meticulous planning for upcoming training sessions within the city, a thorough review of site reports from past ERP implementations, and in-depth discussions on critical subjects such as ERP module removal, the Tyler PACE program, and the future direction of bank reconciliation and pooled cash management with the ERP Administrator. Furthermore, recurring meetings were scheduled with the ERP Administrator to ensure the continuous progression of various reconciliation and implementation activities related with the Tyler Munis Enterprise Resource Planning (ERP) system.

During this week, the reconciliation team initiated the reconciliation of Fixed Asset, Debt Service, Schools Accounts for FY 2020 and Accrued Payroll accounts, emphasizing commitment to financial accuracy and completeness. Additionally, the team continued the analysis of the City's Master account and conducted an Accounts Receivable Analysis by extracting Personal Property Tax Reports for a comprehensive assessment of AR-related financial records. Furthermore, the bank statement matrix was updated, and previously missing accounts were identified, with prompt actions taken to address them.

Despite the industry assessment, a focused and detailed review of the Wastewater Enterprise Accountant Report continues, along with the development of the layout for the final report. To enhance the precision of the analysis, the team has also engaged in essential communications with the Enterprise Accountant to clarify specific details in the report.

In the sections below, all activities performed, achievements realized, and obstacles encountered in the past week are detailed.

## 1. COMPLETED THIS PERIOD

### 1.1. WALKTHROUGHS/MEETINGS AND KEY ACTIVITIES

- **Status Report Meeting:** A status report meeting was held with the City Manager Dr. Concetta Manker to provide an update on the current position and progress within the project.
- **Bank Account Mapping:** ERP Consultants and the Reconciliation Team collaborated on Bank Account Mapping.
- **Review of Personal Property Tax Payments/Aging/Receivables Reports:** ERP Consultants and Reconciliation team conducted a comprehensive review of Personal Property Tax Payments, Aging, and the Receivables Report.
- **Meeting with ERP Administrator:** A meeting was conducted with the ERP Administrator and ERP Consultants. Multiple points were discussed and are detailed in the next section. Additionally, a recurring bi-weekly meeting has been scheduled starting Wednesday, December 6, 2023. The purpose of this recurring meeting is to facilitate discussions between ERP Consultants and the City of Hopewell's ERP Administrator, focusing on reviewing the status of open items and ensuring ongoing progress for reconciliation and implementation activities related to the Tyler Munis Enterprise Resource Planning (ERP) system.

### 1.2. STANDARD OPERATING PROCESS (SOP) STATUS

In the project's initial phase, the UHY Team has worked in collaboration with various key city departments and offices to develop narratives that describe the existing processes and activities within the city. These narratives, now nearing completion, offer a reflection of the current operational state.

Currently, the Business Process Team is in the process of transforming these narratives into Standard Operating Procedures (SOPs). These SOPs are being meticulously crafted into comprehensive Word documents. They detail step-by-step processes and clearly define roles and responsibilities. Additionally, to enhance understanding, role-based visual flowcharts are being created. These flowcharts offer an intuitive grasp of the procedures. Upon finalizing the

initial versions of the SOPs, the Business Process Team will circulate the documents back to the contributors for further refinement, approval, and to clarify any arising questions. This collaborative and iterative process is crucial in ensuring that the final deliverables — thoroughly documented Word files and flowcharts — accurately represent the city's current operational state. With this documentation in place, the RBG Teams and the City will jointly identify and implement improvements in policies and procedures, thereby shaping the future state of each process within the city. Currently, there are 18 SOPs & Visio Flows under creation and review.

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

- **Narrative Documentation & Review:** Substantial progress has been made in the ongoing endeavor to document and review departmental narratives. This week marked the successful finalization of the Personal Property Tax and Emergency Medical Service (EMS) narratives. Furthermore, the team has developed the last confirmed narrative, Data Integrators, which is currently under client review. Transitioning to the next phase of the process, the team completed reviews of the initial SOP documents created by the Business Process team, encompassing Business Property Tax, Accounts Payable and Payroll. These reviews play a pivotal role in shaping the future operational landscape of the city, facilitating more efficient, effective, and streamlined processes.
- **Standard Operating Procedures (SOP):** Significant progress has been made in developing SOPs and accompanying Visio flowcharts. Currently, nine SOP documents are either in the creation or review phases, along with their respective flowcharts. During this week, the Business Process team successfully finalized the drafts of Public Service Tax SOP document and its corresponding flowchart. Additionally, three SOP drafts (Business Property Tax, Accounts Payable, and Payroll) underwent review by the narrative creators, resulting in necessary updates. With these documents near finalization, the next step involves progressing from general development to Future State Recommendations. Furthermore, the Procurement and Business License SOPs have been forwarded for review by narrative creators, while the RBG Team is currently evaluating the Budget and Public Service Tax drafts. Concurrently, drafts for the Community Development Block Grant

(CDBG) and Food and Beverage Tax are in progress. This consistent progress exemplifies our effective advancement toward the project's objective of streamlining and optimizing business processes. The table below (Table 1) summarizes the number of documents in each phase of the process.

Table 1 - SOP Documents and Flowcharts Status

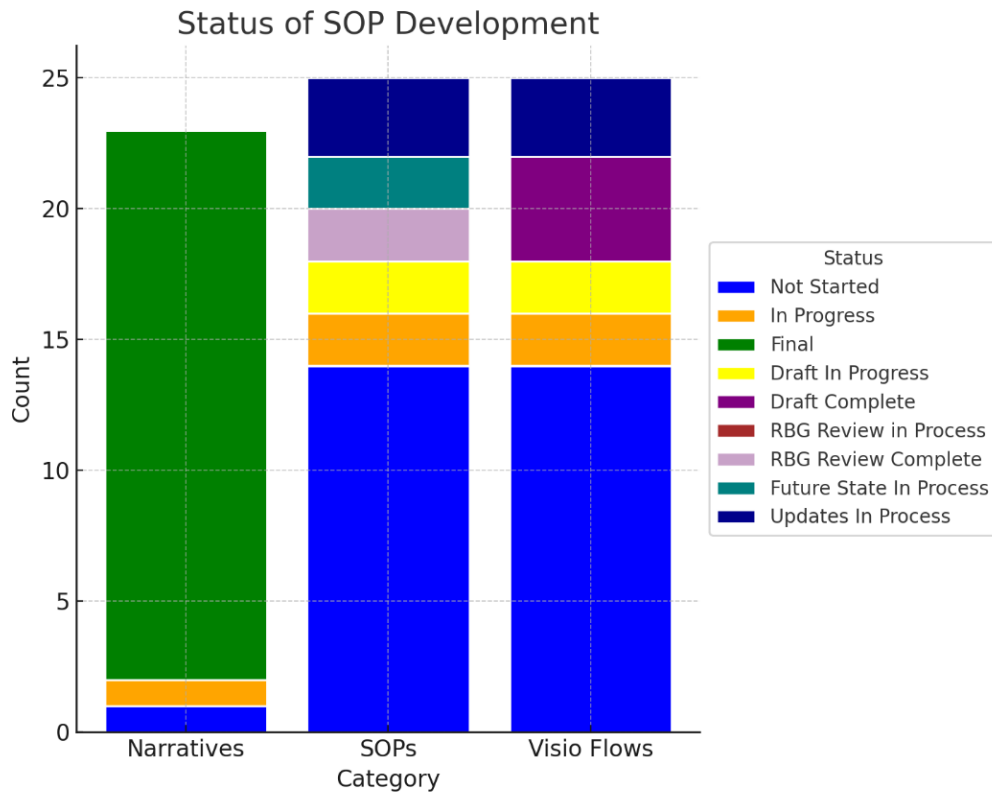
Phase	SOP Word Document	SOP Visio Flowchart
<b>Draft - In Process</b>	2	2
<b>Draft - Complete</b>	1	6
<b>RBG Review - In Process</b>	2	-
<b>Future State Review - In Process</b>	2	-
<b>Updates - In Process</b>	3	1
<b>Not Started</b>	14	14
<b>Total</b>	23	23

The table and the graphic below provide a detailed summary and an overview of the ongoing narratives and the progress in creating SOP documents. This tracker will be updated weekly to provide a real-time snapshot of our progress.

Table 2 - Narrative and SOP Tracker

Walkthrough	Narrative	SOP Word Document	SOP Visio Flowchart
Public Service Tax	Finalized	RBG Review - In Process	Draft - Complete
Community Development Block Grant (CDBG)	Finalized	Draft - In Process	Draft - In Process
Food and Beverage Tax	Finalized	Draft - In Process	Draft - In Process
Procurement	Finalized	Future State Review - In Process	Draft - Complete
Budget	Finalized	RBG Review - Complete	Draft - Complete
Business License Tax	Finalized	Future State Review - In Process	Draft - Complete
Accounts Payable	Finalized	Updates - In Process	Draft - Complete
Business Property Tax	Finalized	Updates - In Process	Updates - In Process
Payroll	Finalized	Updates - In Process	Draft - Complete
Asset Forfeiture	Finalized	Not Started	Not Started
Bank Franchise Tax	Finalized	Not Started	Not Started
Estimated Income Tax	Finalized	Not Started	Not Started
State Income Tax	Finalized	Not Started	Not Started

Hopewell Regional Water Treatment Facility (HRWTF)	Finalized	Not Started	Not Started
Machinery and Tools Tax	Finalized	Not Started	Not Started
Parks and Recreation	Finalized	Not Started	Not Started
Children Service Act	Finalized	Not Started	Not Started
Real Estate Tax	Finalized	Not Started	Not Started
Special Welfare	Finalized	Not Started	Not Started
Munis Employee Expense Reimbursement Module	Finalized	Not Started	Not Started
Personal Property Tax	Finalized	Not Started	Not Started
Emergency Medical Services (EMS)	Finalized	Not Started	Not Started
Data Integrators	Client Review	Not Started	Not Started



### 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 Bank Reconciliation follow-up training with Tyler Technologies is scheduled for Thursday, December 14, 2023. However, considering the city's potential transition to a pooled cash fund system and ongoing reconciliation efforts to ensure accurate cash balances in our physical bank accounts, the ERP Consultants recommended revisiting and potentially rescheduling the training for greater effectiveness. Following discussions with the ERP Administrator, it has been proposed to proceed with the training session. However, there is a shift in focus from process training for the Bank Reconciliation Manager to reviewing the setup, necessary configurations, and best practices for implementing the Bank Reconciliation Manager functionality, particularly considering a potential transition to a pooled cash fund in the future. A decision on whether to proceed with this adjusted training approach will be confirmed with the ERP Administrator by Wednesday, 11/29/2023. The ERP team is actively reviewing the situation and will provide a final decision early in the week of 11/27/2023. This adaptation aims to ensure that the training aligns with our evolving needs and objectives, maximizing its value to the city staff.
- **Tyler Technologies Contract:** The ERP Consultants have initiated a query with Tyler Technologies to seek clarification on the potential application of the seven unused implementation days remaining from the original Tyler contract to additional Tyler Munis ERP modules, which the City has purchased but not yet utilized. The ERP Administrator followed up with Tyler Technologies regarding this request on Monday, November 20, 2023. In parallel, a comprehensive review of site reports from the original implementation of the Tyler Munis ERP with Hopewell has commenced. During this week, the team focused on analyzing the site reports related to Financial modules (e.g., General Ledger, Accounts Payable, Purchasing) and Revenue modules (e.g., Business License, Personal Property). Additionally, requests have been made to obtain all implementation site reports from past engagements with Tyler. The primary objective of this review is to identify critical decisions and evaluate best practice recommendations provided by Tyler during that period. This collective effort underscores our commitment to optimizing the Tyler Munis ERP system and aligning with best practices for future enhancements.
- **Meeting with ERP Administrator - Discussion Points/Activities**

## 1. ERP Module Removal

- The ERP Consultants collaborated with the ERP Administrator to outline the next steps for removing Tyler Munis ERP modules currently not in use.
- The ERP Administrator is working with the City's Account Representative at Tyler in the removal process of licenses associated with Executime Advanced Scheduling and Applicant Tracking. These will subsequently be replaced with licensing for a module not currently in the City's possession through a contract amendment with Tyler.
- The ERP Consultants have requested confirmation from the representative to ascertain whether the City already owns the necessary Tyler Munis ERP licensing for the Bid Management and Contract Management modules. If it is confirmed that the city does not possess these modules, a request will be made to replace the licensing for Executime Advanced Scheduling and Applicant Tracking with Bid Management and Contract Management.
- The ERP Administrator highlighted the need to reinstate eProcurement licensing, which was previously removed through an amendment with Tyler. This reinstatement should be considered in a future amendment with Tyler regarding module licensing.

## 2. Tyler PACE Program

- Engaged in discussions regarding the Tyler PACE program, during which it was established that the City currently has 11.5 days remaining for utilization until 6/30/2024, requiring a decision on their optimal allocation.
- ERP Administrator is planning to schedule two half-day sessions for the review of real estate billing and two half-day sessions for the review of collections processing (e.g., DMV Stop Fee, Collections, Debt). These sessions, once completed, will leave the City with 9.5 days remaining to allocate as needed.

## 3. Pooled Cash Fund and Future State of Reconciliation:

- Engaged in a high-level discussion with the ERP Administrator regarding the future state of bank reconciliation with the implementation of a pooled cash fund.
- The ERP Consultants demonstrated some of the setup options within the City's TEST environment and clarified the advantages of a pooled cash fund to ERP Administrator, particularly in the context of future bank reconciliation processes and the utilization of the Bank Reconciliation Manager functionality within the Tyler Munis ERP.
- The ERP Administrator reported that the City intends to implement and start utilizing the Interest Allocation functionality within the Tyler Munis ERP as part of the updates being made for reconciliation and pooled cash.

4. **Requests Following the Meeting:** After the meeting, ERP Consultants made some requests to the ERP Administrator, which are as follows:

- Remaining implementation site reports from all engagements with Tyler.
  - Recording of the Capital Assets training session conducted with Tyler on Thursday, 7/27/2023.
  - Contact Tyler Account Representative to request a quote and schedule a demonstration of the Employee Expense Reimbursement (EER) module within the Tyler Munis ERP.
  - Collaborate with the Treasurer's office to complete the mapping of the Munis GL investment accounts to physical bank accounts. This mapping will be carried out using the same workbook employed for cash account mapping, further aiding the remediation team in their ongoing reconciliation efforts.
- **Reconciliation Support:** Maintained ongoing support by generating a range of Accounts Receivable (AR) reports and conducting data extractions within the Tyler Munis ERP, all aimed at facilitating the reconciliation process.

- **Pooled Cash/Treasury Fund Test:** 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 (Ramonda/Russ), the Treasurer’s Office, and the ERP Administrator.

#### 1.4. RECONCILIATION STATUS

In the ongoing financial reconciliation process, the team has successfully completed the reconciliation of all years for accounts payable. During this week, the team started working on reconciling Fixed Asset, Debt Service, and Accrued Payroll accounts, demonstrating a commitment to ensuring accuracy and completeness in financial records. City payroll, Schools cash, and Schools payroll accounts is ongoing, with completion targeted for around December 1, 2023. To further facilitate the reconciliation process, additional analyses and reports are being developed. Below are the details of key activities performed:

- **City Master Account Analysis:** In ongoing efforts to enhance financial transparency and accuracy, the team continued its in-depth analysis of the City's Master account during this week. The analysis revealed inconsistencies in recording wire transfers from the Master account in the accounting systems. To address this issue, a meticulous comparison was made between the City's master bank account statements and the general ledger. The process involved a thorough matching of wire transfer amounts reported by the bank with corresponding entries in the general ledger. Any wire transfers found in the bank statement but not in the ledger were diligently noted as reconciling items. The team continued to work on making necessary adjustments to the records to ensure complete and accurate accounting.
- **Accounts Receivable Analysis:** The team has extracted Personal Property Tax Reports for Accounts Receivable Analysis, with the primary objective of gathering data for a comprehensive assessment of AR-related financial records.

- **Bank Statement Matrix Update:** The bank statement matrix has been updated. During this process, the team identified some previously missing accounts. To rectify these identifications, follow-up actions have been promptly initiated.
- **Open Document Request(s):** The team has requested from the Treasurer, a detailed narrative that includes the purpose of every bank and investment account maintained by the city. This information is essential to assist with reconciliation activities and ensure clarity in the city's financial management.

## 1.5. INDUSTRY ASSESSMENT STATUS

- **Wastewater Enterprise Accountant Report Review:** The team has diligently continued the review of submitted documents FY 2020, FY 2021. This ongoing review is critical for a thorough understanding of the financial operations.
- **Leachate Revenue Utilization:** There is an ongoing need for clarity regarding the use of excess Leachate revenues collected at the Regional Treatment Facility. The key question to be resolved is whether these revenues, which exceed the capital expenditures incurred, are confined to use within the Water Treatment operations or if they can be considered as unrestricted revenue available to the city. This issue requires prompt attention to determine the appropriate allocation and usage of these funds.
- **Report Layout Creation:** Efforts are ongoing to design the layout for the final report. Utilizing available information and incorporating placeholders for data yet to be received, this step remains crucial in preparing for the integration of all collected data into a comprehensive report.
- **Communication and Clarification:** The team has been in contact with the Enterprise Accountant to clarify certain document entries and is awaiting the receipt of FY 2022 & FY 2023 Wastewater reports, furthering the accuracy and understanding of the financial data.

## 2. INTERIM FINANCIAL DIRECTOR INSIGHTS

### Current Week

- Met with the treasurer team to clarify processes and identify areas for improvement.

- Worked on improving the cash flow models to optimize financial resource allocation.
- Held a meeting with the Interim RWF (Renewal Water Facility) Manager to address questions related to budgeting, billing, and related funds, enhancing alignment on financial matters.

### **Upcoming Week**

Next week's agenda includes the following activities for the Interim Financial Director:

- Continuing short and longer-term cash flow modeling.
- Following up on wires and assessing their impact on past budgets.
- Meeting with the City Manager (CM) to discuss the FY25 budget process and calendar.
- Preparing draft budget instructions for upcoming financial planning.

### **3. OBSERVATIONS AND INSIGHTS**

During the past week, no new issues have arisen, reflecting a period of consistent progress and effective project management. The team's primary focus remains on addressing and resolving previously identified issues. The ERP Consultants are actively working to resolve issues related to the Munis System, specifically those related to automating the calculation of interest on delinquent tax receivables and ensuring the application of DMV stop fees to all stops placed for delinquent Personal Property Tax. These topics will be required to be incorporated into the upcoming training session with Tyler Technologies. Additional details about these two identified issues and the corresponding actions being taken can be found in Table 4.

Significant efforts are ongoing to systematically address the 96 issues that have been identified, with a concerted effort to implement the recommended solutions.

The assessment of policies and procedures, enriched by departmental interviews and walkthroughs, plays a pivotal role in delineating departmental workflows. Presently, 21 of 23 narratives are finalized. 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.

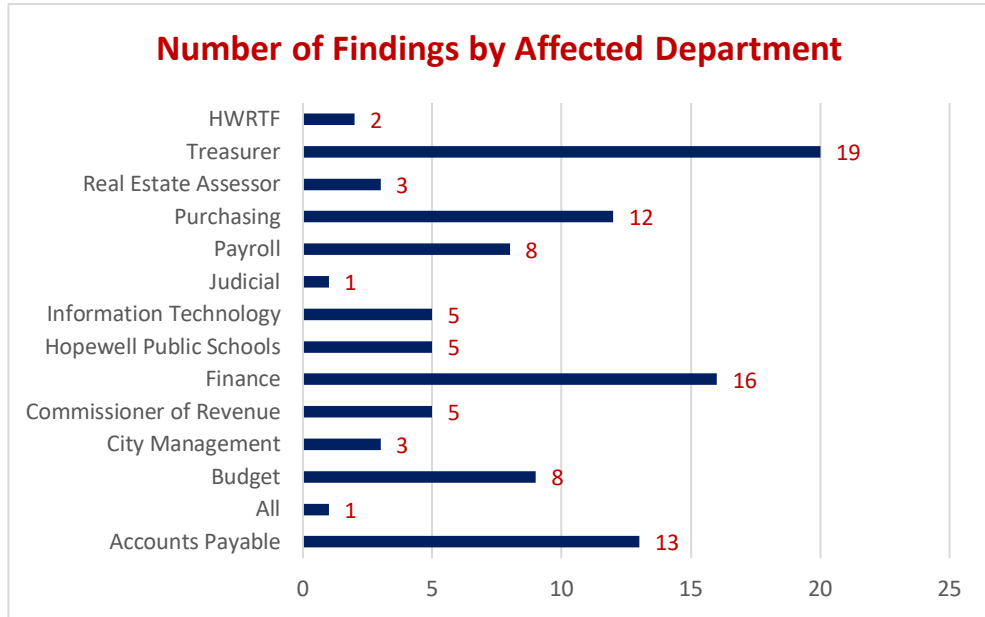
The table below offers a summarized breakdown of findings, enhancing visualization and organization. It's worth highlighting that 62 of the identified issues fall under the category of Policies/Procedures. As the Business Process Team continues its collaborative efforts with other project teams, we anticipate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

Table 3 - Summary of findings.

<b>Category</b>	<b>Count</b>
<b>People / Training</b>	<b>17</b>
<b>Policies / Procedures</b>	<b>62</b>
<b>Reconciliations</b>	<b>3</b>
<b>Internal Controls</b>	<b>14</b>
<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 2 - Findings by Affected Department.



\*\* HWRTF: Hopewell Wastewater Renewal Treatment Facility



Table 4 – Issues under Resolution, Impacted Department, and Next Actions.

Impacted Dept	Issue Detail	Recommendation	Status	Current State	Next Actions
Treasurer	Treasurer experienced Treasurer extended deadline for past due PPT to resolve Munis issues.	Work with Munis experts to resolve Munis issues.	On Going	Met with ERP Administrator on 11/21/2023 to understand what has been scheduled. There are 9.5 days remaining after the real estate billing and collections trainings that have been recently confirmed with Tyler. Per ERP Administrator the DMV stop fee functionality will be reviewed during the collections training with Tyler.	Confirmed DMV stop fee functionality to be reviewed during scheduled collections trainings with Tyler. ERP Consultant will plan to attend these meetings with Tyler and the City.
Treasurer	The Treasurer's Office is not relying on Munis to calculate interest on delinquent tax receivables. They are manually calculating interest and adjusting the interest calculation in Munis.	Munis should be designed to calculate the appropriate amount of interest on delinquent tax receivables.	On Going	Met with ERP Administrator on 11/21/2023 to understand what has been scheduled. There are 9.5 days remaining after the real estate billing and collections trainings that have been recently confirmed with Tyler.	Sent an email to ERP Administrator to note that we should request Tyler complete a review the process for calculating interest on delinquent tax receivables, during the collections processing training once it is scheduled through the Tyler PACE program.

#### 4. NEXT PERIOD ACTIONS

- **Plan for the Week of 11/27:** In the upcoming week, various teams will maintain their collaborative efforts, focusing on addressing immediate requirements and advancing the project's goals. The sections below outline the specific activities and tasks each team is set to perform.
- **Reconciliation Team:** In the upcoming week, the reconciliation team will continue to work on Fixed Asset, Debt Service, and Accrued Payroll accounts, with a strong commitment to financial accuracy and completeness. Concurrently, the team will continue their bank reconciliation efforts, diligently aligning all financial records for accuracy. Furthermore, the process of accumulating and documenting any unrecorded wire transfers or transactions in the City's Master Bank account will persist, enhancing financial transparency and precision.
- **ERP Consultants:** In the upcoming week, the ERP Consultants have key activities planned to further advance the City's Tyler Munis ERP system. The team will attend Tyler Technologies Training on Budget Entry and conduct a follow-up overview of Munis to address any additional questions and requests from the Interim Finance Director. Additionally, the ERP Consultants will continue their work on setting up and testing a pooled cash fund within the TEST database of the City's Tyler Munis ERP. In parallel, the team will continue working together with the reconciliation team to bolster the reconciliation process, with a task to conduct research on debt services report this week.
- **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, potentially three 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. Additionally, a meeting will be held to define clearly the next steps to Future State recommendations. Concurrently with that, the narrative of data integrator

will be finalized upon receive of the clients review and the review of the drafted SOP's will continue as well.

- **Industry Assessment:** In the forthcoming week, the team will persist in conducting reviews and making necessary adjustments to the report based on responses to requests. The waiting period for final reports will also continue to ensure alignment with expected standards.
- **Detailed Meetings:** The scheduled meetings for the upcoming week are detailed below.
  - 11/27/2023
    - Status Meeting
  - 11/28/2023
    - City Council Meeting

## 5. ISSUES PREVENTING PROGRESS

- Remaining reports from Wastewater Enterprise Accountant – lack of resources present to do both this and wastewater billing.
- Requirement for additional check registers from school to facilitate reconciliations for school bank accounts.
- Definition and description of types of Wires and other outflows from the Master cash account issued to be provided by Treasurer, to provide accurate reconciliation of bank accounts / Munis.