

Financial Management Software System Needs Assessment

1. For each of the indicators below, answer “yes” or “no” for your organization.
2. Count the number of “yes” answer and enter it into the score box.
3. Turn to the scoring sheet and use your score to determine if this might be a high, medium or low priority for your organization.

System	Indicators of Need/Readiness	Yes	No	Score
ERP/Accounting System	<ul style="list-style-type: none"> • Are you on QuickBooks and have a high percentage of restricted revenue that carries from year to year? • Are you utilizing all the dimensions/cost centers of your software but still feel you need further flexibility to properly track your data? • Are there “differentiators” unavailable in your system that would be beneficial to your financial management? • If you are on QuickBooks and feel you need new software, are you ready to spend thousands of dollars more per year to improve your accounting system? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Expense Management	<ul style="list-style-type: none"> • Are you chasing after receipts from purchasers? • Is it difficult to get correct coding from purchasers? • Does it take a lot of time to enter credit card/reimbursement expenses into the accounting system and/or is the time required delaying your monthly close? • Does it take a lot of time to reconcile credit card receipts with the statement? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Automated Check Writing	<ul style="list-style-type: none"> • Does it take a lot of time to enter invoices into the accounting system? • Does it take a lot of time to approve checks being cut? • Are you chasing signatures in order to get checks out the door? • Are you spending a lot of time and money on mailing checks? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	

Automated Accounts Receivable & Payments	<ul style="list-style-type: none"> • Does your business model (revenue model) require a significant amount of sending invoices and accepting payments? • Are you unable to produce and send invoices from your current accounting system, or is it not flexible enough for you? • Does it take a lot of time to enter accounts receivable and payments into your accounting system? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Payroll and Time & Attendance	<ul style="list-style-type: none"> • Is it difficult to get time sheets from employees? • Do you spend a lot of time hand-entering time into a time system or the payroll system? • Do you have a large number of employees working offsite or in remote offices, away from HR & Finance? • Do you need to track employee hours by program for grant reporting? • Are you manually tracking and recording time off accruals and use? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Fundraising: Paperless Auction	<ul style="list-style-type: none"> • Do you have stakeholders who don't attend events but might be interested in bidding on auction items? • Do you spend a lot of time at the end of events checking people out? 	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	
Banking: Cash Disbursements	<ul style="list-style-type: none"> • Have you had an issue with or are you concerned about check fraud? 	<input type="checkbox"/>	<input type="checkbox"/>	
Banking: Remote Deposit	<ul style="list-style-type: none"> • Are you concerned you are not able to deposit donor checks quickly enough? • Does it take significant staff time to travel to the bank for deposits? 	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	
Budgeting & Planning	<ul style="list-style-type: none"> • Are you concerned that, even with a complex template, excel does not allow you the flexibility you need in budgeting? • Are you looking for the ability to incorporate intricate scenario planning into your budget process? • Are you seeking more robust budget vs actual analysis? • Are you seeking to add or improve multi-year budgeting in your planning process? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	

Dashboard Software	<ul style="list-style-type: none"> • Are you seeking a visual way to report data to your board and other stakeholders? • Do you have multiple data systems you would like to pull data from for reporting? • Do you have an excel-based dashboard that you are not able to maintain or is not giving you what you need? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
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Financial Management Systems Needs Assessment Scoring Sheet

- ▶ Copy your score from the assessment sheet where it says “your score.”
- ▶ Based on the score, enter that system under the appropriate priority on the last page of this handout.

System	Your Score	Scoring Analysis	Explanation
ERP/ Accounting System		0: Low Priority	Your system is working well.
		1-3: Medium Priority	It looks like your system is not doing everything it needs to do, and it might be worth looking at other systems. Don't forget to first ensure you're maximizing everything your system does, as it's a lot of work to change ERP systems.
		4: High Priority	It looks like your system has a number of deficiencies as it relates to your needs and it is worth looking at other systems. Don't forget to first ensure you're maximizing everything your system does, as it's a lot of work to change ERP systems.
Expense Management		0-1: Low Priority	Your systems are working well, and the cost may outweigh the benefits.
		2-3: Medium Priority	You have a number of inefficiencies which could be improved with a relatively low-cost implementation of expense management.
		4: High Priority	Your purchasing processes could be significantly improved through the implementation of expense management.

Automated Check Writing	0-1: Low Priority	Your systems are working well, and the cost may outweigh the benefits.
	2-3: Medium Priority	You have a number of inefficiencies which could be improved with a relatively low-cost implementation of automated check writing.
	4: High Priority	Your purchasing processes could be significantly improved through the implementation of automated check writing.
Automated Accounts Receivable & Payments	0: Low Priority	Your AR system is working well, or billing is not a big part of your revenue model.
	1-2: Medium Priority	You have a number of inefficiencies which could be improved with a relatively low-cost implementation of automated invoicing and payments.
	3: High Priority	Your billing processes could be significantly improved through the implementation of automated billing and payments.
Payroll and Time & Attendance	0-1: Low Priority	Your systems are working well, and the cost may outweigh the benefits.
	2-4: Medium Priority	The time it takes to manage time sheets and payroll could be improved with the implementation of new technology in your HR and payroll processes.
	5: High Priority	Like many organizations, inefficiencies in time & attendance and payroll are likely one of the largest uses of Finance & HR staff time and could be significantly improved through the implementation of new technology in your HR and payroll processes.
Fundraising: Paperless Auction	0: Low Priority	Either you don't have an auction or yours is working well.
	1: Medium Priority	You could see gains in both efficiency and revenue from implementing auction software, although there may be other priorities that are more pressing.
	2: High Priority	You could see gains in both efficiency and revenue from implementing auction software which will likely outweigh the costs.
Banking: Cash Disbursements	0: Medium Priority	Even if you are not concerned about check fraud, positive pay is a low-cost solution with significant gains and is worth investigating.
	1: High Priority	Positive pay is a low-cost solution with significant gains which you should pursue.

Banking: Remote Deposit	0: Low Priority	Your deposit procedures are working well.
	1: Medium Priority	Remote deposit is a low-cost solution with significant gains and is worth investigating.
	2: High Priority	Remote deposit is a low-cost solution with significant gains which you should pursue.
Budgeting & Planning	0-1: Low Priority	The significant cost of planning software likely outweighs the benefits.
	2-3: Medium Priority	Planning software would likely improve your ability to plan but, due to costliness, should be weighed with other technology solutions.
	4: High Priority	Despite its cost, it seems planning software could benefit you in your planning and analysis function.
Dashboard Software	0: Low Priority	You already have a dashboard or are happy with your reporting.
	1-2: Medium Priority	Dashboard reporting could improve your reporting and is worth investigating, if you cannot do what you need with excel.
	3: High Priority	It seems likely the cost of dashboard software would be worthwhile for your organization.

About BDO

BDO's Nonprofit and Grantmaker Advisory Practice exists to build a community of individuals with the confidence and skills to lead organizations that change the world.

As of 2021, FMA has become a part of BDO USA. With this new relationship, we augment FMA's empathetic approach to meeting clients where they are with the significantly broader range of accounting, advisory and consultative services for which BDO USA is known.

BDO's Nonprofit and Grantmaker Advisory Practice provides expert fiscal management staff and capacity-building technical assistance, including organizational consultation and training, using an approach tailored to individual organizations and their specific needs. The group serves nonprofit organizations and funders, empowering them to effectively manage their resources, improve operations, and position themselves for stable, long-term growth.

The following is an outline of services that BDO can provide:

Our Services	
Fiscal Infrastructure Review	Assistance with developing the internal fiscal staffing, systems and processes to support the financial complexity of your programs and operations.
Financial Advisory Services	Support to your organization's leaders in understanding and making decisions on critical financial issues, including business modeling, budgeting, cash management, creating dashboards, and strategic planning.
Internal Controls Consulting	Assistance with defining staff roles and responsibilities to ensure internal controls that protect your organization's resources and meet contemporary auditing standards. We can also work with you to document this control structure in a customized fiscal policies and procedures manual.
Accounting System Implementation	Designing, installing, and training on the most widely used accounting software programs available for nonprofit organizations.
HR Consulting	Help with minimizing risk by ensuring policies, documents and practices are compliant with government regulations, create efficiencies by implementing best practices through available technology and achieve excellence by hiring and retaining top quality fiscal staff.
Outsourced Fiscal Management Services	Management of the full range of your organization's accounting and financial management tasks on an outsourced basis, including providing support for the annual financial audit.