

SAGE MIP FUND ACCOUNTING

CUSTOMER SUCCESS STORY

CUSTOMER

Town of Groton

INDUSTRY

City Government

LOCATION

Groton, Massachusetts

Number of Locations

One

Number of Employees

180 full- and part-time

SYSTEM

Sage MIP Fund Accounting

Modules in Operation

- Accounts Payable
- Bank Reconciliation
- Budget
- Data Import/Export
- Encumbrances
- GASB Reporting
- General Ledger

Town of Groton Goes Modern With Sage MIP Fund Accounting

The Town of Groton, Massachusetts, is best known for being home to two prestigious private boarding schools: Groton School and Lawrence Academy. The town has a proud history dating back to 1655, when it evolved from trading post to formal settlement.

Perhaps Groton's penchant for history explains why it relied on an old-fashioned green-paper ledger system for so long. It wasn't until the end of 2002 that the town decided to move away from its enormous ledgers, hundreds of pages thick. "The old books were really beautiful, with manual entries in tidy handwriting," says Valerie Jenkins, town accountant. "But it was almost impossible to generate usable information from them."

Getting More for Less

The town issued a request for proposals for an accounting system, and received expensive bids from local custom providers. Jenkins had a better idea. She had used Peachtree by Sage at a previous position, and contacted Sage Software, who pointed



her to Sage MIP Fund Accounting. "We had bids for home-grown systems that cost five times more than Sage MIP Fund Accounting, and did less," says Jenkins. "Guess which one we picked?"

Groton transferred all of its manual processes to Sage MIP Fund Accounting, and now uses the software for everything from balancing the budget to writing checks. The system easily manages the town's general fund for overall operations, plus more than 40 gift funds and several dozen grants, including revolving funds that can only be used for specific purposes such as recreation.

CHALLENGE

Manual ledger system on green bar paper was time-consuming, and prevented historical searches and detailed reporting, crucial for maintaining the town's various fund accounts

SOLUTION

Sage MIP Fund Accounting with suite of accounting modules to automate all aspects of financial management

RESULTS

Data entry time cut in half; closing time cut by 25%; new system eliminated errors and "miles" of calculator tape

*“Other towns in Massachusetts—
and the rest of the country—
would do well to follow our
lead and adopt Sage MIP
Fund Accounting.”*

—Valerie Jenkins
Town Accountant
Town of Groton, Massachusetts

ABOUT SAGE SOFTWARE

Sage Software has been responding to the needs, challenges, and dreams of small and mid-sized businesses for over 25 years. With a complete range of business management solutions and services, Sage Software helps companies improve customer relationships, reduce costs, and automate and integrate a variety of operational activities. Its solutions support the specialty needs of a broad scope of industry segments, including manufacturing, distribution, construction, real estate, nonprofit, and professional services.



Budget Accountability

“In Massachusetts, it is illegal to exceed your appropriated budget, even by a penny,” explains Jenkins. “When I enter figures into the budget, they are fixed in stone. The only way to change a line item is by vote at a town meeting. So we use the budget module in Sage MIP Fund Accounting as a financial management tool to check how we’re doing, and I developed a series of budget reports, based on models provided with the software. We print budget-to-actual reports on a bi-monthly basis for each of our budget items, including \$10 million in trust funds, plus a truncated version of the balance sheet every month. This notifies everyone how much money came in, and how it is actually being spent.”

The budget module is also used for trend analysis, since Groton does not perform much forecasting. Similarly, the town uses its budget tool to create retroactive views of how funds were spent in previous years. “It’s handy for letting people make comparisons, and also to highlight areas where funds are being either under- or over-spent,” Jenkins notes.

“Miles of Tape”

Automated accounting has made life easier for Jenkins and her colleagues. “Sage MIP Fund Accounting has definitely cut my workload. Before it was up and running, I used a pen to manually enter each warrant. Then, I added up totals on each page with a tape calculator. I had miles of tape all over my desk. Not any longer!” she says.

“Also, now anybody can make an entry and it goes directly to the general ledger. I simply pull a trial balance report. Sage MIP Fund Accounting has literally cut data entry time in half, and also reduced closing time by 25 percent.”

Accuracy and Detail

Equally as important as time savings has been eliminating chances for error. “Before, there were three separate opportunities for transposing numbers on each transaction,” says Jenkins. “The treasurer and I met once a month to determine why her bank account didn’t match my manual entries. Now with direct entries to the general ledger, I just proof everything at the end of the month and the numbers are usually good.

“Another thing we like about Sage MIP Fund Accounting is the way that various departments can view reports and ledger entries without editing the data,” she continues. “This simultaneously improves accessibility and maintains accuracy. Plus, we now have detailed entries instead of just nets or totals. This is the right way to run an organization, as it provides better accountability.”

Professional training and strong service from its Sage Software business partner have contributed to Groton’s satisfaction. “They make learning fun, and provide personalized customer support. They’re a shining star,” comments Jenkins.

The Town of Groton’s positive results have made Jenkins quick to recommend Sage MIP Fund Accounting to other city governments. “We were the first municipality in Massachusetts to adopt a national-type accounting solution, rather than a locally developed custom system. Other towns in Massachusetts—and the rest of the country—would do well to follow our lead and adopt Sage MIP Fund Accounting.”



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5MIP100 06/06 06-3944/0606