

**A Technical Report on
Municipal Accounting
&
Information Systems**

**July 2003
Revised and Expanded**

**Summary of research conducted by the
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Introduction

Small municipalities face a number of challenges in today's economy. Nowhere are budgets as tight as in rural communities with limited resources. Everything seems to cost more, but revenues do not keep pace. Needs frequently outstrip resources, but the functions of managing a budget and being a good steward of the public's finances are the same everywhere. At the heart of every municipal budget is an accounting system that helps mayors and department managers do their jobs.

Selecting accounting software is not an easy task. According to articles in *The CPA Journal* and the *Journal of Accountancy*, there are at least 200 different accounting packages available in the software market, not counting the many consulting firms that might provide customized programming. In 1995, a comparative study of 15 accounting software packages published by the *Journal of Accountancy* took 80 students at the University of Texas at Arlington a full year to complete. That study required the students to contact software vendors several times to confirm information about specific features, documentation, and software performance.¹ At the request of some local officials, the John C. Stennis Institute undertook a Survey of Municipal Accounting Systems in 2003.

State leaders have already recognized the need for a comprehensive approach to information technology in establishing the Task Force on Local Government Information Systems with House Bill 992. While this study does not focus on specific software capabilities like the one undertaken at the University of Texas at Arlington, the survey results and a review of the literature on accounting software selection may provide officials with a better understanding of the options available to municipal governments and the challenges that lie ahead.

Accounting Software Basics

There is no such thing as *the best* accounting software, but there are several that might fit a municipality's specific needs. The goal is matching software needs to a particular user or set of requirements. To the extent that Mississippi municipalities share charts of accounts and functional needs, there may be ample opportunity for a software application to be well suited for the typical range of functions these entities require. There are a lot of options to consider, but as one expert put it, "A sure way to become lost in the accounting software maze is to become preoccupied with the latest technological bells and whistles. Comparing a system's features with the results of a business-needs analysis will lead to a better choice."² The Mississippi Department of Information Technology Services can help provide this kind of analysis.

It is no secret that technology is improving rapidly. Just keeping up with the changes can be a full-time job. In fact, some writers have pointed out that the latest information on accounting software is often obsolete almost as soon as it is published.³ Fortunately, the boom in technology has also brought the price of computer equipment down dramatically over the past decade. The speed and storage capacity of today's desktop computers are hundreds or thousands of times greater than they were just ten years ago. An extremely capable desktop computer can be purchased for less than \$1,000. Unfortunately, software prices have not fallen as sharply. And many new versions of the latest software require the latest hardware and operating systems to

function correctly. The compatibility of equipment and operating systems are just a few factors to take into consideration when selecting accounting software for a municipality, there are many other factors to consider as well.

Software Capabilities: The single most important question that needs to be resolved before deciding on an accounting software package is identifying the functions that it needs to perform, and making a list of those specifications. Once that step is complete, then it is time to compare the specifications with what is available in the market. Some software packages may be able to perform specific functions a municipality needs, others may not. Business oriented software offer a lot of features governments do not need and neglect some that they do. In comparing software, some caution is advised. Beware of judging software by the material that vendors send. As one expert points out, “Some of the best products take a minimalist approach to product literature.”⁴ If a specific software package looks promising, it is important to see how much customization is required to meet the desired requirements.

What Do Accounting Software Buyers Need?

This is not as straightforward as it might seem. There are many enticing software options that can tempt buyers if they have not thought this question through. On the other hand, it is important to think ahead to features buyers might want to add in the future. For example, does the buyer want the software to handle property, inventory, depreciation schedules (to be compliant with GASB 34), and water and sewer billing? How about payroll? Is that a feature to be integrated? Will courts need to issue warrants with amounts printed? Does the buyer want bar-code technology as part of the system for property management? Will they want to connect to their utility billing to a GIS system for dispatching repair crews? Can the software handle fund accounting? And these are just a few of the questions to be asked.

- **How many simultaneous users will use the software?**

Some vendors sell their software by the seat, sometimes in batches of no less than five or ten seats. Usually, the more seats, the lower the cost per seat. If two or more cities combine an order, it might be possible to lower the per-seat cost.

- **What reports, statements, and security features are needed?**

Software packages are often sold in pieces or modules. The more features or modules, the more expensive the software package will be. Again, focusing on specific needs may help identify the modules that are most beneficial versus those that are least beneficial.

- **How many years of data will users need to access?**

This question is often overlooked. When preparing a budget it is very useful to examine prior years. Having that information available in the same software that is preparing the new budget can save a lot of time. Sometimes the information resides in an old computer or software, sometimes referred to as a “legacy system.” The ability of the new software to access legacy data is very important.

- **How are data secured and backed up?**

Data security and backups are closely related, but different issues. Losing financial data is a nightmare for any organization, but it is especially problematic for a government entity. Understanding how the data are stored and how they can be protected is vital. In addition to making sure that the data are securely saved and copies made in case of disaster, there are various controls that software packages offer to prevent abuse or unauthorized use. For more secure systems, there are additional costs to consider as well.

- **Several other functional capabilities should not be forgotten:**

- **Graphics:** As the saying goes “a picture is worth a thousand words.” Buyers should be sure that the software has the capacity to convert numbers into graphs, such as pie, line, and area charts.
- **Pivot Table:** This allows users to shift rows to columns and vice versa. Being able to do this makes transporting data or making charts in other programs much easier. It eliminates the need to enter the data again in a different layout.
- **Hotlinking/Exporting:** Being able to drop data into Lotus 1-2-3 or Microsoft Excel can be very important. This feature, also known as an “export” utility eliminates a lot of cut-and-paste steps. It also makes transferring data from one accounting software to another much easier if migration to a new or different software is required.
- **Event-triggered Reporting:** Many accounting software products alert users to certain conditions. Budget thresholds or ratios between expended and budgeted amounts might trigger a message or report.
- **Add-ins:** Sometimes the original software does not contain all of the desired features. It may be possible for an add-on or supplementary software to handle the job. As J. Carlton Collins notes, many accounting software products rely on one of two third-party products that help with reporting – FRx and Crystal Reports. Collins adds that, “Over the years, I have encountered many clients who thought they had to replace their accounting software because of inadequate financial reporting. A number of them, however, resolved that problem simply by adding FRx and Crystal Reports.”⁵

The exact specifications for software will depend on the needs of the users, including the consumers of the reports, graphs, and other outputs. Sage advice from one group of experts recommends that the entity form a committee that represents the primary interests of the users, while others even recommend as many as ten “action steps,” including writing a computerization plan.⁶ On the other hand, there are some who have found that it is important to be flexible in procuring and evaluating software— taking a look at what is available, then going back to the drawing board to write specifications.⁷ Going back and forth between specifications and products may take some time. This is where a request for information (RFI) can be most useful. It is important to remember that additional modules or customization will cost more.

Whatever method buyers choose, it is essential that all employees who have contact with the accounting system be represented, including anyone with purchasing, budgeting, posting and reporting responsibilities. Sometimes a municipality will have a system written specifically for them. This is usually quite expensive relative to systems that are available off-the-shelf. Except for larger municipalities, this is probably not an option. However, there are examples of many municipalities getting together to write an accounting software package that they all use.

In Minnesota, city and town accounting software (CTAS) was created at the request of two local government associations, one representing cities and the other townships. David Kazeck, with the Office of the State Auditor in Minnesota programmed the first four versions using DBASE, as part of his work with the Office of the State Auditor (OSA). According to Mr. Kazeck, a consultant using Access and Visual Basic programmed the Windows version, while representatives of the associations served on advisory committees that provided input and tested the software.

According to Mr. Kazeck, “The first version of CTAS was issued in 1989 for use in 1990. CTAS is a cash basis fund accounting system. It does not record the asset, liability and fund equity accounts. The Office of the State Auditor's recommended Chart of Accounts is the account numbers required to be used with CTAS. The system is designed for the accounting and reporting requirements in the state of Minnesota. However, the chart of accounts is modeled after the one issued by the GFOA. This allows the local units the flexibility to be as detailed as necessary.” Mr. Kazeck estimates that the cost of writing and producing the five version of the software was approximately \$300,000, including \$130,000 for re-programming the system from a DOS version to a Windows version. Over 700 entities currently use the software, which sells for \$250. “This includes an accounting module, payroll module, and an investment module. There are no other modules available. Also included in the price is the telephone support and one day of training.”⁸

Software Price: Comparing prices might sound simple, but it is probably the most complicated software issue because of the many variations in pricing schemes. Software companies have not standardized pricing. Comparing software or application service providers is like comparing applesauce to orange juice; as one expert put it, “If you’ve seen one, you’ve seen one.”⁹ In Minnesota, the accounting software was written for cities that do not have courts, so any comparison would need to take that into account. Each option needs to be researched thoroughly because there is a great potential for surprises later on if some questions are not answered up front.¹⁰ Some prices are for purchasing the software. In those cases, the purchaser owns it. Other companies will license software for a specified time period, in essence a lease. More complex arrangements include application service providers (ASP), who generally offer software on-line. If it is purchased, the buyer may get support for a specified time, and a break on upgrades later on. With a lease, the customer may get continual upgrades at no additional cost, or at a minimal charge. Add-ons and other customized features usually cost extra, in some cases a lot more. In any case, it is worth reading the fine print and asking questions about the cost of changes that might be made later.¹¹ Nevertheless, there are a few basic questions that should be asked when comparing software prices:

- **Cost per Seat:** Some sellers charge by the number of seats or users. Usually the more seats, the lower the cost per seat. Some companies have a minimum number of seats per license, say five, while the cost per seat goes down at certain intervals, such as ten, fifteen, etc. It is not uncommon for the cost per seat to be more than the cost of the computer. Some ASPs ask their clients to sign confidentiality agreements so that they will not disclose pricing.¹² Fortunately, municipal expenditures are public information and can be verified. For smaller entities, software provided by ASPs is generally recommended because the provider is responsible for keeping the software current.¹³
- **Life Cycle Costs:** How long is the license or purchase likely to last? In other words, when will the software need to be replaced? In general, software vendors will support their products for three to five years.
- **Migration Costs:** If the customer is moving from one software or operating system to another, they should expect to have some cost associated with moving information from one software to another. This cost might be extra staff time or programming cost, depending on what the data is being transferred to and from. Allowing for time is essential. Converting from one software to another requires very careful planning.¹⁴
- **Training Cost:** Too often decisions about software purchases are made exclusively by people who will not be using the software. Training costs may run almost as high as the purchase price of the software. Relatively simple software training courses can be \$200 to \$300 per day for some of the more popular software applications. More complex courses may run into the thousands of dollars for certified training programs. These costs cannot be ignored or avoided. It is important to compare prices here too. For \$150 per person per year, local government employees in Mississippi can participate in the State's contract with MindLeaders[®], which provides access to over 800 courses, including many certification courses for leading software programs for many computer applications (See <http://www.its.state.ms.us/its/itsweb.nsf/Mindleaders?OpenForm> for more details.).
- **Support costs:** Last, but certainly not least is the cost of support. Without good technical support even the best software may not be a bargain. While Windows has made navigation relatively intuitive, some users may get lost in unfamiliar routines or complex systems. Even the most savvy user may forget how to do some operations that are not done frequently. It is not wise to count on the manual for all the answers. As with everything else, the packages are not usually comparable. Some include a year or two of support in the purchase price, others might even charge by the call. Quality is important. The success or failure of the system may depend on timely access to reliable and helpful answers to questions about problems using the software. It would be advisable to check the Internet or colleagues about the quality of support. Sometimes there are user groups who share tips and software fixes on websites or via email.

Price is not everything. Service after installation can be even more critical. Writing in the *CPA Journal*, Jack Wicks recommends that buyers gather at least ten options and narrow that down to two or three options. Once they have narrowed the selection to two or three options, identify the

information that they need to make a decision and ask the vendor for it—and give the vendor one chance to answer, it is an indication of how the company operates.¹⁵

Responsiveness after the sale may be less than it was before the sale, so buyers beware. Without the dependability, training, and necessary features, the software may not be worth the cost. Customers finding bargain-basement prices may get what they pay for and little more. On the other hand, some very large, very expensive systems sometimes fail to meet user expectations as well. Two-year colleges in North Carolina spent \$51 million for an accounting system that failed to meet state government requirements.¹⁶ On November 22, 1999, seven presidents of the Big Ten universities wrote an open letter to the president and CEO of PeopleSoft Corporation complaining about the performance of that software. The letter was later published in the *Chronicle of Higher Education*. Clearly, there are some examples of what to avoid. Any reputable company will provide a fully functional trial version to use for a short period of time, either free or at a minimal charge.¹⁷ Buyers should try it on existing computers first; however, older computers and operating systems may not work very well with new software. For this reason, it is critical that they identify what their requirements are, independent of any particular computer system. Also, it might be useful to make two lists: one for wants and one for needs because many software options are sold as modules. The more modules purchased, the higher the cost. Some vendors may consider additional modules as a form of customization, so the same principle holds: more customization, the higher the price. Hardware costs can also increase with the addition of more features or modules.

Writing for the International City/County Management Association, Roscoe Sandlin notes that if the hardware is less than five years old owners might want to keep it. If it is more than five years old, they might consider replacing it when selecting software, but the software decision should come first.¹⁸ If an RFI or an RFP is issued with the hardware already specified, it may result in fewer responses and more limited options than if it is not specified. Using the strategy of deciding the software first ensures compatibility and prevents finger pointing about compatibility later on. Likewise, it is advisable to ask whether an application service provider (previously termed ASP) relies on an outside partner to deliver services.¹⁹

Key Features to Consider

Besides the obvious accounting needs to provide an audit trail and a record of transactions, there are several other considerations in selecting accounting software. Some of the most important have to do with controls. Unless there is a single user with a password, the system should record who accesses the program and when.

Program Controls: This deters users from making unauthorized changes to the software and is only possible if the software is written in a compiler-based language that is not editable by the user(s). Software that is not written in a compiler-based language relies on the ignorance of the user to prevent unauthorized changes.²⁰ Without this feature, the system could be vulnerable to being changed, either accidentally, or on purpose. Neither of which is good.

Input Controls: There are a wide variety of input controls for accounting systems. For example, passwords help protect against unauthorized entries; however, even beginners can find

information files that are saved in ASCII (American Standard Code for Information Interchange; the basis of character sets used in almost all present-day computers). These files can be changed or corrupted without getting into any of the accounting programs themselves, merely by using the operating system. Some accounting software provide enhanced security that allows some people to make changes to the entries, while others can only view the information.²¹ So, one of the key questions in selecting software is to determine whether the database is protected.

Another type of input control deals with limits on what can be entered and how. Some software will allow any amounts to be posted to any account and/or vendor. Controls known as “edit controls” can limit the kind of entries that can be made, requiring numbers only, verifying valid account numbers, vendors, etc. These “code checks” limit the number of possible mistakes that can be made in posting transactions. Some software allow the users to set up code checks, others require the vendor or vendor support staff to do the work. Sometimes software will have code checks in one place, but not in another. Such inconsistency within a software package is not uncommon, but is generally undesirable.²²

Municipal Accounting & Information Systems

In January 2003, the John C. Stennis Institute sent 297 Mississippi municipal clerks a survey to find out what kind of accounting software they were using, what they spent on accounting software in Fiscal Year 2002 and some information about their use of support and Internet usage. Some of the key results are summarized below:

- Survey responses were received by 173 of 297 municipalities surveyed (58%).
- FY 2002 expenditures for accounting software totaled \$749,976 statewide.
- Software is used in 86% of respondents; of those 12% use more than one.
- Those with software expenditures in FY 2002 ranged from \$75 to \$55,601.
- Software market shares range from less than one percent to 45%.
- Just over 90% of 148 respondents with software have Internet access.
- Almost one-third of municipalities without software have Internet access.

Complete results of the survey are provided in Appendix I.

Technical Support

One of the most important findings of the survey was the frequency of using technical support. As one might expect, technical support calls were relatively frequent. Service after the sale is extremely important in the software market. Even with programs written in-house or by consultants with users, support for the software is critical.

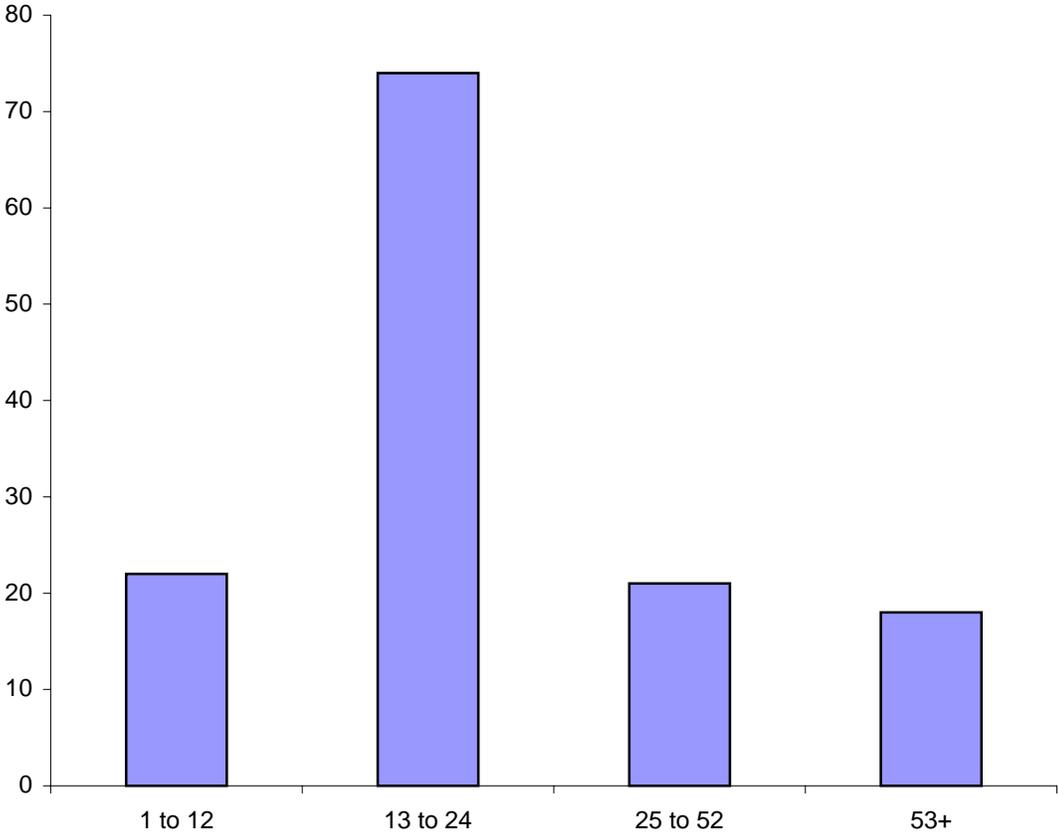
According to David Kazeck, with the Office of the State Auditor in Minnesota, “Two people serve as the main support personnel. The support of CTAS is just a part of their duties. We do not have anyone dedicated to supporting CTAS full-time.”²³

More than half of the software users called technical support at least once a month or more. As many experts have noted, the reliability and usefulness of technical support is a key factor to consider in selecting accounting software. As Figure 1 indicates, this is an important part of using accounting software.

FIGURE 1

Frequency of Tech Support Calls

How many times have you called technical support for your software in the past year?

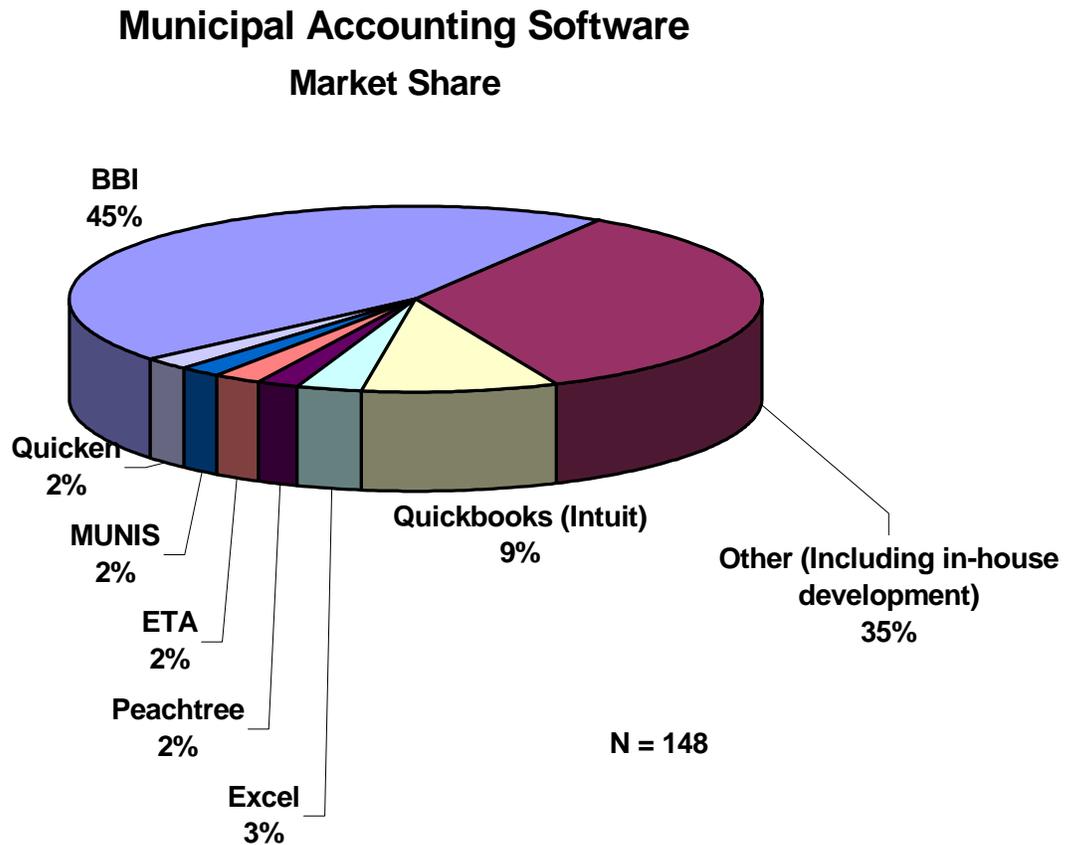


N = 135

One should use caution in interpreting this information. Technical assistance calls may be driven by a number of factors and should not be considered as a negative. In fact, very complex systems may have many calls, but no software problems. Others may have significant bugs, but few calls. In either case, the ability to get someone with an answer to the question is crucial.

Figure 2 shows a breakout of the accounting software used by municipalities in Mississippi. Currently, off-the-shelf software packages that are available from multiple vendors or resellers, account for less than 20 percent of the reported software used.

FIGURE 2

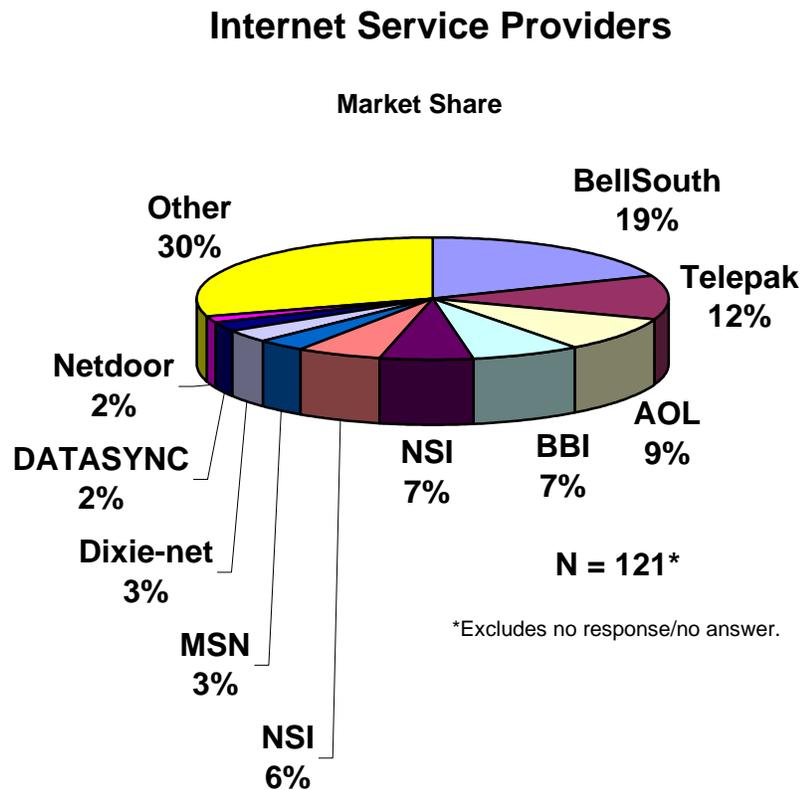


Internet Service Providers

Access to the Internet is growing throughout the state. According to the Federal Communications Commission, as of December 31, 2002, there are 13 Internet service providers (ISPs) of high-speed lines in Mississippi. Five of these providers of Internet services via coaxial cable and six not using DSL or cable (may be wireless, optical fiber, satellite, or terrestrial fixed wireless systems).²⁴ Having access to the Internet opens avenues for software upgrades, on-line training and technical assistance.

Figure 3 displays providers municipalities currently use. Of those municipalities responding, 143 reported having Internet connections. Almost a third of the 25 municipalities responding who do not have accounting software have Internet access.

FIGURE 3



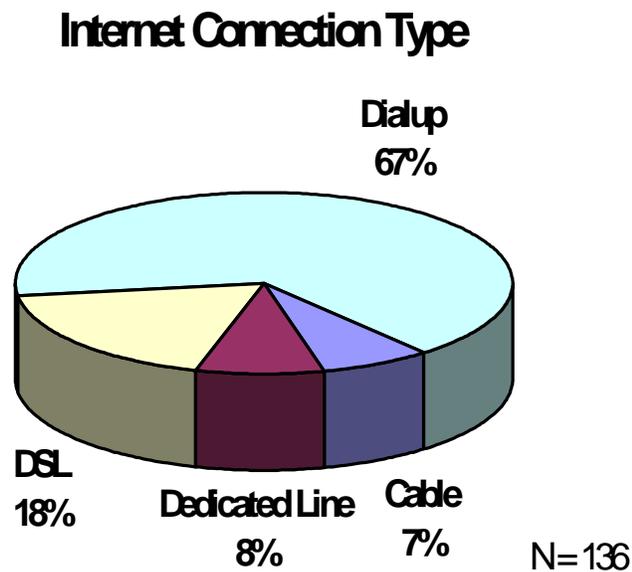
Internet Speed

Many Internet users in Mississippi are limited by the relatively slow connection speeds of many ISPs; however, high-speed service, which is generally called “broadband” Internet access is spreading rapidly. High-speed services allow large data sets, images, or other types of content such as audio and video content to be transmitted at almost real-time speeds. For software users,

this means that they could download new versions, upload and backup data to servers. Some major companies offering broadband services to not serve large areas of rural Mississippi, limiting the choice of many municipal consumers as well. As a result, most of the State's municipalities are still using dial-up connections, which are usually limited to 56K. Broadband connections are usually a bit more expensive than dial-up connections, but the prices have been falling over the past couple years and availability is expanding to areas not previously served. Wireless technology and even Internet over power lines may render old technologies obsolete.²⁵

Figure 4 shows the types of connections currently being used by Mississippi municipalities. As one might expect, two-thirds of the municipalities reporting access indicated having dial-up connections instead of faster cable or DSL lines ("dedicated" lines may be T1 or T3 connections, the survey question did not discriminate between these other types).

FIGURE 4



PEER Report and House Bill No. 992

As mentioned above, state leaders have recognized the need for a systematic analysis of local government information systems and have begun efforts in this area. House Bill No. 992 (2003 Regular Session) creates a Task Force on Local Government Information Systems to provide a report to the Mississippi Department of Information Technology Services (ITS) by October 1, 2003.²⁶ Based on the Joint Committee on Performance Evaluation and Expenditure Review (PEER) Report #430, the purpose of the task force will be to describe the current condition of information technology services available, recommend hardware and software needs to create user-friendly, uniform systems for public access, and make recommendations or comments regarding compatibility and economy of systems being developed in local governments and the Secretary of State's office.²⁷

House Bill 992 also directs ITS to provide a report on its recommendations regarding legislation to the Legislature by December 15, 2003. Over the next few months, the task force will be working on recommendations. See Appendix II and III for additional details.

In the meantime, municipalities considering the purchase of an accounting system might consider consulting services provided by ITS. They may be contacted at (601) 576-HELP (576-4357). Their website at www.its.state.ms.us provides additional procurement information. A summary and copy of PEER Report #430 can be found at <http://www.peer.state.ms.us/430.html>.

Endnotes

¹ Harley M. Courtney and Cheryl L. Flippen. "A Shopper's Guide to Accounting Software: Fifteen leading high-end packages for PCs are examined." *Journal of Accountancy*, Volume 179:2, February 1995, p. 37+.

² Tim Mattingly. "How to select accounting software." *The CPA Journal*, Vol. 71:11, (2001), p. 48.

³ Harley M. Courtney, Cheryl L. Prachyl, Terryann Glandon. "Guide to accounting software: the pluses and minuses of nine leading mid-price-range products." *Journal of Accountancy*, 185(3), 44+. Retrieved June 17, 2003, from Questia database, <http://www.questia.com>

⁴ Jack Wicks. "Choosing the best software." *The CPA Journal*, Volume 64:7, p. 74.

⁵ J. Carlton Collins, "How to Select the Right Accounting Software, First of a Three-Part Series." *Journal of Accountancy*. Vol.188, August 1999, p 67.

⁶ Anthony Basile, Louis J. Papa, and Randy Johnston, "Leading low-end accounting software," *The CPA Journal* 72, no. 8 (2002), p.40; Wicks, p 74.

⁷ Neil A.M. Maiden, Cornelious Ncube and Andrew Moore. "Lessons learned during requirement acquisition for COTS system." *Communications of the Association for Computing Machinery*. Vol. 40:12 (December 1997), p. 21.

⁸ Email from David Kazeck to Joe Adams, May 15, 2003.

⁹ Sari Kalin, p.1.

¹⁰ Wicks, p. 74.

¹¹ Sari Kalin, "The Price is Right-or Is It?" *Spin Cycle* (October 2000) Retrieved May 15, 2003, (<http://www.darwingmag.com/read/100100/spin.html>)

¹² Ibid.

¹³ Basile, et al., p. 40.

¹⁴ Richard Currier. "Why you must factor in time when selecting software." *Financial Executive*. Volume 13:5, Sept-Oct 1997, p. 37.

¹⁵ Wicks, p. 74

¹⁶ Florence Olson, "2-Year Colleges in N.C. Use Accounting Software Incompatible With State Rules." *Chronicle of Higher Education*. May 16, 2003, Vol. 49 Issue 36, pA37, 1/2p.

¹⁷ Wicks, p 74; Anthony J. Gambin and Joel G. Siegel. "Software for Accountants." *National Public Accountant* June 1997, p12.

¹⁸ Roscoe Sandlin. "Purchasing an information system: application software," *Government Finance Review*, April 1997, Volume 13, n2, p. 60(2).

¹⁹ Kalin, "The Price is Right."

²⁰ Courtney, et al. "Guide to accounting software." p. 52.

²¹ Brian Clark, "Choosing flexible off-the-shelf accounting software." *The CPA Journal*, Volume 63:11, p.88.

²² Ibid, p. 54.

²³ Email from David Kazeck to Joe Adams, May 15, 2003.

²⁴ Federal Communications Commission, "High-Speed Services for Internet Access: Status as of December 31, 2002," Industry Analysis and Technology Division Wireline Competition Bureau, June 2003, Table 6. Retrieved June 15, 2003, from FCC website, http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/hspd0603.pdf

²⁵ Roy Mark. "Broadband Over Power Lines: The FCC plugs in," April 23, 2003 Retrieved May 5, 2003 from dc.internet.com/news/article.php/2195621

²⁶ House Bill 992, Regular Session 2003, Mississippi Legislature.

²⁷ Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER), Report #430, *A Review of County Information Systems*.

Appendix I

Survey of Municipal Accounting & Information Systems*

1. **Do you use computer software to manage your city's accounting?**

	Yes	No
(N=173)	148	21

2. **Do you use more than one accounting software for city accounts?**

	Yes	No
(N=148)	21	127

3. **What accounting software program(s) do you use?**

	BBI	Quickbooks	Excel	ETA	MUNIS	Peachtree	Quicken	Other
(N=142)	64	13	4	3	3	3	3	49

4. **How much did you spend on your accounting software in FY 2002?**

	Median	Average	Total
(N=143)	\$1,600	\$5,244.59	\$749,975.97

5. **What departments do you use the software for?**

	Water	Police	Courts	Public Works	Parks	Tax	Voting	Other
(N=148)	119	78	87	69	47	54	64	79

6. **How many times have you called technical support for your software in the past year?**

	0	1-12	13-24	25-52	53+
(N=142)	22	74	21	18	7

7. **Does your software generate monthly budget reports?**

	Yes	No
(N=145)	135	10

8. **Do you use the Internet? If so how?**

	No Access	Email	Information	Website	Feedback
(N=172)	29	125	124	44	25

9. **What is the name of the company or organization that is your Internet service provider (ISP)?**

	BellSouth	Telepak	AOL	BBI	NSI	NSI	MSN	Dixie-net
	23	14	11	9	8	7	4	4
	DATASYNC	Netdoor	Other					
	3	2	36					
(N=128)								

10. **If you have Internet, please indicate what type of connection you have:**

	Dial-up modem	Cable	DSL	Dedicated line
(N=136)	10	11	25	90

*Number of valid responses shown in parentheses.

Appendix II

By: Representatives Stevens, Bowles, Clarke, Frierson, Horne To: Appropriations

HOUSE BILL NO. 992
(As Sent to Governor)

1 AN ACT TO CREATE A TASK FORCE ON LOCAL GOVERNMENT INFORMATION
2 SYSTEMS; TO REQUIRE THE DEPARTMENT OF INFORMATION TECHNOLOGY
3 SERVICES TO REVIEW ALL RECOMMENDATIONS OF THE TASK FORCE AND TO
4 PROPOSE LEGISLATION TO IMPLEMENT THESE RECOMMENDATIONS; TO PROVIDE
5 FOR THE MEMBERSHIP OF THE TASK FORCE AND TO PRESCRIBE ITS DUTIES;
6 TO REQUIRE THAT CERTAIN STATE AGENCIES PROVIDE STAFF SUPPORT TO
7 THE TASK FORCE; AND FOR RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 **SECTION 1.** (1) There is created a Task Force on Local
10 Government Information Systems, hereinafter referred to as "task
11 force." The task force shall develop a report to the Department
12 of Information Technology Services to be delivered no later than
13 October 1, 2003. This report shall address at a minimum:

14 (a) A description of the current condition of
15 information technology services available to the public in the
16 offices of the chancery clerks, circuit clerks, tax assessors and
17 tax collectors of the State of Mississippi;

18 (b) Recommendations on the hardware and software needs
19 to create user-friendly, uniform systems for public access to
20 court records, land records, tax records and all other public
21 documents maintained by chancery clerks, circuit clerks, tax
22 assessors and tax collectors in all counties of the state;

23 (c) Recommendations or comments regarding system
24 compatibility and economy of those systems being developed under
25 the Secretary of State's authority to develop and implement a
26 statewide voter registration system, as required by Congress in
27 Public Law 107-252;



28 (d) Recommendations or comments on any initiative to
29 establish and implement a uniform Geographic Information System
30 (GIS) in each county of the state;

31 (e) Recommendations on methods of funding software,
32 hardware and telecommunications acquisitions necessary for each
33 county to comply with the task force recommendations;

34 (f) Recommendations for the use of world wide web-based
35 systems for accessing the public information systems recommended
36 in paragraph (b) of this section; and

37 (g) Recommendations on the hardware and software needs
38 necessary to comply with homeland security requirements of the
39 federal government relating to state agencies, counties and
40 municipal government.

41 Upon receiving the report of the task force, the Department
42 of Information Technology Services shall review the report and
43 make recommendations to the Legislature no later than December 15,
44 2003, regarding legislation that would be necessary to implement
45 the recommendations of the task force.

46 (2) The membership of the task force includes the following
47 members:

48 (a) The Executive Director of the Mississippi
49 Department of Information Technology Services or his designee;

50 (b) The Executive Director of the Department of Finance
51 and Administration or his designee;

52 (c) The Executive Director of the Administrative Office
53 of Courts;

54 (d) The Executive Director of the Mississippi
55 Department of Environmental Quality;

56 (e) The Secretary of State or his designee;

57 (f) The Chairman of the State Tax Commission or his
58 designee;

59 (g) The Executive Director of the Mississippi Automated
60 Resource Information System;



- 61 (h) The State Auditor or his designee;
- 62 (i) The Commissioner of Public Safety or his designee;
- 63 (j) The Executive Director of the Mississippi Emergency
64 Management Agency;
- 65 (k) The Executive Director of the Department of
66 Archives and History or his designee;
- 67 (l) One (1) member of the Mississippi Chancery Clerks'
68 Association, appointed by the president of that association;
- 69 (m) One (1) member of the Mississippi Circuit Clerks'
70 Association, appointed by the president of that association;
- 71 (n) One (1) member of the Mississippi Association of
72 Supervisors, appointed by the president of that association;
- 73 (o) One (1) member of the Tax Assessors' and
74 Collectors' Association, appointed by the president of that
75 association;
- 76 (p) One (1) member of the Mississippi Sheriffs'
77 Association, appointed by the president of that association;
- 78 (q) One (1) member of the Mississippi Municipal League,
79 appointed by the president of that association;
- 80 (r) Two (2) citizen members, appointed by the Governor;
- 81 (s) One (1) member of the Mississippi House of
82 Representatives, appointed by the Speaker of the House;
- 83 (t) One (1) member of the Mississippi State Senate,
84 appointed by the Lieutenant Governor; and
- 85 (u) One (1) member appointed by the Mississippi
86 Association of Planning and Development Districts.

87 No appointed member of the board shall have a material
88 financial interest in any business that sells, distributes or
89 manufactures computer software, hardware or any telecommunication
90 services.

91 (3) The Executive Director of the Administrative Office of
92 Courts shall serve as the chairman of the task force. A majority
93 of the members constitutes a quorum. All members must be notified



94 of all meetings, and such notices must be mailed at least five (5)
95 days before the date on which a meeting is to be held.

96 (4) Any member of the task force who is also a state
97 employee may not receive per diem compensation for attending
98 meetings of the task force, but may be reimbursed in accordance
99 with Section 25-3-41 for mileage and actual expenses incurred in
100 the performance of the duties. Legislative members of the task
101 force will be paid from the contingent expense funds of their
102 respective houses in the same amounts as provided for committee
103 meetings when the Legislature is not in session.

104 (5) To carry out the responsibilities provided for in this
105 act, the task force may establish a liaison with the advisory
106 committee created to assist the Secretary of State in developing
107 statewide voter registration systems. The task force may
108 establish a liaison with any statewide task force that may be
109 established to devise or recommend standards for the
110 implementation of statewide geographic information systems.

111 (6) The task force may utilize staff employed by the
112 agencies affected by this act and any other assistance made
113 available to it.

114 (7) This section shall stand repealed on June 30, 2004.

115 **SECTION 2.** This act shall take effect and be in force from
116 and after its passage.



Appendix III



Point Paper: County Information Systems

Legislation/Enabling Authority

1. Joint Committee on Performance Evaluation and Expenditure Review

“A Review of County Information Systems,” June 4, 2002, 73 pages. (Report #430).
(<http://www.peer.state.ms.us/2002.html>)

Highlights:

- Across the state, county information systems have been characterized as lacking uniformity and consistency.
 - The state lacks a unified approach to the development of county computer systems that share information with the state.
 - Because of the reported problems, PEER sought to determine the status and capability of county information systems currently in place, including:
 - o Voter registration and other data management functions;
 - o Whether current systems meet state-level reporting and local citizen needs for information accessibility and accuracy; and,
 - o To determine alternatives for development of efficient and practical information systems which will ensure information uniformity, and compatibility among county and state level systems.
 - Surveys completed since 1998 by state entities indicate wide disparity in county system hardware and software designed to compile, process, and communicate data.
 - Current county information systems are a mixture of varying computer operating systems and have a limited ability to meet state information needs in communication and sharing of information resources.
- 2. House Bill 992 – 2003 Regular Session** (<http://billstatus.ls.state.ms.us/default.htm>)

Summary:

An act to create a task force on local government information systems; to require the Department of Information Technology Services to review all recommendations of the task force and to propose legislation to implement these recommendations; to provide for the membership of the task force and to prescribe its duties; to require that certain state agencies provide staff support to the task force; and for related purposes.

Highlights:

- Creation of the Task Force on Local Government Information Systems. The task force shall develop a report to the Department of Information Technology Services to be delivered no later than October 1, 2003. This report shall address at a minimum:
 - (a) A description of the current condition of information technology services available to the public in the offices of the chancery clerks, circuit clerks, tax assessors, and tax collectors of the State of Mississippi;
 - (b) Recommendations on the hardware and software needs to create user-friendly, uniform systems for public access to court records, land records, tax records and all other public documents maintained by chancery clerks, circuit clerks, tax assessors and tax collectors in all counties of the state;
 - (c) Recommendations or comments regarding system compatibility and economy of those systems being developed under the Secretary of State's authority to develop and implement a statewide voter registration system, as required by Congress in Public Law 107-252;

- (d) Recommendations or comments on any initiative to establish and implement a uniform Geographic Information System (GIS) in each county of the state;
 - (e) Recommendations on methods of funding software, hardware and telecommunications acquisitions necessary for each county to comply with the task force recommendations;
 - (f) Recommendations for the use of world wide web-based systems for accessing the public information systems recommended in paragraph (b) of this section; and
 - (g) Recommendations on the hardware and software needs necessary to comply with homeland security requirements of the federal government relating to state agencies, counties and municipal government.
- Upon receiving the report of the task force, the Department of Information Technology Services shall review the report and make recommendations to the Legislature no later than December 15, 2003, regarding legislation that would be necessary to implement the recommendations of the task force.
 - The membership of the task force includes the following members:
 - (a) The Executive Director of the Mississippi Department of Information Technology Services or his designee;
 - (b) The Executive Director of the Department of Finance and Administration or his designee;
 - (c) The Executive Director of the Administrative Office of Courts;
 - (d) The Executive Director of the Mississippi Department of Environmental Quality;
 - (e) The Secretary of State or his designee;
 - (f) The Chairman of the State Tax Commission or his designee;
 - (g) The Executive Director of the Mississippi Automated Resource Information System;
 - (h) The State Auditor or his designee;
 - (i) The Commissioner of Public Safety or his designee;
 - (j) The Executive Director of the Mississippi Emergency Management Agency;
 - (k) The Executive Director of the Department of Archives and History or his designee;
 - (l) One (1) member of the Mississippi Chancery Clerks' Association, appointed by the president of that association;
 - (m) One (1) member of the Mississippi Circuit Clerks' Association, appointed by the president of that association;
 - (n) One (1) member of the Mississippi Association of Supervisors, appointed by the president of that association;
 - (o) One (1) member of the Tax Assessors' and Collectors' Association, appointed by the president of that association;
 - (p) One (1) member of the Mississippi Sheriffs' Association, appointed by the president of that association;
 - (q) One (1) member of the Mississippi Municipal League, appointed by the president of that association;
 - (r) Two (2) citizen members, appointed by the Governor;
 - (s) One (1) member of the Mississippi House of Representatives, appointed by the Speaker of the House;
 - (t) One (1) member of the Mississippi State Senate, appointed by the Lieutenant Governor; and
 - (u) One (1) member appointed by the Mississippi Association of Planning and Development Districts.
 - The Executive Director of the Administrative Office of Courts shall serve as the chairman of the task force.