

BUILDING A STRONG FINANCE DEPARTMENT INFRASTRUCTURE

The New Reality: Remote and Hybrid Work

REVIEWING AUTOMATED SYSTEMS: ACCESSIBILITY, TRANSPARENCY and EFFICIENCY

Nonprofit organizations are increasingly relying on automated systems to accommodate the new work environment. These systems serve to maximize productivity, increase transparency, facilitate user access, document flow and approvals and improve accuracy and timeliness. With changes in operating procedures and staff roles and responsibilities in the new work environment, automated systems should be reviewed for the following:

User Access Rights

User rights to access, change, delete or only view the data in automated systems should be reviewed and monitored on a regular basis. This serves to minimize the chance of improper or unauthorized activity. For example, if staff members assumed new roles and responsibilities when new procedures were implemented, their user rights may have to be changed.

Approval Hierarchy

The approval hierarchy (i.e., the sequential approval of transactions) set up in the automated systems should be reviewed and revised for changes in staff roles and responsibilities. The threshold above which transactions require more than one approver might need to be adjusted to maintain additional control over processing transactions.

End-User Training

Staff assuming new roles might not have been properly trained on the new automated systems. Proper training is crucial for the efficient use of the system, especially when staff members are working remotely.

Cybersecurity

As a result of increased cyberattacks, nonprofits are increasing their spending for cybersecurity. With staff working remotely, the security of their computers and access to the organization's data is critical. Policies and procedures to protect the organization's automated systems should be reviewed, updated and strictly enforced.

Conclusion

Many nonprofit finance departments are moving towards a paperless system. The proper setup, internal controls, maintenance and administration of these systems are critical for generating accurate and reliable financial reports.

