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Good Morning, My name is Matthew Lentz, I am the Chief Financial Officer/Board Secretary for the Upper Moreland School District in Willow Grove, Pennsylvania and also in my third year as an Executive Board Member for the Government Finance Officers Association (GFOA). Prior to Serving on the Executive Board, I was a member of GFOA's standing Committee on Retirement and Benefits Administration for two years. I have over twenty-one year's experience working in local governments including Allegheny County, numerous Cities Boroughs and School Districts of various degrees of financial stability and serving diverse populations of citizens.

The Government Finance Officers Association (GFOA), founded in 1906, represents public finance officials throughout the United States and Canada. The association's more than 21,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions. GFOA's mission is to advance excellence in public finance.

GFOA is a resource, an educator, a facilitator, and an advocate for more than 21,000 finance officers across the United States and Canada. GFOA works tirelessly to provide our members with best practice information around accounting, auditing, budgeting, capital planning, debt management, financial reporting, pension and benefit administration, and treasury and investment management.

The impacts of COVID on local governments can best be summarized in the following categories:

1. Greater Access
2. Efficiencies
3. Modernization of Administrative Process
4. Overall Sustainability & Overall Work

Greater Access

The essential function to continuing the work of local government in the pandemic required the implementation of virtual communication for common functions. Local Governments transitioned legislative meetings, committee meetings and bid openings to a virtual experience allowing greater participation both in real time and in viewing public meetings afterwards.

At Upper Moreland School District, we continued our bidding cycle through COVID and the ability to now conduct virtual bid openings means increased transparency in the process. Additionally, the virtual opening is recorded and available as a record of the opening. Requests for immediate bid results are also more easily responded to with a copy of the recording rather than the traditional open record request. In addition to virtual bidding, the migration and continues virtual streaming of board meetings provides greater access for citizens to understand the work of the Board and Administration.

Finally, while already in place for many entities, the need to update online information and send more virtual information to the community has expanded the access for various stakeholders. For example, publishing updates for my entity about ratings and other financial metrics online and in newsletters enables not only my community, but the greater public finance sector to understand budgets, benchmarking and other financial metrics previously which were only shared as part of static reports such as the Comprehensive Annual Financial Report.

Efficiencies

COVID required an immediate initial pivot from the way business was conducted only in person and following traditional modes for local governments. Since the duration of the pandemic has been over a year and a half local governmental have adapted and improved initial rollouts of technology to be more efficient.

To provide an example, first and even second round screenings and interviews to hire employees for many positions are now conducted virtually. This not only allows a greater diversification of the pool of employees for a government, but also reduces the administration associated with screenings. Visitor traffic is decreased to administration buildings, candidates can more easily be available virtually and virtual interviews can include a wider interview panel for evaluation of potential candidates.

A second example is the ongoing work of governments to upgrade their Enterprise Resource Planning System (ERP) to better integrate with other systems as well as to be more functional. GFOA's research indicates that pre-pandemic most governments undertook a new ERP system in a ten-to-fifteen-year timespan. As a practitioner in the field the COVID pandemic has not only expedited the need for improved ERP functionality, but also the dialogue with ERP vendors for enhancements essential for virtual payments, collections and access. At Upper Moreland School District, our software vendor has improved online accounts payable processing that we can begin to implement online virtual bill payment while ensuring public funds are secure and the risk of cyber security while present is considered and accounted for in our process.

Modernization of Administrative Processes

Prior to the pandemic many local governments relied heavily on the receipt of payments (sewer, fees, taxes, etc) by mail and in person. "Lockboxes" were a prior means of efficiency for receipt of payments in mass quantities but still relied on mail. Options for online payments were not often robust and came with fees which potentially could deter citizen payments electronically if the local government determined to attach the fees to the payment.

The impact to shipping speeds and lack of in person interaction as a result of the the pandemic was an impetus for local governments to reconsider enhancements and the institution of online payments as a part of the normal business cycle. For example, my organization has since eliminated the fees associated with online payments, which by increasing online payment volume has reduced staff time preparing deposits and processing refunds. Additionally, payments are more quickly deposited to our financial institution increasing our daily cash balance and interest earning potential based on our negotiated banking agreement with a local financial institution.

Overall Sustainability & Overall Work

At the onset of the pandemic work from home was essential to keep employees safe and continue the work of local government. While this functionality is still in place at various levels, it has proven a benefit for local governments to attract candidates outside an immediate vicinity to fill positions. Additionally, the ability to now pivot more easier to remote operations provides greater flexibility in an emergency situation.

Consider the systems that now are in place to support local government authorities in not only sharing information virtually but communicating on a common platform. My organization is moving forward with a secure online safety platform which will allow local authorities to access information as needed and for training which is updated and available in a secure electronic format. Not only does this initiative support the other three goals of efficiency, access, and improved administration, but it is sustainable and improves the overall work not only for my entity but other local governments at the County and State level who we collaborate and rely on for various functions.

I thank you for your time and attention this morning. On behalf of the Government Finance Officers Association of the United States and Canada I also thank you for the opportunity to share practical local government insight as part of the panel today.