

CASE STUDY

Wesley Mission

Time, Expense Control and Accountability Lead Wesley Mission to BlackLine



Wesley Mission is a Christian Church and the largest parish within the Uniting Church in Australia. It is also a leading community services provider, delivering services throughout New South Wales, and with the help of its partner network, across Australia.

In 2012 Wesley Mission provided over 130 community services programs in partnership with state and federal governments, and in its own right. It achieved this with the support of more than 1,800 staff, close to 2,500 volunteers and generous financial assistance from individual and business donors.

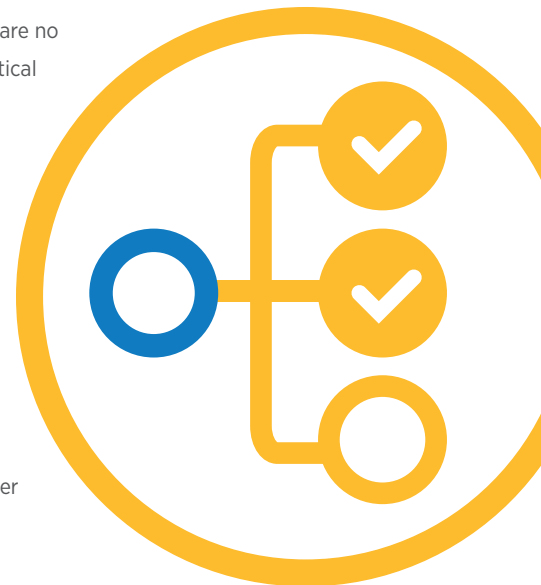
Wesley Mission's support programs are comprehensive, complex and wide-ranging. Wesley Mission operates a variety of services for children, youth and families including mentoring, foster care, mental health support, counseling, parenting skills and education, financial counseling, addiction support, suicide prevention, indigenous support and the list goes on. But this only covers one small portion of Wesley Mission's total program offerings. There are also services for older Australians, people with a disability, the homeless and people at risk.

The nature of Wesley's finances

With so many programs to administer, tight management of finance is essential to ensure there are no budget blow-outs and the organisation's budget remains on track. Accurate reporting is also critical for the many reports Wesley Mission must provide to its government funding partners.

Ekkehard Kostbahn, Business Services Accountant, Financial and Administrative Service Group at Wesley Mission, says, "In any organisation, Finance must monitor and try to keep control of income and expenses to allow the business to operate. At Wesley Mission, our income predominantly comes from government grants plus there are some donations and income from activities we undertake. Our expenses are primarily operational but there are also costs for HR, IT and so on."

"The structure of our chart of accounts is quite diverse and complicated. If you look at the nature of our business, we have nursing homes, hospitals, family support and child care – all differ in their nature and all require a different financial structure," he adds.



At the close of every month, Wesley Mission carries out a set list of tasks to prepare its monthly figures and reports. On the third business day following the end of month, all accounts are closed off, ready for analysis on the fourth day. On the fifth day, reports are prepared for the following day's monthly finance meeting. During that meeting, managers have the opportunity to suggest any amendments that may need posting retrospectively. Once this has occurred, the results are deemed final and reconciliation begins.

A recommendation from the auditor

Until recently, account reconciliation at Wesley Mission was a manual task carried out using spreadsheets and hard copy documents. It was an approach that took time and which made it difficult to ascertain the status of reconciliations for different accounts. In addition, Kostbahn points out, "If someone misplaced a file of reconciliations, we would potentially have to go through 30 folders to find that single piece of paper."

Shortly after the 2011/2012 financial year, Wesley Mission's auditors recommended the organisation consider deploying specialised software to help with reconciliations. Kostbahn notes, "This struck a chord with our financial controller who had already indicated she was keen to improve the reconciliation process."

The organisation began investigating potential solutions before settling on BlackLine's Account Reconciliations Software-as-a-Service (SaaS) solution, part of the BlackLine Finance Controls and Automation Suite, as the best fit for their needs.

Setting up the system

Kostbahn, as the person with the largest number of reconciliations to manage, accepted the role of System Administration Manager. He also assumed internal responsibility for deployment.

As implementation progressed, processes and templates were developed to export data from Wesley Mission's PeopleSoft financial system and to import it into BlackLine. The chart of accounts was set up, and roles and responsibilities were assigned to users.

"From an internal point of view, implementation was quite easy. To some level, this was because of the support given by BlackLine, but it was also because of the user-friendliness of the product. I know it's quite common when introducing new software to have staff develop angst about making a change but with BlackLine, we found the switch was almost seamless," he says.

Prior to going live with the system, Kostbahn and a Deloitte consultant carried out a half-day training session for all users. "This was sufficient to raise people to the point where they were able to use BlackLine in their work."

Approximately 25 staff now use BlackLine on a regular basis. The majority are accountants who look after specific portfolios. Other users include the internal auditor, payroll staff, the Financial Controller and CFO.



"BlackLine provided a dedicated Implementation Manager who was very knowledgeable about the product and was always available. This made the process quite easy. We also had assistance from our auditing firm, Deloitte."

Ekkehard Kostbahn
Business Services Accountant
Wesley Mission

Saving valuable time with auto-certification

Seventeen months after going live with BlackLine, the organisation has already saved significant time at each close of month thanks in large part to BlackLine's auto-certification of low-risk, rules-driven reconciliations. "This saves the accountant time and effort. Across the company, around 75 percent of our accounts are now being automatically certified."

Instead of calculators, spreadsheets, pieces of paper and binders, all reconciliations and associated records are saved in the one system on a BlackLine server. "This is a great advantage. We have a history that is up to date and reconciled. Everyone knows where data is and everyone can find what they are looking for," Kostbahn asserts.

This advantage also results in smoother year end audits with external auditors having access to reconciliations and self-serving themselves.

Indeed, Wesley Mission has recently completed its second full year-end audit in which the auditors were supplied with access to BlackLine and were able to answer most of their questions regarding Balance Sheet accounts by referring to BlackLine instead of coming to see the organisation's finance team for consultation,

Reconciliations have also become more thorough. Because of the time required for each reconciliation, Kostbahn estimates that in the past, only around 50 percent of reconciliations were carried out each month. With BlackLine however, Wesley is reconciling close to 100 percent of accounts on a regular basis.

Kostbahn says there are two other major factors contributing to a return on the software investment: accountability and control. Using the system's standard reports, managers can identify outstanding reconciliations, track adjustments and forecast adjusted balances. They can also see if particular errors are occurring every month or if individual users are failing to meet their reconciliation responsibilities.

Kostbahn is confident the system is benefiting the company and that it has been well received by staff. "As System Administrator, if users have problems, they come to me. I probably have two or three queries about BlackLine each month, but that's about it. I see that as an indication that the interfaces work, the choice of commands are quite explanatory, and that the system is really straightforward to use."

"Overall, we're doing more work in far less time. This is freeing up accounting staff to do further analysis or to work on other projects that we just haven't been able to get to in the past," Kostbahn concludes.



"We were also able to reflect a change in our corporate structure in BlackLine which was an easy and straightforward process. In addition, staff changes and reallocation of reconciliations have proven to be easy to manage while the upgrade to latest version of BlackLine has been seamless which rewarded our confidence in the product."

Ekkehard Kostbahn
Business Services Accountant
Wesley Mission