

SOFTWARE SYSTEMS

August 2011

In response to several questions regarding various software-related topics, the Ziegler CFO HotlineSM conducted a survey on the different software systems and processes utilized for a variety of senior living operations purposes. The survey questions and participant responses are below.

Does your organization prepare the IRS Form 990 in-house?

Summary of Responses N= 145

Form 990 Prepared In-House?	%
Yes	18.6
No	81.4

Respondents were asked to provide the name of the software system or vendor used if the Form 990 was not prepared in-house. Of the 26 responses, the following were mentioned:

Form 990 Software System/Vendor	#
ATX	2
CCH Pro Systems	5
Crowe Horwath C-TRAC	2
E-File (Form990.org)	4
Keane	2
Lacerte	2
Urban Institute	3
Other	6

What software system does your organization primarily utilize for accounting purposes?

Summary of Responses N= 144

Primary Accounting System/Vendor	#	Primary Accounting System/Vendor	#
American HealthTech	3	Oracle	5
Answers On Demand	56	PointClickCare	3
Blackbaud	2	QuickBooks	2
JD Edwards	4	Sage (MAS90, MAS200, MAS500)	9
Keane/KeaneCare	6	Solomon	3
Lawson	3	SOS (Salina Office Services)	6
Matrix	2	Multiple Systems/Vendors	12
MDI (Achieve or Online)	4	Other	6
Microsoft Dynamics (Great Plains or Navision)	18		

In which of the following areas is your organization’s accounting software utilized?

Summary of Responses N= 145

Respondents were asked to select all that apply from a list of accounting functions:

Accounting Function Utilized	%	Accounting Function Utilized	%
General Ledger	100	Time Clock Interface	50.3
Accounts Payable	99.3	Budgeting	48.3
Resident Billing	78.6	Cash Management	37.9
Fixed Asset	62.8	Point of Sale	35.1
Payroll	53.8	Purchase Order	24.8
Resident Management	53.1	Other*	11.7

*Unique “Other” accounting area responses included: Capital Projects, Dashboard, Donor Development, Electronic Medical Records, Entrance Fee Amortization, Marketing, Medical Billing, Trust Funds and Work Orders.

Respondents were also asked to rate their level of satisfaction with the functionality of their software’s accounting functions (1=Very Dissatisfied, 3=Neutral, 5=Very Satisfied):

Accounting Function Utilized	Average Satisfaction	Accounting Function Utilized	Average Satisfaction
General Ledger	4.10	Time Clock Interface	3.71
Accounts Payable	4.18	Budgeting	3.06
Resident Billing	3.76	Cash Management	3.56
Fixed Asset	3.58	Point of Sale	3.29
Payroll	3.74	Purchase Order	3.11
Resident Management	3.60		

Average satisfaction scores were also calculated for each individual primary software system or vendor. Since respondents were asked to provide the name of their primary accounting software system utilized, scores may not be indicative of the actual overall level of satisfaction with each system or vendor:

Primary Accounting System/Vendor	Average Satisfaction	Primary Accounting System/Vendor	Average Satisfaction
American HealthTech	3.83	Microsoft Dynamics (Great Plains or Navision)	3.70
Answers On Demand	3.95	Oracle	3.78
Blackbaud	4.00	PointClickCare	3.38
JD Edwards	3.00	QuickBooks	4.20
Keane/KeaneCare	3.03	Sage (MAS90, MAS200, MAS500)	3.95
Lawson	3.59	Solomon	3.63
Matrix	3.18	SOS (Salina Office Services)	3.41
MDI (Achieve or Online)	3.50		

Did your organization hire a consultant to assist with your accounting software implementation?

Summary of Responses N= 145

Accounting Software Consultant?	%
Yes	32.4
No	67.6

Does your organization maintain a searchable/queryable electronic document storage database?

Summary of Responses N= 145

Electronic Document Storage Database?	%
Yes	16.6
No	83.4

If 'Yes', do you have any policies or procedures in place to determine what documents should be saved electronically, by whom or how?

Summary of Responses N= 24

Document Storage Procedures?	%
Yes	50.0
No	50.0

Respondents were asked to describe their Records Retention policies if applicable. Some unique responses provided included:

- “All documents are retained based on State and Federal requirements. We utilize Electronic Health Records for resident data. Any document relating to risk management issues are maintained by our Risk Manager; Personnel documents are maintained by our HR Director; Business documents are maintained by Controller and Resident Billing Manager; Corporate documents maintained by Executive Administrative Assistant.”
- “Each department is responsible for identifying their respective retention policies. From these policies, documents are specified for either the document management program or retention in individual user files as scanned documents (but outside the formal document management program).”
- “The electronic record adheres to the same rules as the paper files it replaces.”

Does your organization use a Point of Sale (POS) system to capture resident charges?

Summary of Responses N= 145

POS System Used?	%
Yes	66.2
No	33.8

Respondents were asked to provide the name of the POS software system or vendor used. Of the 89 responses, the following were mentioned:

POS Software System/Vendor	#	POS Software System/Vendor	#
Answers On Demand	28	Alliance Technologies (FullCount)	3
Horizon (Resident Choice or Village Merchant)	24	InfoGenesis	3
CardWatch	11	Other	16
Micros	4		

If your organization uses a POS system, in what area(s) is it utilized?

Summary of Responses N= 96

Respondents were asked to select all that apply from a list of common choices where POS systems are used:

POS Uses	%
Beauty Salon	50.0
Dining	94.8
Grocery/Deli	36.5
Guest Room Reservation	6.3
Other*	16.7

*Unique "Other" POS uses included: Bar/Bistro/Café, Convenience store/Gift shop, Employee meals ordering, Event registration, Front Desk copies/faxes/postage, Medical supplies, Pharmacy, Therapy, Transportation and Wellness Center use.

Does your organization use payroll debit cards as a means of compensation for any of your employees?

Summary of Responses N= 145

Payroll Debit Cards Used?	%
Yes	8.3
No	91.7

Respondents were asked to provide the name of the payroll debit card program or third-party vendor used. Of the nine (9) responses provided: Two (2) use ADP and seven (7) use Chase Card, Comdata, Global, Lamson, a local bank, PayCard or PayNGo.

Does your organization convert/scan/code accounts payable invoices into electronic format for payment processing or do you utilize a third-party vendor?

Summary of Responses N= 145

Electronic Invoices?	%
Yes, our organization electronically processes invoices in-house	5.5
Yes, our organization utilizes a third-party vendor	4.1
No, our organization does not electronically convert invoices	90.4

Respondents were asked to describe their electronic conversion processes or provide the name of the third-party vendor that electronically converts invoices. The four third-party vendors mentioned were: DSSI, EasyAccess, eRequester and Open Text. For those who described their processes, some unique responses included:

- "We are a decentralized organization. Department heads receive and approve invoices, scan them in and send them to Accounts Payable (AP). AP puts the voucher together and creates the electronic record."
- "We partner with a local bank to have scanning devices on property for bank check deposits. Additionally, we offer an autopay feature: half of our residents are on this option where they must fill out a form that is coordinated with the bank. Because of our membership contracts we have little bad debt, but this process has helped with our aging of receivables."
- "Invoices are sent to a central point with a P.O. number that identifies purchasing location. They are then scanned into a centralized system and coders are notified through email. Approvers are also notified through email and approve for processing the invoice copy into our accounting system."
- "Submitted by fax."

If you have a question, comment, or suggestion for the Ziegler CFO Hotline, or if there is a particular response above for which you would be interested in having additional information, please let us know using the contact info below.

The senior living organizations' responses included in this report have been collated without verification of the accuracy of the data/comments therein. The results provided do not express an opinion of nor can they be guaranteed by Ziegler.

PREPARED BY:

JEFFREY GIRARDI

Research Analyst | Senior Living Finance
Ziegler Investment Banking
10480 Little Patuxent Parkway, Suite 600, Columbia, MD 21044
phone: 410.884.8311 | general phone: 410.884.8300
toll free: 800.592.4862 | fax: 410.884.3295
e-mail address: jgirardi@ziegler.com