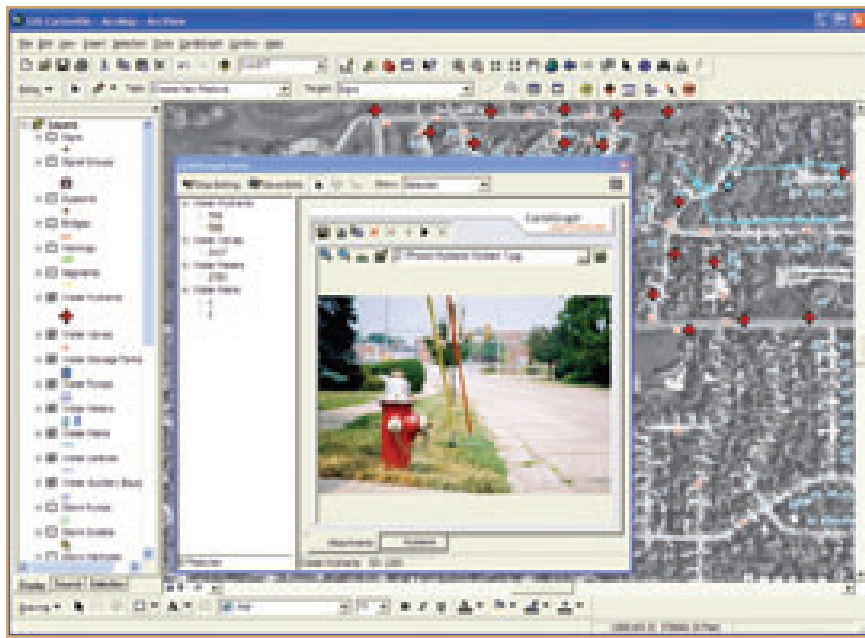


The last several years have seen dramatic growth in the number of asset management software packages focusing on utilities. Yet despite the large range of available options, many professionals in the industry remain unconvinced of the benefits of implementing this software into their systems.

the asset management BANDWAGON



By Sandy Bolotsky

Utilities take
financial managers' lead
and reap benefits from
software packages

Financial managers throughout the business world have been aware for years that success often depends on the ability to appropriately manage their assets to maximize useful life. With the growth of computers into nearly every workplace, it is now possible for technology to provide the necessary data to make this happen in the utility industry as well.

Marketplace

Asset management software comes in a variety of styles. There are free packages available via download from the Internet or by CD. These were created with the smallest systems in mind as a means to track asset maintenance and repair costs, assist in budgeting appropriately for replacements and keep basic asset data available for reporting purposes. For systems that require additional functionality at a budget-conscious price, out-of-the-box software can be purchased that has the capability of integrating with a GIS database. In addition, fully Web-based asset management software has been developed for systems that may require easy communication outside their own networks and the convenience of updated technology.

Maine Rural Water Association has researched two of the free systems: Check Up Program for Small Systems (CUPSS), recently created by the U.S. Environmental Protection Agency, and Total Electronic Asset Management System (TEAMS) from the Maryland Center for Environmental Training (MCET). CUPSS and TEAMS are primarily work management and financial packages that allow for scheduling of asset maintenance, repair and replacement, and for tracking costs associated with these tasks. Both packages gather this information into reports that are exportable to Microsoft Office software for revision and formatting. To date, neither has developed a connection to GIS and both are lacking import capabilities, limiting the programs' usefulness for systems that need these functionalities.

A variety of out-of-the-box asset management packages that integrate with GIS also exist in the marketplace. Most of the companies offer Web demonstrations to anyone who would like an overview of their software's capabilities. These packages usually contain flexible and user-friendly work orders. This is an important point because computerizing

the work-order function from initial customer phone call to completion enables a utility to painlessly track asset repair and maintenance information with a variety of parameters, useful for planning purposes. There are a good number of reports included in the software, with many more that can be built during implementation.

The financial component of this out-of-the-box software varies from company to company. Most of the marketing information mentions GASB 34 requirements, but each company seems to have dealt with this issue differently. If your asset management software wish list includes the automatic calculation of depreciation, the ability to produce required GASB 34 reports or a direct link-up with accounting software, consider asking a knowledgeable consultant to review the information with you before purchase. Although most of the software makers can build a direct link, the expense for doing so can add substantially to the cost of the package as originally quoted.

Asset management software also comes in Web-based editions, accessible through a browser, that allow for easy communication and information sharing both outside a utility's computer network and inside a large internal user group. They make use of the newest technology for convenient updating, editing and maintenance of the program. These tend to be comprehensive packages with a wide variety of possible modifications to meet a utility's needs. Generally, they are also expensive long-term investments, and thus usually appropriate only for large utilities.

Pricing

Estimating the cost of an asset management package requires a bit of research. Even if the company has a clear schedule of prices, it will be just a starting point for the total cost. One must decide how many users to set up, since the cost will vary based on how many and what type of seats are purchased. In addition, all of the reviewed packages, with the exception of the free ones, require an annual maintenance fee for updates and in some cases, continued licensure.

Two additional considerations that are often overlooked may affect the cost of setting up an asset management system. The first is additional software that could possibly be needed to implement the new package. This could range from an updated database to a variety of GIS software for map reading and editing. The second consideration is the cost of implementation and training, which should be thoroughly discussed and negotiated as part of the purchase price. This cost will depend on a company's technology skills and also on the amount of data collection and pre-implementation work that can be done in house.

Summary of Benefits

If you have already taken the leap into an office that is built around technology or are willing to do so, consider implementing asset management software. Users will gain a valuable resource for financial planning by consolidating all asset information into one easily accessible place. They will also have the capability of monitoring the maintenance status and condition of their assets in a variety of reports or through GIS. Although an initial investment in money and time will be required, with proper planning the benefits should easily outweigh the costs. [www](#)

Sandy Bolotsky is accounting analyst for Maine Rural Water Association. Bolotsky can be reached at 207.729.6569 or by e-mail at sbolotsky@mainerwa.org.

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