



TFLEx Spring Workshop

Transit Industry: Trends &
Traps In Process Improvement

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Key Industry Trends

- ❖ Capacity constraints / cost reductions
- ❖ Funding complexity and compliance pressures increasing
- ❖ Cloud ERP adoption
- ❖ Integrated finance, grants, asset systems
- ❖ Standardization across agencies
- ❖ Real-time reporting
- ❖ Utilization of Artificial Intelligence
- ❖ **Process improvement = business transformation**

FINANCE'S ROLE

- Owns financial integrity and compliance
- Leads chart of accounts and reporting design
- Aligns GAAP, grant, and capital reporting
- Ensure internal controls are in place

ERP Implementation Trends

- Phased deployments
- Use of system integrators
- Faster implementation expectations
- Focus on standard functionality

ERP Implementation Traps

- ERP treated as IT project
- Weak structure/design decisions
- Customization challenges
- Poor data migration
- Lack of governance





CHANGE MANAGEMENT

1

Early
stakeholder
engagement

2

Role-based
training

3

Clear
Communication

4

Avoid one-
time training
mindset

FIRST AUDIT RISKS

- Control gaps post-implementation
- Increased audit scrutiny
- Reconciliation and compliance issues
- Audit trail weaknesses

POST-GO-LIVE TRAPS

- Project fatigue
- Workarounds become permanent
- Late reporting issues
- Lack of continuous improvement ownership



Leading Practices



- Finance-led design
- Embed compliance early
- Strong governance
- Invest in data and testing
- Ongoing training
- Audit readiness planning

Other Process Improvement Opportunities

- ✓ Real Time Close Process
- ✓ Reduction of “Shadow Systems”
- ✓ Automation of Routine Accounting Activities

REAL TIME CLOSE

Tips for Improvement:

1. Close subledgers before month-end
2. Formalize and standardize monthly accruals
3. Pre-post recurring journal entries
4. Begin reconciliations during the month
5. Implement a soft close / pre-close review
6. Tighten and enforce cutoff policies
7. Assign clear ownership of close tasks
8. Standardize the close calendar and timeline

Impact:

- Shorter close cycle
- Fewer audit adjustments
- More reliable interim reporting

REDUCTION OF “SHADOW SYSTEMS”

Tips for Improvement:

1. Replace “Offline Reporting Builds” with System-Generated Reports
2. Formalize “Controlled Spreadsheets”
3. Standardize Data Extracts and Limit Manual Transformation
4. Use AI to Assist in Variance Analysis

Impact:

- Reduced risk of errors
- Stronger audit trail
- Less dependency on individuals



Automation of Routine Accounting Activities

Tips for Improvement:

1. Use built-in ERP functionality (when available)
2. Automation tools like scripts or workflow tools
3. Creation of AI agents or bots

Potential Focus Areas:

1. Recurring journal entries
2. Bank and account reconciliations
3. Grant or project expense validation
4. Variance analysis and exception reporting
5. Fixed asset and CIP workflows

Impact:

- Reduced manual effort
- Improved consistency
- More time for analysis vs processing

KEY TAKEAWAYS



Discussion

- ❖ Are we designing for compliance upfront?
- ❖ Does finance own the transformation or improvement?
- ❖ What broke (or would break) in our first audit after implementation?
- ❖ Where do we see the most manual intervention in our close or reporting cycle?
- ❖ Where are we still relying on Excel instead of our ERP system and why?
- ❖ What is one process improvement that would materially reduce risk or effort?



THANK YOU

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