

## LATE ITEM

### MOTION



Director Ferrini:

The PDA Board of Directors authorizes the Executive Director to enter into a contract with Berry Dunn for accounting software consulting services in an amount not to exceed \$20,000.00; all in accordance with the memorandum of Suzy Anzalone, Director of Finance, dated January 8, 2024, attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement due to Berry Dunn's experience as PDA's contracted auditor and knowledge of PDA financial systems.

**Note: This motion requires 5 affirmative votes.  
Roll Call Vote Required.**

# Memorandum

To: Paul Brean, Executive Director   
From: Suzy Anzalone, Director of Finance   
Date: January 8, 2024  
Subject: Accounting System Consulting Services

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The Finance Department is beginning the search for a more suitable internal accounting system. We currently use Microsoft Dynamics GP 2016 version. We are looking for an all-encompassing cloud-based system that includes not only the “basics” such as general ledger, accounts payable and billing, but also lease management, GASB 87, fixed asset management and strong reporting capabilities. Currently we use four different types of “add-on” software to accomplish this and rely on an outside consultant, as well as our internal IT department, to fix compatibility issues.

Choosing the right system is a vital part of PDA’s operations. For that reason, I am requesting we work with an outside consultant who can assist in developing technical and non-technical requirements as well as assist in the evaluation of software vendors. Having this independent and objective perspective is an added layer of expertise which will be extremely valuable during our search.

PDA’s current audit firm, Berry-Dunn, offers advisory services on IT systems and software consultation. I have reached out to them and have received a proposal for such consulting services. Because of PDA’s long-term relationship with this firm, I feel they are uniquely qualified to consult based on their extensive knowledge of PDA’s business practices. As such, I am requesting approval at the January 11<sup>th</sup> Board meeting to waive the RFP requirement and contract directly with Berry-Dunn for software consulting services in an amount not to exceed \$20,000.



January 5, 2024

Paul Brean, C.M., Executive Director  
Pease Development Authority  
55 International Dr.  
Portsmouth, NH 03801

Dear Paul:

This engagement letter describes your objectives as we understand them and presents a scope of work based on our November 2, 2023, discussion with you regarding Pease Development Authority's (PDA's) desire to move forward with evaluating and selecting new accounting software.

### Background and Understanding

You described how PDA is seeking to transition from Microsoft Dynamics GP to a new accounting system. Your current system lacks certain features and capabilities, such as managing compliance with GASB 87 and managing and reporting of over 70 leases. You are seeking an independent, objective perspective regarding your needs and an evaluation of accounting software vendors' ability to meet your needs. Our understanding is that PDA seeks to identify its functional and technical needs, define requirements, obtain written vendor proposals, evaluate vendor proposals, and conduct demonstrations in support of selecting new accounting software to be used by approximately 15-25 end-users.

Below is our approach and work plan.

### Scope and Work Plan

#### Planning

We will schedule a meeting with you and a designated PDA group to confirm project goals, discuss the plan for next steps in the project, identify known constraints, and review the work plan. We will review the timeline and refine it as needed, discuss the involvement of participating stakeholders, and review stakeholder expectations for project outcomes.

Because PDA plans on completing significant portions of the system selection process itself, we will confirm the roles and responsibilities of PDA and BerryDunn throughout the engagement.

#### Document Key Business Requirements

BerryDunn will work with PDA to collect system requirements using a survey to PDA end users and virtual discovery sessions. The survey will collect basic information such as employee details (name, role, responsibilities, etc.) and include three open response questions:

1. What features and functions do you need in new accounting software?



2. What features and functions do you want in new accounting software?
3. What features and functions do you wish for in new accounting software?

Our team will work with PDA to schedule pointed discovery sessions with stakeholders to document software requirements for a new system. Given the complexity of these areas, we anticipate more of our discovery session time will be focused on GASB 87, grant management, paperless accounts payable (AP), and statistical-based financial reporting, and billing (including invoices for leases). Given less anticipated complexity of requirements, as time permits, we may conduct shorter discovery sessions for general ledger, budgeting, forecasting, fixed assets, and work orders.

We will supplement the requirements gathered from the survey and discovery sessions using our experience and library of accounting software requirements.

Using the information gathered from the survey and discovery sessions, we will develop a set of software requirements. We will also provide our advice to PDA as PDA develops a simple RFP that will be used to solicit vendor proposals. We will work with PDA to develop the vendor evaluation criteria before receiving vendor proposals.

❖ ***Deliverables: software requirements and evaluation/scoring criteria***

### **Evaluate Vendors**

We will advise you in issuing a public RFP and help navigate PDA through the submission period for vendor responses. Following the submission period, we will provide a high-level review and our objective thoughts on no more than five proposals PDA receives.

Once proposals are received and analyzed, we will advise PDA on which vendors to invite for demonstrations. We will assist PDA in developing demonstration scripts for key areas for vendor demonstrations. PDA's vendor proposal analysis may identify specific topics or features to be included as part of vendor demonstrations. We will sit in on vendor demonstrations as participants and help observe, evaluate, and advise on the demonstrations of each invited vendor. Following vendor demonstrations, we will participate in debriefing sessions scheduled by PDA to provide our perspective regarding the vendors' demonstrations and software.

Following the analysis of vendor proposals and vendor demonstrations, we will meet as a team to identify a preferred vendor and one alternate vendor. We would encourage PDA to also conduct reference checks and potentially conduct site visit(s).

❖ ***Deliverables: support vendor evaluations and demonstrations, identify preferred vendor***

## Assumptions

- BerryDunn will develop the technical and non-technical requirements based on fact finding. PDA is responsible for revising, confirming, and finalizing system requirements.
- PDA will develop and finalize the RFP, post the solicitation, administer the RFP process, and answer vendor questions. BerryDunn will serve in an advisory capacity.
- PDA will facilitate vendor demonstrations and will need to keep each vendor on time and on track to meet its needs for the session.
- PDA will be actively engaged in the process. PDA will make decisions and provide materials to BerryDunn in a timely manner.
- PDA will designate a point person for project collaboration and coordination efforts.
- We anticipate this project will take approximately three to four months to complete. This may be influenced by mutual availability of PDA and BerryDunn personnel and vendor availability to participate in the evaluation process. A specific project timeline will be developed in collaboration between BerryDunn and PDA.
- Any vendor can bid on PDA's RFP because it will be a public procurement. For the purposes of this proposal and the estimated fees, we anticipate providing our thoughts on no more than five vendors.
- Timing of vendor demos will be subject to vendor availability and responsiveness.
- BerryDunn will participate in no more than three demonstrations. Demonstrations will be no longer than 4 hours per vendor.
- PDA will make all management decisions with respect to the project. BerryDunn will advise PDA through the RFP and vendor evaluation process.
- BerryDunn will complete all work remotely.

## Management Responsibilities

Under American Institute of Certified Public Accountants (AICPA) rules, non-audit services generally do not impair independence as long as the client assumes all management responsibility, oversees the service, evaluates the adequacy and results of the service, and accepts responsibility for the service. These matters are addressed in the management responsibilities below.

In relation to this project, Pease Development Authority (PDA) management agrees to the following:

- The services and any related reports we produce are provided solely for the information and use of PDA and its members and are not intended to be used by any other parties.
- Management of PDA shall make all management decisions arising out of, or in connection with, the services we provide.

- PDA will establish and monitor the performance of the service to ensure that it meets management's objectives.
- PDA will designate Susanne Anzalone to oversee the services we provide.
- PDA will evaluate the adequacy and results of the services.
- PDA accepts responsibility for the results of the services.
- PDA is responsible for establishing and maintaining internal controls, including monitoring ongoing activities and custody of all the organization's assets.



### Timing, Staffing, and Fees

I will be the Principal in charge of the engagement and I will have overall responsibility for the services we provide and will oversee our work. Managers and consultants from our team will work under my direction.

Our estimated professional fees based on the scope above are \$20,000. We will plan to progress bill monthly. Should the need for changes to the scope of our work arise, we will notify you at such a time and gain your authorization before proceeding.

If this engagement letter appropriately reflects your objectives, scope, and expectations, please sign and return an acceptance copy to me so that we may schedule and plan our work.

If you have any questions, please contact me at 617-680-6811 or [dvogt@berrydunn.com](mailto:dvogt@berrydunn.com).

We look forward to working with you.

Sincerely,



Daniel T. Vogt  
Principal

### Response

This letter correctly sets forth the understanding of Pease Development Authority and is accepted by us.

By: \_\_\_\_\_  
Paul Brean, C.M., Executive Director

Date: \_\_\_\_\_