

Consent Agenda Briefing for PWSRCAC Board of Directors – January 2022

ACTION ITEM

Sponsor: Ashlee Hamilton
Project number and name or topic: Budget Modification and Delegation of Authority for New Accounting System

1. **Description of agenda item:** Because support is ending for the current on-premises Microsoft Dynamics/Great Plains accounting system used by PWSRCAC, staff are looking into acquiring and implementing a new accounting system that will be ready to start using on July 1, 2022. The current trend in accounting systems is to move to more modern, cloud-based systems that provide a higher level of security and easier user access. Management is presently evaluating a couple of proposals but have not decided on a recommended contractor at this time. We are asking the Board to approve a budget modification for this project and to delegate authority to the Executive Committee (XCOM) to enter into a contract with an outside firm to assist with the design and implementation of the new system.

The estimated annual accounting system subscription cost and ongoing technical support cost is estimated to be \$10,000 to \$12,000. The estimated one-time cost of an outside consultant to help with design and implementation is \$45,000 to \$60,000.

It is important that a system and contractor be identified as soon as possible because the implementation and training will take several months, and the systems needs to be functional at the start of FY2023.

2. **Why is this item important to PWSRCAC:** The accounting system and financial reporting system that is presently utilized by PWSRCAC is being phased out, and will be no longer be supported by Microsoft and its Microsoft Partners in the future. An accounting system that is kept up-to-date and widely supported is essential for maintaining the financial records of PWSRCAC, processing bills and payrolls, facilitating the annual financial statement audit, and reporting financial results to the Board, Finance Committee, management, and staff.

3. **Previous actions taken by the Board on this item:** None, this is a new project.

4. **Summary of policy, issues, support, or opposition:**

5. **Committee Recommendation:** The Finance Committee has been kept apprised of this situation.

6. **Relationship to LRP and Budget:** The Council's accounting management software falls under 1300/Information Technology. Because costs associated with implementing a

Delegation of Authority for New Accounting System 3-2

new accounting system is not included in the FY2022 budget, a budget modification will be necessary.

7. **Action Requested of the Board of Directors:** Approve an FY2022 budget modification in the amount of \$60,000 to hire an outside consultant to assist with the design, implementation, and training of a new accounting system; and delegate authority to the Executive Committee to enter into a contract with the selected contractor to develop and implement the Council's new accounting system, at an amount not to exceed \$60,000

8. **Alternatives:** None recommended.

9. **Attachments:** None.