Department of Procurement Services

160 South Hollywood Street · Room 126 · Memphis, TN 38112 · (901) 416-5376

QUESTIONS AND ANSWERS

RFP 032326JKG Lease Accounting Software

1. **Can vendors submit electronic copies via email rather than physical copies? Our information security policy generally prohibits the use of USB drives.**
   Unfortunately, an emailed proposal is not permissible. Vendors can, however submit a password protected USB and provide us with the password to access the requested documents.

2. **As the District's current lease accounting solution vendor, would the District be willing to utilize our existing agreement as the governing terms between parties rather than the general terms and conditions mentioned in the RFP??**
   We are not aware of any problems with the current general terms and conditions. However, renewal terms may need to be adjusted, as we're looking to renew on an annual basis on predetermined terms for *up to* 3 years (including the initial term) rather than lock in for 3 years with no cancelation option.

3. **What pain points are you currently experiencing with your current lease accounting solution?**
   The most significant pain point is how the system handles contracts that transition from long-term to month-to-month. Since it is impractical to update the status of each individual expired lease every month, we are in need of a way to retroactively apply lease end dates that extend beyond the initial contract end date. This primarily affects our gross asset reporting.

4. **Is the District willing to "piggyback" on another relevant TN customer's contract to potentially ease the procurement process?**
   Piggyback contracts may ease the procurement process but as a tradeoff, it generally does not provide best pricing that a solicitation would. One example: A piggyback contract generally has a fixed price but solicitation may reflect better pricing based on volume, size, etc.

5. **Does the District have a pricing threshold for software that determines whether an RFP is necessary for procurement? If so, can you please share that threshold?**
   The threshold is currently $25,000 for all equipment, supplies, materials, and non-professional services.

6. **How is the District currently managing its GASB 87 and GASB 96 compliance and reporting? Specifically:**

   a. **Is the District currently utilizing a third-party software solution or a manual, spreadsheet-based process.**
   The District is currently utilizing third-party software.

   b. **If a software solution is in place, does the District intend to migrate all historical data to the new platform, or will the new vendor be responsible only for go-forward reporting and new lease additions?**
   The District would need to migrate historical data.

7. **To ensure budget stability, should vendors provide pricing based strictly on the 13 identified units, or does the District prefer a flat-fee platform model that accommodates the anticipated growth of the SBITA portfolio without incremental "per-unit" costs?**
Comparison of both models would be needed to understand the threshold at which a flat-fee model becomes more cost effective than a per-unit model.

8. **To ensure a responsive proposal, please identify which implementation model(s) the District prefers:**
Train the Trainer or Hybrid. The number of users will be small and will have prior experience with lease accounting software.

9. **Will the District provide an executed NDA to facilitate the review of the SOC2 report?**
The District could be required to disclose the SOC2 report to its external financial statement auditor. If the complete SOC2 report for the relevant fiscal year is unavailable as of (i.e. no earlier than) our financial reporting date of June 30, the District would require a bridge letter to assert that there have been no significant changes.

10. **Will the District accept a SOC2 report or a summarized Security Whitepaper in lieu of full Penetration Test reports and Data Flow Diagrams?**
This depends on the requirements of the District's external financial statement auditor.