

MEMORANDUM

TO: Board of Trustees

FROM: Trustee Schmitz

SUBJECT: Review, discuss and possibly approve Trustee Schmitz and staff to prepare and solicit an RFP for the Point of Sale System Assessment

DATE: July 13, 2023

I. RECOMMENDATION

The Board makes a motion to authorize Trustee Schmitz and staff to prepare and solicit an RFP for the Point of Sale System Assessment.

II. BACKGROUND

In May 2023, Moss Adams provided cost estimates and schedules for each of the 5 items in the Scope of Work. The Board approved all proposals, except for #3. At that time, the board directed the Director of IT and Trustee Schmitz to formulate a more detailed scope of work for item #3 and to obtain an updated proposal from Moss Adams for the board's consideration. The original RFP included the following individual Scope of Work items:

1. **Strategic Plan** - Review with the BOT and senior management the existing strategic plan and formulate recommendations for improvements.
2. **Internal Controls** –Review the financial operational procedures and formulate recommendations for improvements.
3. **Financial and Software System(s)** – NOT APPROVED –
4. **Organizational and Staffing Structure** – Review the District's organizational structure and the current responsibilities and job descriptions of the Senior Management Team. Formulate recommendations including refinement of the senior management job descriptions and responsibilities.
5. **Policies** – Review current Resolutions and Board policies and document their compliance.

The Director of IT and Trustee Schmitz formulated the following scope of work for Moss Adams:

Each recreation venue has its own stand-alone Point of Sale (POS) Software with proprietary in-house written software that maintains and controls the database of parcel owner data as well as recreation cards. All of these POS software upload their financial information to a single ERP financial system used District-wide.

Each parcel owner is eligible for cards that identify them and provide them access and discounts to these venues. Not all owners have access to the deed restricted beaches or all of the venue access discounts, there are many layers to the rules that make up how access is controlled and how products are discounted.

The “desired state” for IVGID is to have access media tied to the user’s various venue passes (ski pass, recreation center membership pass, golf pass, etc.), their personal credit card for purchases at the venues and for RFID access control at the venues. Diamond Peak uses Axess RFID passes and gates for its uphill access - this concept is currently being considered for beach gate access. The Golf venues need a function-built industry standard Golf POS.

Some of the high-level requirements that would deem a successful “desired state” are:

- Integration with the core financial system (Tyler Munis) for real-time BI tracking purposes as well as cash/revenue management.
- Consolidation and integration of the master records across all POS – One central profile and Access Media for all venues.
- PCI compliance, stored payment, EMV, NFC, as few payment processors as possible.
- Little, if any, loss in operational functionality from the current POS.
- A consolidated e-commerce platform that addresses all or as many of the retail venues (Golf, Tennis, Ski, Rec Center) needs for product sales, program management, and member profile management.
- A restricted access e-commerce platform that addresses all or as many of the non-retail (owners & residents only) venues needs including parcel management, the potential for integration with Washoe County’s Parcel Database, punch card management and picture uploading for passes.
- Customer relationship management across all retail POS platforms.

IVGID is seeking a consulting firm to embark on a two-phase project. The first phase is to assess the current technical environment, including all point of sale and financial software, gather the requirements of each point-of-sale software and formulate a recommended transition plan for moving from the current state to the “desired state”. The deliverables for the initial phase would include a written report on the recommendations along with cost estimates to procure and implement the recommendations as phase two of the project to include project management and oversight.

Moss Adams prepared the attached proposal to deliver on the defined scope.

III. FINANCIAL IMPACT AND BUDGET

The estimated costs for delivery of the scope of work is estimated between \$80-90,000 plus travel expenses. This component of the overall management consulting project originally put out to RFP is specific to the Community Services venues and therefore should be an expense in Community Services, not the General Fund. While not budgeted, the Director of IT has identified this as a priority project and the board may elect to appropriate the funds from the excess Community Services fund balance.

V. ALTERNATIVES

1. Revise the scope of work;
2. Put the project out to RFP;
3. Move forward with the Moss Adams proposal;
4. Defer to a later date.

VI. COMMENTS

See the attached Proposal from Moss Adams.

The Director of IT has expressed concerns about the timing of this effort. While it is estimated that the assessment may require roughly 5 hours a week from the Director, he has expressed concerns about the impact on other IT projects. He has provided the following for the board’s consideration related to the IT Projects and resource requirements for FY2023-24:

1. Reconfiguration and Replacement of 27 Access Network Switches
2. Replacement and Upgrade of the Core Network Security Devices (Firewalls)
3. The migration of On-Premise Email and Office Applications to Cloud Email and Office 365

4. RFID implementation at the Burnt Cedar Beach including the transition of the Beaches Venue POS
5. Upgrade and Technology improvements @ 893 Southwood Board Room
6. Scada Master Plan Proposal

The above are in addition to:

Day-to-day trouble responses to end users

Ongoing critical infrastructure maintenance and support

Continued Server/Network room improvements

Master Services Agreement Statement of Work
CONSULTING SERVICES – Technology Assessment and Roadmap Services

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

JUNE 16, 2023

This Statement of Work (“SOW”) is issued pursuant to the Master Services Agreement (the “MSA” or “Agreement”) between Moss Adams and you. This SOW incorporates all terms and conditions of the Agreement as if fully set forth herein. Any term not otherwise defined shall have the meaning specified in the Agreement. For the purposes of this SOW, Incline Village General Improvement District may be referred to as “IVGID” or “Client.”

Scope of Services

It is our understanding that IVGID is seeking to engage in a technology assessment and roadmap effort to support their target operating model. The target operating model for IVGID is centered around the unification of end user data related to venue passes, entitlements, programs, and payment data while maintaining the operational requirements of each operating venue.

Process/functional areas in scope for the assessment and roadmap include:

- Point of Sale System Assessment and Consolidation
- Merchant and Payment Processor Assessment and Consolidation
- Pass/Punch Card and Related Venue Access / Entitlement Management
- Program Management and Administration for Events and Classes
- eCommerce Platform for End User Sales, Program Enrollment, and Account Management
- Gate eCommerce Platform for Owners and Residents
- Customer Relationship Management
- Integration and Extensibility for Third Party Systems

Current Systems in scope for the assessment and roadmap include:

- Capstone (internally developed)
- Vermont Systems – RecTrac, GolfTrac, Webtrac
- Active Networks – RTP|One, RTP|OneStore
- Square – Square POS
- Total Party Planner POS and Banquet Event Order Management
- Tyler Munis – General Ledger Import Process

High-level target operating model objectives for IGVID include:

- Integration with the core financial system for real-time Business Intelligence tracking purposes as well as cash/revenue management
- Consolidation and integration of the master records across all POS – One central profile and Access Media for all venues
- PCI compliance, stored payment, EMV, NFC, as few payment processors as possible.
- As little to no loss in operational functionality from the current POS
- A consolidated e-commerce platform that addresses all or as many of the retail venues (Golf, Tennis, Ski, Rec Center) needs for product sales, program management, and member profile management
- A restricted access e-commerce platform that addresses all or as many of the non-retail (owners and residents only) venues needs including parcel management, the potential for integration with Washoe County’s Parcel Database, punch card management and picture uploading for passes
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Master Services Agreement Statement of Work

Incline Village General Improvement District

June 16, 2023

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The work plan that follows provides a list of tasks to assist IVGID in determining recommendations and developing the technology roadmap with Moss Adams providing advisory services throughout the project.

Project Work Plan	
Phase 1 - Project Initiation and Ongoing Management	
Task 1.1	Establish project, confirm objectives, and finalize work plan and schedule
Task 1.2	Schedule group sessions, interviews, and other tasks
Task 1.3	Project management, quality assurance, oversight, and weekly status reporting
Phase 1 Deliverables: <ul style="list-style-type: none"> Work plan Confirmed business process scope Weekly status reports 	
Phase 2 - Current State Assessment and Strategic Goals	
Task 2.1	Obtain and review existing documentation
Task 2.2	Conduct walkthrough of existing technology environment and systems
Task 2.3	Conduct on-site/virtual process and requirements discovery work sessions including a work session to confirm the strategic goals of the organization.
Task 2.4	Document current state requirements, gaps, and recommendations for each topic
Task 2.5	Review requirements and gaps for IVGID feedback
Task 2.6	Draft recommendations document for projects/initiatives to align with strategic goals, current state baseline requirements, gap closure, and target operating model.
Phase 2 Deliverables: <ul style="list-style-type: none"> Draft recommendations document Draft requirements workbook 	
Phase 3 – Technology Roadmap for Target Operating Model	
Task 3.1	Review and prioritize recommended projects/initiatives with TCPFIVGID to establish a sequence and timeline for execution.
Task 3.2	Conduct an impact analysis and change enablement review for the proposed timeline to establish the draft roadmap.
Phase 3 Deliverables: <ul style="list-style-type: none"> Draft technology road map with sequence and prioritization through collaboration with IVGID 	
Phase 4 – Final Roadmap and Presentation	
Task 4.1	Deliver and review final roadmap with the organizational stakeholders.
Task 4.2	Provide a presentation with the option to deliver the presentation to executive stakeholders.

Project Work Plan

Phase 4 Deliverables:

- Final Roadmap
- Roadmap Presentation

Project Assumptions

- IVGID’s staff will participate in process discovery work sessions (maximum of twelve (12) sessions).
- Moss Adams will hold a maximum of six (6) stakeholder interview sessions within the scope of the project.
- Timely completion of tasks identified in the work plan will depend upon full participation of IVGID’s personnel.
- Adequate documentation on current processes, requirements, and systems will be available.
- Both parties will commit to stay on track regarding the project schedule in order to maintain momentum and achieve efficiency.

Schedule

Moss Adams is prepared to commence this project in July 2023, assuming Client personnel are readily available to meet and work with our team members. An elapsed time of approximately five (5) to seven (7) months is expected to complete the work. This is considered an accelerated schedule designed to meet your needs in this situation. Factors that could influence the overall schedule include staff availability, availability of documentation, extent of supplemental analysis, desired level of documentation, holidays, and employee leave time.

Responsibility for Controls and Operating Environment

You are responsible for your control environment. We may advise you about business practices and their application, however, you will remain responsible for (i) the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Client involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the control environment; (ii) adjusting the control environment to correct for potential weaknesses; and (iii) identifying and ensuring that the Client complies with applicable laws and regulations.

Charges for Services

Our fees are based upon the hourly rates of individuals assigned to the project, plus expenses. Fees will be billed monthly as incurred on a time and materials basis. The professional fees for the project are expected to range from \$80,000 to \$90,000, plus expenses.

Our hourly rates are as follows:

Staff Level	Rate
Partner	\$395
Director	\$325
Senior Manager	\$305
Manager	\$275
Senior Consultant	\$245
Staff Consultant	\$210

Master Services Agreement Statement of Work

Incline Village General Improvement District

June 16, 2023

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We can jointly manage the budget for this engagement at project initiation through discussions regarding project scope, resource availability, assignment of duties between Client and Moss Adams team members, the anticipated level of effort, and overall project timing. If our time is less than anticipated, we will bill the lesser amount. If our time is more than anticipated, we will discuss this with you before proceeding further.

In addition to fees, we will charge you for expenses. Our invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Travel expenses and client meals/entertainment expenses will be billed separately and are not included in the 5% charge.

Hiring of Employees

We have a significant investment in the training and development of our personnel, and they are valued employees of Moss Adams. If you should hire one of our professionals either during the audit or within one year after the completion of this engagement, you agree to pay a personnel placement fee 33% of employee’s annual base salary to compensate Moss Adams.

Use of Subcontractor

We may retain subcontractors, which will access and process information using onshore and offshore resources, to assist us in providing the Services to you. This subcontractor will be required to maintain the confidentiality of your information, and we will be responsible for the subcontractors’ performance in accordance with the terms of this Agreement.

This SOW is effective as of the date set forth above.

ACCEPTED AND AGREED:

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

Signature: _____

Print Name: _____

Officer Title: _____

MOSS ADAMS LLP

Signature: _____

Print Name: Michael Parker

Title: Partner

Client: #805855
v. 6/7/2023