



December 5, 2017

Randy Barker
Williamson County
710 Main Street
Georgetown, TX 78626

**FIXED ASSET MANAGEMENT
PROGRAM PROPOSAL**

Dear Mr. Barker,

RCI Technologies, Inc. (RCI), a consulting company, is pleased to submit this proposal for a Fixed Asset Management Program (FAMP) to support GASB 34 which includes an on-site inventory of your capital assets, cost research and delivery of a functional database. RCI has completed similar projects in over 1,100 clients throughout the United States.

PURPOSE

The RCI Fixed Asset Management Program is specifically designed to assist counties in complying with the inventory and depreciation requirements contained in GASB 34. It was developed to comply with both Generally Accepted Accounting Principles (GAAP) and Governmental Accounting, Auditing and Financial Reporting (GAAFR) guidelines. In order to meet GASB 34 financial reporting guidelines, Counties need an accurate baseline fixed asset inventory, including as much historical cost information as possible, as well as the flexibility to separate assets by areas of responsibility, such as administration, police, utilities, etc. RCI's Fixed Asset Management Program provides exactly this capability by isolating smaller groups of depreciable assets from the entire County database. Our program enables counties to track assets from original purchase order to final disposition.

We believe that RCI is unique in the industry in that we make a concerted effort to record all possible actual cost values when preparing databases for our clients. We realize that, in some cases, actual cost information is simply not available. In those cases we exercise due diligence in determining estimated costs.

Counties typically bar code items with a value of \$500.00 or more. This represents approximately 7% to 10% of the total items in the County, which in turn represents approximately 75% of the total asset value of property in the County, excluding Real Property (land and buildings).

SCOPE OF SERVICES

This proposal is for a project that includes placing a bar code label on each item valued at \$500.00 or more and recording the description, bar code number and location (building and room) of each item. Each item will be recorded as an individual record, citing description, manufacturer, model, serial number, bar code number, old tag number (if tied to a viable database), building and room location. Computers will be bar coded on the CPU only. Bar codes will be attached to the vehicle titles rather than on the vehicles themselves. RCI will provide an inventory for both real and personal property.

RCI Technologies, Inc. will provide seven (7) experienced specialists to accomplish the on-site inventory. All personnel are employees of RCI Technologies; no subcontractors or temporary help will be used. We will complete the on-site work in about ten (10) on-site eight-hour days. We normally begin work at 8:00 a.m. and continue into the evening.

There are certain assets that need to be included in an inventory, but are issued to individuals and therefore not available for inventory during our on-site visit. This group may include items such as communications equipment, weapons, laptops, etc. In order for us to include these items in the inventory, you furnish a complete listing of them, including information regarding manufacturer, model, serial number, cost data, etc. These items have a bar code label assigned that can be affixed to a corresponding hardcopy listing or placed on the items by you at a later date.

Bar coding the entrance to each room to distinguish that particular room from any other in the County is extremely important. It enables the program to process identical room numbers (such as Room 101) in multiple locations. The database will show both the bar code room number and the County’s description for that room.

ACTUAL/ESTIMATED COSTS REQUIRED BY GASB 34

To fully comply with those reporting and depreciation guidelines, our mutual goal is to report the actual historical costs of county assets including both equipment and real property. In reality, information documenting actual costs varies widely from county to county; some have excellent records while others have virtually no information available. Most counties fall between the two extremes.

When actual historical costs cannot be determined, estimated actual costs will be assigned to all items for which an acquisition date can be established. When specific acquisition dates cannot be established, RCI will request that the County furnish an estimated purchase date. RCI can then calculate estimated actual costs using current replacement costs back-trended by commonly accepted indices to the appropriate acquisition dates.

Grouped items representing significant outlays (library books, uniforms, software, emergency equipment, etc.) can be reported as line item entries based on information provided by the County.

SOFTWARE

RCI believes that you should be able to add, delete and manipulate data related to its assets as necessary. The RCI Fixed Asset Management Program software is provided at no additional charge.

The Fixed Asset Management Program, including the software, was developed by RCI Technologies specifically for Counties. The software is a Windows-based stand-alone program.

The data input fields for RCI’s Fixed Asset Management Program are:

Building Number	Cost	Disposition Method
Room Number	Item Account Class	Disposition Date
Item Description	Quantity	Useful/estimated life
Federally Funded	Manufacturer	Purchase Date
Condition Code	Model	P.O. Number
Serial Number	Invoice Number	Remarks

Old ID Number	Check Number	Date Data Modified
Bar Code Number	Funding Code	Cost Code ID (Actual/Estimated)
Depreciation Method	Program Codes	10 User-defined fields
Salvage Value	Vendor	

The RCI Fixed Asset Management Program allows data to be exported/imported to/from a variety of accounting packages.

The RCI Fixed Asset Management Program is Open Database Compliant (ODBC). The program is fully networkable and will run on an NT based server. The program can be password protected from unauthorized users, or set up to allow various levels of access (user from Location A can access data for Location A, but not Location B). Multiple simultaneous usage is possible using your existing Microsoft SQL server license or by purchasing a user license.

DEPRECIATION

The FAMP software depreciates asset values using the straight-line method to ensure that you comply with GASB 34 guidelines. Our software will depreciate each item for the number of years of useful life based on the purchase date, salvage value (if any), and original cost. The software can filter for any desired capitalization level (e.g. \$1,500.00, \$5,000.00). In addition, the system can filter by category to allow depreciation of specific items, such as depreciating all maintenance equipment with a value of \$2,500.00 or more.

We committed to providing every client with the best inventory and software system available, the ability of the RCI system to support GASB 34 reporting is directly influenced by the quality and completeness of the original cost and acquisition information provided by the County.

CUSTOMER RESPONSIBILITIES

You should have one person from the Finance Department available to assist our Project Coordinator with specific information (cost, acquisition date, etc.) of capital assets. This information is usually found in the Finance Department, but may also be found in IT, Maintenance or other departments. This information is essential for the calculation of depreciation. In the event the acquisition date for a given asset is not available from existing records, you will need to provide an estimated acquisition date to calculate depreciation.

Providing cost detail on computer equipment is especially important, since the physical placement of equipment may prevent collection of model and serial number, and the wide variety of internal components that can be found (without changing the external appearance of the “box”) may make determination of historical cost impossible.

Our software program incorporates useful life of the asset based on recommendations of various auditors and other authoritative agencies. You can amend any of these lives based on decisions made by your administrators or external auditors.

Prior to the on-site portion of the project, we will request that you provide fire escape plans (or other similar floor plans) and lists of unusual equipment or an existing database in an electronic format.

It is very important that your personnel are aware that we need access to all areas of the County. Other personnel (perhaps custodians) will need to help us in identifying the location of assets throughout the County and should have keys available to provide access to all areas. These individuals will not be needed full time, but we would appreciate ready access to them.

DELIVERABLES

From the completion of our on-site work until you receive the final Fixed Asset Management package is normally no more than six weeks. As a result of this project, Williamson County will receive:

1. Numbered bar code labels affixed to all controlled items of property (each item valued at \$500.00 or more).
2. County-wide listing of all inventoried assets by description, and current location (Department/Building and room).
3. An Operating Guide for the system software.
4. The Fixed Asset Management Program and database for all inventoried items, that can produce numerous reports including the following:
 - a. Total Inventory Report
 - b. Fixed Asset Inventory Report – by Bar Code
 - c. Total Inventory Report – by Department, Department/Room, Item Class, etc.
 - d. Property Detail Report
 - e. Property Summary
 - f. Room List
 - g. Disposal Reports – Personal Property & Real Property – Shows (by date range) assets retired or otherwise disposed of by the organization.
 - h. Federally Funded Assets Report
 - i. Acquisition reports, showing (by date range) assets acquired by the organization.
 - j. Items not scanned.*

* Asset management data for these variance (exception) reports is based on inventories subsequent to the initial inventory.

WORK ESTIMATES AND ASSUMPTIONS

This proposal assumes:

1. RCI Technologies, Inc. has carefully prepared this Fixed Asset Management Program proposal. It is submitted based on RCI's experience and in good faith that the information provided is accurate; our pricing calculations are based directly on this information. If the number of sites or buildings significantly exceeds this number, RCI reserves the right to adjust its fees accordingly. The RCI Project Coordinator will identify this overage to your point of contact as soon as any additional work requirement becomes apparent. Any additional fees will be applied to the final invoice.
2. All inventoried assets are owned by the County. No leased equipment will be inventoried unless requested by you.
3. Williamson County will present RCI with all available costs for capital assets, and will work with RCI to determine reasonable and defensible acquisition dates when actual dates cannot be established. Calculation of depreciation is dependent upon actual acquisition costs and dates.

PRICING

RCI will provide seven (7) specialists to Williamson County for about ten (10) on-site eight-hour days. The Fixed Asset Management Consulting fee will be a flat fee of **\$63,500.00**. **(Item "A" on the acceptance page)**.

RCI will require an initial payment of **\$44,450.00** payable at the end of the on-site portion of this project, and the remainder due upon delivery of the software program.

OPTIONAL PRODUCTS & SERVICES

CUSTOMER TECHNICAL SUPPORT:

Telephone support: Free telephone technical support is included for the first 60 calendar days following the completed project. RCI will bill you \$750.00 per year after the initial 60 days to retain this customer support for two designated County employees. If, after the free 60-day period, you elect not to use this yearly-billed service, RCI will continue to support you for a fee of \$250.00 per incident **(Item "B" on acceptance page)**.

TRAINING:

The delivered product includes a CD containing the populated database, accompanied by system loading and operating instructions. If optional on-site training is desired it can be provided at the rate of \$1,250.00 for one on-site day. Additional days on the same RCI trip can be scheduled at the rate of \$500.00 per day.

The training consists of instruction for both the system operator and any personnel who will perform inventories, should you elect to perform future inventories. RCI strongly recommends that on-site training be done in conjunction with the delivery of the populated database **(Item "C" on acceptance page)**.

BAR CODES:

Additional polyvinyl bar code labels, to allow for perpetuation of the system, are \$0.15 each **(Item "D" on acceptance page)**.

AUTHORIZATION

When you approve this proposal, please check the blocks representing the services desired, sign the acceptance page and return it to RCI Technologies, Inc.

Sincerely,



Jenny Wood
Sales Manager

FIXED ASSET MANAGEMENT PROGRAM PROPOSAL

DATED DECEMBER 5, 2017

ACCEPTANCE BY WILLIAMSON COUNTY

GEORGETOWN, TEXAS

(Please check the services authorized)

- A. Fixed Asset Management Proposal (Including Software) @ a flat fee of **\$63,500.00**. RCI will require an initial payment of **\$44,450.00** payable at the end of the on-site portion of this project, and the remainder due upon delivery of the software program.

Optional Services

- B. Customer technical support @ **\$750.00** per year for two employees.
- C. On-site training @ a rate of **\$1,250.00** for the first day and **\$500.00** for each additional day desired on the same trip.
- D. _____ Polyvinyl Bar Code Labels for perpetuation of the system @ **\$0.15** each.
- E. _____ MC 3190 Mobile Computer at **\$2,950.00** each, including one year of scanner customer support.

Name _____ Title _____

Signature _____ Date _____

Phone Number _____ Fax Number _____

Email _____ Purchase Order # _____

Please indicate preferred start date: _____



BuyBoard Cooperative Purchasing

Proposal No. 498-15

**Technology Equipment and Supplies, Software,
Telecommunications Products, and Asset
Disposal and Recovery**

1/1/16 - 12/31/2018

**Submitted by Records Consultants, Inc.
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