



# **Request for Information**

**Massachusetts Growth Capital Corporation**

**June 2022**

## Introduction

Thank you for your interest in participating in the selection process for Massachusetts Growth Capital Corporation (Mass Growth) and its affiliates.

Working with the Mass Growth team, AAFCPAs has established an aggressive schedule and has streamlined the selection process to limit the effort required by both Mass Growth and the solution providers by focusing on the information critical to making a selection.

Your response to this Request for Information (RFI) is an important step in the selection process. The purpose of this RFI is to begin a structured two-way communication between potential software solution providers and the Mass Growth team. We are providing you with information about Mass Growth, the company, its business requirements, and the selection process. We ask you to use this information to decide if you want to participate in the selection process. If you choose to participate, we ask you to provide us with information about your products and services. We also ask you to commit your resources in order to meet the selection schedule.

In the event that modifications, clarifications, or additions to the RFI become necessary, we will notify all solution providers, in writing, with an addendum for the changed requirements.

## Guidelines

To preserve fairness and maintain efficiency throughout the selection process, we ask that you adhere to the following guidelines.

### Confidential Information

The information in this document is proprietary to Mass Growth. Solution providers are expected to take the same degree of care in using this information as they do with their own similar information. Dissemination of confidential information must be controlled, and distribution is limited to the solution provider's immediate organization, agents and subcontractors for purposes related directly to responding to Mass Growth's RFI. Any responses from Mass Growth, AAFCPAs or their representatives to solution providers' questions, whether oral or written, are also confidential. All material submitted by the vendor will be treated as confidential by Mass Growth and AAFCPAs unless specifically stated otherwise.

### AAFCPAs' Role

Mass Growth has engaged AAFCPAs to function as a systems project manager to perform the user requirements definition process, prepare the Request For Information (RFI) document, identify viable solution providers who will receive the RFI, act as a liaison for all questions regarding the user requirements and the submission of vendor proposals, and assist Mass Growth in the evaluation of solution providers' responses.

### Inquiries

Please direct all inquiries, technical or functional, via email to:

Robyn Leet, Manager, Business & IT Consulting  
AAFCPAs  
rleet@aafcpcpa.com

Stuart Karas, Associate, Business & IT Consulting  
AAFCPAs  
skaras@aafcpcpa.com

No inquiries are to be directed to Mass Growth staff, customers, or affiliates unless arranged through AAF. This will provide each vendor with an efficient level of service and keep all responses consistent.

All questions received from any respondent may be shared with all RFI participants if deemed appropriate. Please submit any questions in a timely fashion to allow adequate time for response by Mass Growth team.

### Acceptance of Responses

Mass Growth reserves the right to accept or reject any or all responses, to take exception to, delete or modify these RFI guidelines, or to waive any formalities. This document is an invitation for response. This document is not a contract and creates no obligations or duties to the vendor or Mass Growth. All solution providers who submit responses to this RFI will be notified of the results. Please note that Mass Growth may, at its sole discretion, choose to discontinue this RFI at any time and for any reason and without obligation to any prospective Solution Providers.

### Contractual Expectations

The selected vendor should be capable of assuming total responsibility for installation, implementation, operability, and servicing of all components, including those furnished by other solution providers as identified in your response to this RFI. The vendor response will be construed as an accurate representation of the proposed solution and as such will be incorporated into a contract by reference. We are requesting standard contract language in order to expedite the selection process.

## Required Response Elements

1. **Provide links to videos of the software that give a high-level overview of the functionality.** This is the biggest draw for potential customers so they can see the look and feel of your product.
2. Fill out accompanying spreadsheet and return in Excel format:
  - System features and functionalities.
  - Vendor information.
  - Estimated cost of software based on user counts and services requested. Please break down cost elements into base platform cost, add-on module costs, third party software. Please also provide best estimated cost for implementation, annual service contract and training expense.

Please submit an intent to respond to this RFI via email to Stuart Karas (skaras@aafcpa.com) by June 24, 2022, at 5pm.

Please submit your responses to this RFI via email to Stuart Karas (skaras@aafcpa.com) by June 30, 2022, at 5pm.

All supporting documentation submitted by the vendor with their RFI will become the property of Mass Growth unless otherwise noted.

## Timeline

Mass Growth aims to implement their system for September 2022. This necessitates an aggressive schedule, assuming all goes according to plan and the appropriate resources can be utilized. We suggest that solution providers immediately reserve demonstration times and personnel per the schedule below.

Mass Growth reserves the right to modify this schedule at any time, and you will be notified of any significant changes.

Event	Due Date
1. RFI Distribution to Prospective Solution Providers	June 22, 2022
2. Solution Provider's written confirmation of intent to respond due date	June 24, 2022
3. RFI response due date	June 30, 2022
4. Presentations of demo scenarios	Week of July 25, 2022
5. Finalist selected and final pricing/contracts obtained	August 5, 2022

## Corporate Summary

Massachusetts Growth Capital Corporation is a Quasi-public organization operating within the Commonwealth of Massachusetts. MGCC provides flexible, high-risk financing to small business that cannot get traditional financing or any further traditional financing. Additionally, MGCC provides grants to nonprofit organizations that assist small business with technical assistance throughout the Commonwealth. MGCC endeavors to assist small businesses with attention to the needs of minority, women, and veteran -owned business, and those located in Gateway Cities.

## Project and System Summary

The Mass Growth group currently uses the following systems for the following functions:

System	Description
Accufund	General ledger software, also serves as loan tracking software
New ERP	Implementing modern ERP concurrently with this RFI

Mass Growth relies heavily on Excel and external legal help to originate loans. The lending team pursues the loans, underwrites them, and then work with attorneys to close. Quality control is then conducted using a physical binder supported by an Excel tracker with information on completion status.

The loan is booked into Accufund for servicing. Basic invoicing is conducted through Accufund while all reporting, amortization, and advanced loan servicing operations are built through Excel.

## **Key business processes and opportunities for improvement**

Below is a breakdown of the major business processes and key needs for each process area required for the new GL system.

### **Loan Origination**

- Streamlined process for lending department to find loans to originate
- Information feed from the 3 credit bureaus
- Simplified underwriting process
- Ability to track documentation and requirement throughout the origination process
- CRM style tracking system where documents can be reviewed, approved, and rejected
- Ability to assign tasks to certain individuals
- Workflows for approvals
- Reminders, or “ticklers”, for tasks and follow-ups
- Ability to email follow-ups to potential borrowers that need to provide more information
- Internal commenting and emailing system for seamless communication

### **Loan Set-up**

- Custom dimensions for reporting and to match financial information to ERP
- Ability to track multiple funding sources for individual loans
- Tracking of goals (ie employment stats, demographics, mission statement, etc.)
  - Reminders when the information needs to be updated
- Tracking compliance data (ie jobs added or clients serviced for some loans)
- Collection of the loan commitment fee
- Assignment of loans to the responsible loan or credit officer
- Access and view-only controls to limit loan changes to responsible parties
- Amortization Schedules

### **Loan Servicing**

- Integration with ERP system, either to forward invoice information for ERP to bill or to bill in loan software and forward financial information to ERP
- Calculation of principal and interest, itemized out for invoicing
- Creation of loan status report that goes to customer with the invoice
- Ability to easily credit and rebill invoices and ability to backdate to prior period
- Ability to grant “principal holidays” for a set number of months
- Receipt of payments by online portal, ACH, and/or credit card
- Automatic creation and emailing of late notices
- Loan payoff calculation
- AR aging reports
- Generation and emailing of payoff letters with e-signature

#### **Loan Management & Changes**

- Input field to explain why a change is being made to a loan for record-keeping
- Audit trails
- Loan history is stored and matches billing data
- Ability to write-off a loan and to reverse a write-off
- Ability to calculate bad debt quarterly
- Recalculation of amortization schedules
- Notifications when documents need to be replaced (ie life insurance renewals)
- Calculation of loan loss reserves
- Ability to change the loan rating

#### **Reporting**

- Customizable and intuitive reporting capability
- Monthly/Quarterly/Annual financial reports – by actuals or borrowing base
- Reporting on compliance data dimensions
- Customizable dashboards with KPIs, reports and metrics.

- Ability to email statements and reports

## Current Sizing Statistics & Loan Volumes

- Finance for full access: 6
- Lending team for limited access: 10
- Loans under management: 40
- Avg loan life cycle: 4 years

## Selection Criteria: Features and Functionalities

Award of any contract resulting from this RFI will be based upon the most responsive Solution Provider whose proposed overall solution is deemed to be the most advantageous to Mass Growth based on the evaluation factors outlined in this Requirements document.

### Other Criteria for Consideration

Other important selection criteria include:

- Total cost of ownership
- User-friendly for users with limited technical aptitude
- Stage in life-cycle application and technology
- Security of data
- Implementation complexity and time
- Easy and responsive training and support resources

**If you do not feel that your system meets these requirements or will need workarounds to fulfill, please detail the gap area and reasoning.**