

John Smith

ACME Corporation

123 Corporate Lane

Milford, CT 06461

March 2, 2007

Charles Jones

CFO

Fictiona, Inc.

456 Executive Drive

Anywhere, CT 06777

*Dear Charles Jones*:

As a long-time admirer of the outstanding work that your organization has done in the market, I particularly enjoyed having the opportunity to see how your company functions from the inside. As you indicated during our meeting, your organization has grown to a point where it needs to dramatically enhance its accounting function so that it can continue to function effectively.

This correspondence outlines the complete scope of work you requested, including objectives, procedures, identification of responsibilities, and estimated fees.

**OBJECTIVE**

Implement the Model 60 accounting system on the network. Install the Model 60 software, including implementation and setup, training, conversion assistance, and post-conversion support of the library master, general ledger, accounts payable, and import master modules. Provide professional assistance related to this new system and coordinate the bridge to and from the Wile Research and Coyot, Ltd. software. Success of this project is dependent not only on the software, but also on your personnel's skill, effort, and willingness to work as a cohesive team.

**SCOPE OF SERVICES**

1. **Procedures**
   1. Assist in planning implementation of the Model 60 accounting system.
   2. Recommend steps required to successfully install the new system and assist in assembling setup information and accounting data used in the implementation process.
   3. Establish specifications for the bridge from the Wile Research software to capture cash receipt information. (Note: Wile Research software has a "general ledger distribution" file that contains information that can be bridged in detail or summary format. The interface (export file) will be written by Wile Research staff.)
   4. Establish specifications for the bridge from the Coyot, Ltd. software to bridge payment schedules for grants issued.
   5. Write the bridge to receive (import) the information into the Model 60 software.

**BENEFITS**

When the project is complete, our neighborhood group will have successfully converted to the Model 60 integrated accounting system. Benefits include timely, accurate accounting data, ease of data entry, and flexible reporting with a bridge to your gift and donor software.

**SOFTWARE COSTS AND PROFESSIONAL FEES**

Software costs and fee estimates are summarized on the attached schedule. These fees are effective provided (a) your accounting records are in good order, and (b) a staff member can devote full time to the implementation process. Fees will be adjusted to actual accordingly. We will not incur additional hours without written prior approval. Our fee does not include modifications to the Model 60 software.

Our terms are 45% deposit on software costs before we begin. The balance for software costs is due upon installation (actual loading of the software). Our professional fees are billed weekly.

**CLOSING**

We appreciate the opportunity to service your computer software needs. If you want to accept this proposal, please sign one copy and return it with a 45% deposit of the software costs.

Sincerely,

John Smith

This box for internal use only

Director, Global Sales

Enclosure

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| **RESPONSE** This letter correctly sets forth the understanding of our organization. | | |
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| Accepted by | Title | Date |

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| --- | --- |
| ACME Corporation 123 Corporate Drive Milford, CT 06461**PROPOSAL** | |
| DATE: 4/17/2009  SOFTWARE: Model 60 | TO:  Charles Jones |
| SOFTWARE COST:  Library Multi-Record Including Report Master $1,255  General Ledger 850  Accounts Payable 850  Import Master 645  TOTAL SOFTWARE $3,600 | |
| **Tasks / Hours** | |
| Installation Plan 9 Identify Responsibilities  Establish Schedule  Select Conversion Date | |
| Installation of Software 5 Install Model 60 Modules on Network  Set Terminal ID's and Preferences  Set Printers and Defaults  Establish Security | |
| Implementation of Modules 9 Establish Parameter and Master Files  GL, AP, and Custom Financial Statements | |
| Training: All Modules and Backup 9 Document Procedures  Demonstrate Hands-On Entry Reporting | |
| Conversion 9 Define Conversion Tasks and Methods | |
| Build Import from Wile Research and Coyot, Ltd. 18 | |
| Coordinate Bridge from Wile Research and Coyot, Ltd. 18 | |
| **TOTAL HOURS[[1]](#footnote-2) 77** **TOTAL FEES $6,930** | |

1. NOTE: Estimate only [↑](#footnote-ref-2)