

# ProSysco.ai

## Unified EPC Development, Construction & Operational Financial Platform white paper #2

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### Executive Overview

ProSysco.ai is a capital-intensive Engineering, Procurement, and Construction (**EPC**) procurement Platform designed to control profitability across the **entire asset lifecycle** — from early development and entitlement, through construction execution, and into post-commissioning operations.

Where traditional models fragment responsibility between developers, contractors, operators, and lenders, ProSysco unifies them inside a **single living financial system** governed by predetermined profit, real-time controls, and AI-verified performance.

At the core of every engagement is the **Live EPC ProForma™**, a continuously updating financial and operational ledger that evolves from feasibility modeling to construction control and long-term operational optimization. Profit is not hoped for at completion — it is architected, enforced, and sustained.

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### Lifecycle Architecture: Development → Construction → Operations

ProSysco is built on the principle that profit must be protected **before capital is committed, during execution, and after commissioning**. Each phase feeds the next through a closed-loop financial and performance system.

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### Phase I — Development & Feasibility (Before Capital Is Deployed)

#### Intelligent Development by Design

Development is where projects are won or lost financially. ProSysco begins here, long before permits are issued or contracts are signed.

Every engagement starts with a **Design–Build EPC Feasibility ProForma**, structured around:

- **Input** — Capital sources, investment tolerance, preliminary design intent, zoning and entitlement assumptions.

- **Throughput** — Closed reverse-auction RFQs to general contractors and prime subcontractors, matrix analysis, value engineering, and KPI-tagged negotiation strategies.
- **Output** — Verified building scope, realistic cost-to-complete, delivery timeline, absorption modeling, and financing readiness.

Predetermined profit is defined at this stage and treated as a **required first-line expense**. If feasibility cannot mathematically support the profit floor and debt service, the project is redesigned or rejected.

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### **Early Design-Build Reverse Auction & Matrix Intelligence**

ProSysco deploys closed design-build reverse auctions early — not as a pricing exercise, but as a **cost internalization and intelligence process**.

- RFQs issued to 10–20 qualified GCs and prime trades
- Cost-loaded SOVs required for transparency
- Two-to-three iterative bid cycles to deepen accuracy
- AI-assisted matrix analysis identifying leverage, alternatives, and savings

This process routinely produces **7–25% cost reductions** while increasing certainty and protecting the profit floor.

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### **Phase II — Construction Execution (Permit to Cash-Positive Completion)**

#### **Construction Governed by Profit Gates**

Permit issuance marks the highest-risk financial transition. At this point, capital is released and irreversible decisions begin. ProSysco's Construction Operating System activates immediately.

No scope is released unless it clears a **Profit Gate**:

- Contribution margin embedded in every SOV
- Overhead and profit recovered progressively through draws
- Jobs that cannot clear the profit floor are redesigned or stopped

Construction becomes a controlled financial system — not a sequence of heroic efforts.

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## **Closed-Loop Procurement & Trade Control**

Post-permit procurement is governed by disciplined reverse-auction logic:

- Each scope sent to 10–20 qualified trades
- Target of 3–5 competitive, compliant bids
- Mandatory cost-loaded schedules and delivery commitments
- Value engineering and alternates evaluated professionally

Bulk-buy aggregation through ProSysco's Commodity Desk™ routinely produces the **largest single margin uplift** during construction.

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## **Daily Performance Verification & Pay-for-Performance**

Execution is verified daily:

- Morning trade check-ins with GPS and timestamped evidence
- Midday progress verification
- End-of-day completion uploads
- AI validation against contract scope and schedule

Payments are triggered only by verified performance. Trades stop chasing payment and start chasing delivery.

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## **Closed-Loop Accounting & Cash Control**

All construction data flows automatically from site to ledger:

- Labor, materials, draws, retention, change orders
- Real-time cost-to-complete verification
- Rolling 13-week cash flow control tower

Work is sequenced by fastest cash conversion, not backlog volume.

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## **Phase III — Commissioning, Operations & Ongoing Profit Optimization**

## Commissioning Without Financial Drop-Off

Traditional projects lose discipline at substantial completion. ProSysco extends the Live EPC ProForma™ through commissioning, licensing, and stabilization.

- Commissioning costs tracked and funded inside the ProForma
- Certificate of Occupancy, licensing, and final approvals integrated
- Final forensic reconciliation of budget vs. realized cost and profit

The project hands off **cash-positive and fully documented**, not financially exhausted.

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## Ongoing Operations & Asset Optimization

Once operational, the asset transitions into **Live Operational ProForma Mode**:

- Operating expenses, utilities, maintenance, and staffing modeled in real time
- Working capital and interest reserves actively managed
- KPI-driven operating efficiency and margin protection
- Refinancing, recapitalization, or sale readiness maintained continuously

The asset remains perpetually **bankable, auditable, and optimized**.

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## The Three-Layer Profit Architecture

Across all phases, ProSysco enforces a unified profit framework:

1. **Predetermined Profit (Input Floor)** — Non-negotiable protection for investors and debt service.
2. **Residual Profit (Throughput Value)** — Managed economic value exceeding the cost of capital.
3. **Retained Earnings (Output Vault)** — Locked for working capital, debt reduction, and growth.

Profit leakage is physically blocked by the system.

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## Integrated Financing Across the Lifecycle

ProSysco synchronizes financing across every phase:

- Development equity and entitlement capital
- Construction and bridge financing
- Equipment and systems loans
- Commissioning and licensing capital
- Operational, sustainability, and working-capital facilities

All capital sources remain visible and verified inside the Live EPC ProForma™.

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## Conclusion

ProSysco.ai is not a construction manager. It is not a consultant. It is not software.

It is a **capital-intensive lifecycle operating system** that governs development, construction, and operations inside one living financial framework.

Profit is designed before capital is committed, enforced during execution, and protected long after commissioning.

**AI + FinTech + EPC = Bankable Assets, Built to Perform**

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