

REQUEST FOR PROPOSALS FOR

INTEGRATED TAX SYSTEM

For The

Department of Revenue

ISSUING OFFICE

**Department of General Services
Bureau of Procurement
555 Walnut Street, 6th Floor
Harrisburg, PA 17101-1914**

RFP NUMBER

6100009295

DATE OF ISSUANCE

January 8, 2010

**REQUEST FOR PROPOSALS FOR
INTEGRATED TAX SYSTEM**

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CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via email to kashaffer@state.pa.us	Potential Offerors	January 19, 2010 at 2:00 PM
Pre-proposal Conference—Location: 555 Walnut St, 6 th Floor (Forum Place Building) Harrisburg, PA 17101 Conference Room 1	Issuing Office/Potential Offerors	January 21, 2010 at 1:30 PM
Answers to Potential Offeror questions posted to the DGS website (http://www.dgsweb.state.pa.us/RTA/Search.aspx) no later than this date.	Issuing Office	January 27, 2010 by 4:00 PM
Please monitor website for all communications regarding the RFP.	Potential Offerors	Ongoing
Sealed proposal must be received by the Issuing Office at ATTN: Kay Shaffer Department of General Services, Bureau of Procurement 555 Walnut Street, 6 th Floor Harrisburg, PA 17101-1914	Offerors	February 9, 2010 at 3:00 PM

PART I

GENERAL INFORMATION

I-1. Purpose. This request for proposals (RFP) provides to those interested in submitting proposals for the subject procurement (“Offerors”) sufficient information to enable them to prepare and submit proposals for the **Department of General Service’s** consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need **for Integrated Tax System** (“Project”).

I-2. Issuing Office. The **Department of General Services (DGS)** (“Issuing Office”) has issued this RFP on behalf of the Commonwealth. The sole point of contact in the Commonwealth for this RFP shall be **Kay Shaffer, 555 Walnut Street, 6th Floor, Harrisburg, PA 17101, kashaffer@state.pa.us**, the Issuing Officer for this RFP. Please refer all inquiries to the Issuing Officer.

I-3. Scope. This RFP contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the service to be provided; requirements which Offerors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFP.

Throughout the RFP and its attachments and appendices, the word “includes” (or including, or any other form of the word) is meant to convey that a list is not exhaustive. The word, or any form thereof, is to be construed to mean “includes (or including), but not limited to”.

I-4. Problem Statement. Many of the information systems in use at the Pennsylvania Department of Revenue (PaDOR) have been in existence for over 20 years and were implemented to address specific tax types processed by the Department. As a result, the systems exist within their own “stovepipes” and present challenges to the IT and business support teams when attempting to view and process taxpayers holistically. With the current demands that all sectors of government “do more with less” the trend in tax processing is toward enterprise systems that collaboratively share information and leverage content across tax types and functions. The PaDOR has determined that it is in the best interests of the Commonwealth to leverage the investments made in the SAP technology platform and to implement an integrated tax solution based on the SAP Tax and Revenue Management solution. Additional detail is provided in **Part IV** of this RFP.

I-5. Type of Contract. It is proposed that if the Issuing Office enters into a contract as a result of this RFP, it will be a **fixed price** contract containing the IT Contract Terms and Conditions as shown in **Appendix A**. The Issuing Office, in its sole discretion, may undertake negotiations with Offerors whose proposals, in the judgment of the Issuing Office, show them to be qualified, responsible and capable of performing the Project.

I-6. Rejection of Proposals. The Issuing Office reserves the right, in its sole and complete discretion, to reject any proposal received as a result of this RFP.

I-7. Incurring Costs. The Issuing Office is not liable for any costs the Offeror incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the contract.

I-8. Pre-proposal Conference. The Issuing Office will hold a pre-proposal conference as specified in the Calendar of Events. The purpose of this conference is to provide opportunity for clarification of the RFP, as well as to point out some of the major changes which have been made relative to the RFP which was issued on April 24, 2009. Offerors should forward all questions to the Issuing Office in accordance with **Part I, Section I-9** to ensure adequate time for analysis before the Issuing Office provides an answer. Offerors may also ask questions at the conference. In view of the limited facilities available for the conference, Offerors should limit their representation to **three (3)** individuals per Offeror. The pre-proposal conference is for information only. Any answers furnished during the conference will not be official until they have been verified, in writing, by the Issuing Office. All questions and written answers will be posted on the Department of General Services' (DGS) website as an addendum to, and shall become part of, this RFP. Attendance at the pre-proposal conference is **optional**.

I-9. Questions & Answers. If an Offeror has any questions regarding this RFP, the Offeror must submit the questions by email (**with the subject line "RFP 6100009295 Question"**) to the Issuing Officer named in **Part I, Section I-2** of the RFP. If the Offeror has questions, they must be submitted via email **no later than** 2:00 p.m. prevailing Eastern Time on the date indicated on the Calendar of Events. The Offeror shall not attempt to contact the Issuing Officer by any other means. The Issuing Officer shall post the answers to the questions on the DGS website by the date stated on the Calendar of Events.

All questions and responses as posted on the DGS website are considered as an addendum to, and part of, this RFP in accordance with RFP **Part I, Section I-10**. Each Offeror shall be responsible to monitor the DGS website for new or revised RFP information. The Issuing Office shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFP or formally issued as an addendum by the Issuing Office. The Issuing Office does not consider questions to be a protest of the specifications or of the solicitation. The required protest process for Commonwealth procurements is described on the DGS website.

I-10. Addenda to the RFP. If the Issuing Office deems it necessary to revise any part of this RFP before the proposal response date, the Issuing Office will post an addendum to the DGS website at <http://www.dgsweb.state.pa.us/RTA/Search.aspx>. It is the Offeror's responsibility to periodically check the website for any new information or addenda to the RFP. Answers to the questions asked during the Questions & Answers period also will be posted to the website as an addendum to the RFP.

I-11. Response Date. To be considered for selection, hard copies of proposals must arrive at the Issuing Office on or before the time and date specified in the RFP Calendar of Events. The Issuing Office will **not** accept proposals via email or facsimile transmission. Offerors who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the

Commonwealth office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Issuing Office otherwise notifies Offerors. The hour for submission of proposals shall remain the same. The Issuing Office will reject, unopened, any late proposals.

I-12. Proposals. To be considered, Offerors should submit a complete response to this RFP to the Issuing Office, using the format provided in **Part II**, providing **eleven (11) paper copies of the Technical Submittal and one (1) paper copy of the Cost Submittal and two (2) paper copies of the Disadvantaged Business Submittal**. In addition to the paper copies of the proposal, Offerors shall submit two **complete and exact** copies of the entire proposal (Technical, Cost and Disadvantaged Business Submittals, along with all requested documents) on CD-ROM or Flash drive in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. Offerors should ensure that there is no costing information in the technical submittal. Offerors should not reiterate technical information in the cost submittal. The CD or Flash drive should clearly identify the Offeror and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted. The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant. Each proposal page should be numbered for ease of reference. An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (Appendix C to this RFP) and the Proposal Cover Sheet is attached to the Offeror's proposal, the requirement will be met. For this RFP, the proposal must remain valid for **120** days or until a contract is fully executed. If the Issuing Office selects the Offeror's proposal for award, the contents of the selected Offeror's proposal will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

Each Offeror submitting a proposal specifically waives any right to withdraw or modify it, except that the Offeror may withdraw its proposal by written notice received at the Issuing Office's address for proposal delivery prior to the exact hour and date specified for proposal receipt. An Offeror or its authorized representative may withdraw its proposal in person prior to the exact hour and date set for proposal receipt, provided the withdrawing person provides appropriate identification and signs a receipt for the proposal. An Offeror may modify its submitted proposal prior to the exact hour and date set for proposal receipt only by submitting a new sealed proposal or sealed modification which complies with the RFP requirements.

I-13. Disadvantaged Business Information. The Issuing Office encourages participation by small disadvantaged businesses as prime contractors, joint ventures and subcontractors/suppliers and by socially disadvantaged businesses as prime contractors.

Small Disadvantaged Businesses are small businesses that are owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantages. The term includes:

- A. Department of General Services Bureau of Minority and Women Business Opportunities (BMWBO)-certified minority business enterprises (MBEs) and women business enterprises (WBEs) that qualify as small businesses; and
- B. United States Small Business Administration certified 8(a) small disadvantaged business concerns.
- C. Businesses that BMWBO determines meet the Small Business Administration criteria for designation as a small disadvantaged business.

Small businesses are businesses in the United States that are independently owned, are not dominant in their field of operation, employ no more than 100 persons and earn less than \$20 million in gross annual revenues (\$25 million in gross annual revenues for those businesses in the information technology sales or service business).

Socially disadvantaged businesses are businesses in the United States that BMWBO determines are owned or controlled by a majority of persons, not limited to members of minority groups, who are subject to racial or ethnic prejudice or cultural bias, but which do not qualify as small businesses. In order for a business to qualify as “socially disadvantaged,” the offeror must include in its proposal clear and convincing evidence to establish that the business has personally suffered racial or ethnic prejudice or cultural bias stemming from the business person’s color, ethnic origin or gender.

Questions regarding this Program can be directed to:

Department of General Services
Bureau of Minority and Women Business Opportunities
Room 611, North Office Building
Harrisburg, PA 17125
Phone: (717) 783-3119
Fax: (717) 787-7052
Email: gs-bmwbo@state.pa.us
Website: www.dgs.state.pa.us

A database of BMWBO-certified minority- and women-owned businesses can be accessed at <http://www.dgsweb.state.pa.us/mbewbe/VendorSearch.aspx>. The federal vendor database can be accessed at <http://www.ccr.gov> by clicking on *Dynamic Small Business Search* (certified companies are so indicated).

I-14. Information Concerning Small Businesses in Enterprise Zones. The Issuing Office encourages participation by small businesses, whose primary or headquarters facility is physically located in areas the Commonwealth has identified as *Designated Enterprise Zones*, as prime contractors, joint ventures and subcontractors/suppliers.

The definition of headquarters includes, but is not limited to, an office or location that is the administrative center of a business or enterprise where most of the important functions of the

business are conducted or concentrated and location where employees are conducting the business of the company on a regular and routine basis so as to contribute to the economic development of the geographical area in which the office or business is geographically located.

Small businesses are businesses in the United States that are independently owned, are not dominant in their field of operation, employ no more than 100 persons and earn less than \$20 million in gross annual revenues (\$25 million in gross annual revenues for those businesses in the information technology sales or service business).

There is no database or directory of small businesses located in Designated Enterprise Zones. Information on the location of *Designated Enterprise Zones* can be obtained by contacting:

Aldona M. Kartorie
Center for Community Building
PA Department of Community and Economic Development
4th Floor, Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120-0225
Phone: (717) 720-7409
Fax: (717) 787-4088
Email: akartorie@state.pa.us

I-15. Economy of Preparation. Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of the RFP.

I-16. Alternate Proposals. The Issuing Office has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Issuing Office will not accept alternate proposals.

I-17. Discussions for Clarification. Offerors may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Offeror responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

I-18. Prime Contractor Responsibilities. The contract will require the selected Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. The Issuing Office will consider the selected Offeror to be the sole point of contact with regard to contractual matters.

I-19. Proposal Contents.

- A. Confidential Information. The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Offerors' submissions in order to evaluate proposals submitted in response to this RFP. Accordingly, except as provided herein, Offerors should not label proposal

submissions as confidential or proprietary or trade secret protected. Any Offeror who determines that it must divulge such information as part of its proposal must submit the signed written statement described in subsection c. below and must additionally provide a redacted version of its proposal, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

- B. Commonwealth Use. All material submitted with the proposal shall be considered the property of the Commonwealth of Pennsylvania and may be returned only at the Issuing Office's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of a contract. Notwithstanding any Offeror copyright designations contained on proposals, the Commonwealth shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.
- C. Public Disclosure. After the award of a contract pursuant to this RFP, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a proposal submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. (See **Appendix L, Trade Secret/Confidential Proprietary Information Notice**). Financial capability information submitted in response to Part II, Section II-7 of this RFP is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-20. Best and Final Offers. While not required, the Issuing Office reserves the right to conduct discussions with Offerors for the purpose of obtaining “best and final offers.” To obtain best and final offers from Offerors, the Issuing Office may do one or more of the following:

- A. Schedule oral presentations;
- B. Request revised proposals; and
- C. Enter into pre-selection negotiations.

The Issuing Office will limit any discussions to responsible Offerors (those that have submitted responsive proposals and possess the capability to fully perform the contract requirements in all respects and the integrity and reliability to assure good faith performance) whose proposals the Issuing Office has determined to be reasonably susceptible of being selected for award. The Criteria for Selection found in **Part III, Section III-4**, shall also be used to evaluate the best and final offers. Dollar commitments to Disadvantaged Businesses and Enterprise Zone Small Businesses can be reduced only in the same percentage as the percent reduction in the total price offered through negotiations.

I-21. News Releases. Offerors shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.

I-22. Restriction of Contact. From the issue date of this RFP until the Issuing Office selects a proposal for award, the Issuing Officer is the sole point of contact concerning this RFP. Any violation of this condition may be cause for the Issuing Office to reject the offending Offeror's proposal. If the Issuing Office later discovers that the Offeror has engaged in any violations of this condition, the Issuing Office may reject the offending Offeror's proposal or rescind its contract award. Offerors must agree not to distribute any part of their proposals beyond the Issuing Office. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified.

I-23. Debriefing Conferences. Offerors whose proposals are not selected will be notified of the name of the selected Offeror and given the opportunity to be debriefed. The Issuing Office will schedule the time and location of the debriefing. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror's proposal in relation to all other Offeror proposals. An Offeror's exercise of the opportunity to be debriefed does not constitute the filing of a protest.

I-24. Issuing Office Participation. Offerors shall provide all services, supplies, facilities, and other support necessary to complete the identified work, except as otherwise provided in this **Part I, Section I-24.**

The Commonwealth will provide the following:

- Up to five (5) fulltime technical resources for system configuration and infrastructure support tasks
- Up to five (5) fulltime technical operations resources to support system performance, monitoring and control tasks
- Up to five (5) fulltime administrative support resources for project management, business analysis and facilitation tasks
- Up to ten (10) fulltime technical programming resources for standard development tasks (design, code, test, document)
- Up to fifteen (15) near-fulltime business user resources for subject matter expert guidance for business processes, design and testing requirements support
- Trainers to be trained as train the trainers as required by the proposed training plan
- Other personnel as identified during the project planning phase
- Work space, desktop computers, printers, copiers and telephones for use during the project.

The personnel complements indicated above are estimated "high-water" needs over the life of the project. These figures are estimates for purposes of submitting your responses. Actual numbers, higher or lower, will be determined by mutual agreement of the successful Offeror and the Commonwealth during the project planning phase. PaDOR resources may not be held responsible for either the creation of or the timely delivery of deliverables under the contract.

I-25. Term of Contract. The term of the contract will commence on the Effective Date and will extend for **five (5) years, with five (5) optional renewal years, which renewal options may be exercised at the Commonwealth's sole discretion in single or multiple year increments.** The Issuing Office will fix the Effective Date after the contract has been fully executed by the selected Offeror and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The selected Offeror shall not start the performance of any work prior to the Effective Date of the contract and the Commonwealth shall not be liable to pay the selected Offeror for any service or work performed or expenses incurred before the Effective Date of the contract.

I-26. Offeror's Representations and Authorizations. By submitting its proposal, each Offeror understands, represents, and acknowledges that:

- A.** All of the Offeror's information and representations in the proposal are material and important, and the Issuing Office may rely upon the contents of the proposal in awarding the contract(s). The Commonwealth shall treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the Proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.
- B.** The Offeror has arrived at the price(s) and amounts in its proposal independently and without consultation, communication, or agreement with any other Offeror or potential offeror.
- C.** The Offeror has not disclosed the price(s), the amount of the proposal, nor the approximate price(s) or amount(s) of its proposal to any other firm or person who is an Offeror or potential offeror for this RFP, and the Offeror shall not disclose any of these items on or before the proposal submission deadline specified in the Calendar of Events of this RFP.
- D.** The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- E.** The Offeror makes its proposal in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- F.** To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last **four** years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as the Offeror has disclosed in its proposal.

- G.** To the best of the knowledge of the person signing the proposal for the Offeror and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.
- H.** The Offeror is not currently under suspension or debarment by the Commonwealth, any other state or the federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.
- I.** The Offeror has not made, under separate contract with the Issuing Office, any recommendations to the Issuing Office concerning the need for the services described in its proposal or the specifications for the services described in the proposal.
- J.** Each Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- K.** Until the selected Offeror receives a fully executed and approved written contract from the Issuing Office, there is no legal and valid contract, in law or in equity, and the Offeror shall not begin to perform.

I-27. Notification of Selection. The Issuing Office will notify the selected Offeror in writing of its selection for negotiation after the Issuing Office has determined, taking into consideration all of the evaluation factors, the proposal that is the most advantageous to the Issuing Office.

I-28. RFP Protest Procedure. The RFP Protest Procedure is on the DGS website at <http://www.dgsweb.state.pa.us/comod/ProtestProcedures.doc>. A protest by a party not submitting a proposal must be filed within **seven** days after the protesting party knew or should have known of the facts giving rise to the protest, but no later than the proposal submission deadline specified in the Calendar of Events of the RFP. Offerors may file a protest within **seven** days after the protesting Offeror knew or should have known of the facts giving rise to the protest, but in no event may an Offeror file a protest later than seven days after the date the notice of award of the contract is posted on the DGS website. The date of filing is the date of receipt of the protest. A protest must be filed in writing with the Issuing Office.

I-29. Use of Electronic Versions of this RFP. This RFP is being made available by electronic means. If an Offeror electronically accepts the RFP, the Offeror acknowledges and accepts full responsibility to insure that no changes are made to the RFP. In the event of a conflict between a version of the RFP in the Offeror's possession and the Issuing Office's version of the RFP, the Issuing Office's version shall govern.

PART II

PROPOSAL REQUIREMENTS

Offerors **must** submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the Proposal. All cost data relating to this proposal and all Disadvantaged Business cost data should be kept separate from and not included in the Technical Submittal. Each Proposal shall consist of the following **three** separately sealed submittals:

- A. Technical Submittal, which shall be a response to RFP **Part II, Sections II-1 through II-9** and shall include responses to Functional and Technical Requirements located in Appendices E and F of the RFP using the instructions provided in those Appendices. The Offeror response to the Functional Requirements in Appendix E of the RFP shall be included in the Offerors Proposal as ‘Attachment A: Functional Requirements.’ The Offeror response to the Technical Requirements in Appendix F of the RFP shall be included in the Offeror’s Proposal as ‘Attachment B: Technical Requirements’;
- B. Disadvantaged Business Submittal, in response to RFP **Part II, Section II-10**; and
- C. Cost Submittal, in response to RFP **Part II, Section II-11**.

The Issuing Office reserves the right to request additional information which, in the Issuing Office’s opinion, is necessary to assure that the Offeror’s competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Issuing Office may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, and the Offeror shall furnish to the Issuing Office all requested information and data. The Issuing Office reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Offeror fails to satisfy the Issuing Office that such Offeror is properly qualified to carry out the obligations of the RFP and to complete the Project as specified.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided. The following must be included, at a minimum:

- A. Firms Providing Services** – The Offeror must list all firms proposed to provide the services proposed in its RFP response including any subcontractors.

- B. How Requirements Are Met** – The Offeror must succinctly describe how the requirements of the RFP are met.
- C. Completed Base Project and Specified Options Forms** – The Offeror must complete the Appendix J4 Base Project Form and Appendix J5 Specified Options and include them in its response. Brief narratives describing their proposed services and products for the base project and specified options may also be provided.
- D. Implementation Timing** – The Offeror must provide an overview of its proposed implementation timing. The Project Timing Summary table included in Appendix J2 Summary Tables must be completed as part of the Offeror's response.
- E. Approach for Self Sufficiency** – The Offeror must briefly describe the proposed approach for assisting PaDOR functional, operational, and technical personnel to become self sufficient in use, operation, and maintenance of the Integrated Tax System (ITS) software.
- F. Hardware** - The Offeror must describe the proposed hardware configuration. In addition to the production environment, the Offeror must include the configuration(s) necessary to support the user playground, sandbox, development, testing and training and any other environments proposed for the ITS Project. If the Offeror requires additional equipment and/or software to establish separate environments for development, testing, production, or training, this must be included in the Offeror's discussion of recommended hardware platforms. This must include items such as server and workstation configurations, software and development tools, databases, operating systems and other items that will be required to support the environment. The Appendix J3 Proposed Platform Configuration Forms must be completed and included in the Offeror's response.

II-3. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in **Part IV** of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes must be fully explained. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique (PERT) or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach. Offerors must provide the following, at a minimum, in this section of their RFP response.

- A. Implementation Strategy, Approach, and Timeline.** The Offeror must describe its proposed implementation strategy, approach, and timeline. This description must include the following:
 - 1. An overview of the proposed project timeline and staging approach.
 - 2. A description of each stage and the functions, reporting, and tax types that will be implemented during each stage.

3. A description of any operational workarounds, temporary procedures, lagged use of replaced software, or throw away software required by the proposed staging and cutover approach.
4. Whether any upgrades are required during the project and if so how they will be handled.
5. The approach to stabilize ITS and other software in the production environment after each implementation point.

B. Overview of the System Implementation Methodology. PaDOR seeks insightful responses that describe proven approaches following the SAP ASAP or an ASAP based methodology for system implementation. Recommended solutions must demonstrate that the Offeror will be prepared to quickly undertake and successfully complete the required tasks. The Offeror must submit the following for this section of the proposal:

1. Methodology – The Offeror must provide an overview of its proposed methodology for the SAP TRM (previously known as SAP Collection and Disbursements (PSCD) implementations. Reference implementations in which the Offeror has successfully utilized the described methodology.
2. Key Activity Descriptions – The Offeror must provide a description of the key activities that will be performed. These should include the following:
 - a. Project Management and Project Preparation- The Offeror must fully describe in its proposal its approach for meeting the Project Management and Preparation requirements described in the RFP Statement of Work (Section IV).
 - b. Blueprint - The Offeror must fully describe in its proposal its approach for meeting the Project Blueprint requirements described in the RFP Statement of Work (Section IV).
 - c. Realization – The Offeror must fully describe in its proposal the approach for meeting the Project Realization requirements specifically:
 - 1) Build Phase – The Offeror must describing how the SAP TRM solution will be organized, documented, tested, and coordinated with design and development activities. The Offeror must describe the proposed development approach and how development of site specific code can be performed without affecting the upgrade path. It must also describe methods, tools, and techniques for completing the development process.
 - 2) Data Cleansing and Conversion – The Offeror must describe the proposed approach and tools to be used for data cleansing and conversion.
 - 3) Testing – The Offeror must describe the proposed approach, methods, tools and techniques for testing, including unit, systems, integration, performance, user acceptance, volume and regression.
 - 4) Training – The Offeror must describe the proposed approach to training and help desk support.
 - d. Final Prep – The Offeror must provide its approach to cutover and contingency planning, implementation readiness, go-live monitoring and production turnover.

- e. Documentation – The Offeror must describe the proposed approach, methods, tools, and techniques for developing user and systems documentation.
- f. Deliverables – The Offeror’s proposal must fully list and describe its proposed Deliverables by Stage.

C. Plan of Action and Milestones. The Offeror must include a Plan of Action and Milestones (Project Plan) that includes all project phases, milestones, deliverables, high level tasks and associated assignments, time durations and target completion dates. The Project Plan shall be delivered in Microsoft Project format.

II-4. Prior Experience. Include experience in implementing the SAP TRM solution. Experience shown should be work performed by individuals who will be assigned to this project as well as that of the Offeror’s company. Studies or projects referred to must be identified and the name of the customer must be provided, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

A. History of Proposed ITS Software – Offerors must provide a list of all ITS projects started or completed in the last five years using the proposed software.

B. History of Offeror with Proposed ITS Software – Offerors must provide a list of all ITS projects started or completed in the last five years where the Offeror is or has implemented the SAP TRM software in a Tax and Revenue Agency.

C. History of Offeror with Other ITS Solutions - Offerors must provide a list of all ITS projects started or completed in the last five years for the proposed Implementation Firm that did not involve the proposed software.

D. Other Tax and Revenue Agency Experience – Offerors must provide a list of all consulting engagements for Tax and Revenue Agencies completed in the last five years. A brief description of each must also be provided.

E. Staff Experience – Describe the experience of each member of the proposed project team by completing the Staff Experience Summary table found in Appendix J2 Summary Tables and include with the RFP response.

II-5. Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the Project. For key personnel, as described in section IV-3 of the RFP, include the employee’s name and, through a resume or similar document, the Project personnel’s education and experience in implementing the SAP TRM software. Indicate the responsibilities each individual will have in this Project and how long each has been with your company. Identify by name any subcontractors you intend to use and the services they will perform.

- A. Staff Requirements. The Offeror must also provide staff in all positions that have the experience and skill sets required to succeed. In addition, the Offeror must provide staff for the following key positions. The staff assigned to these positions must meet the criteria listed below.
1. Project Manager - The Offeror must provide an experienced, full time, project manager who has a minimum of ten years of IT project management experience and meets at least two of the following three additional criteria:
 - a. At least five years of experience managing a successful integrated tax system project
 - b. At least three years of experience with SAP TRM, SAP CRM or equivalent SAP product
 - c. At least seven years experience managing a project of similar size and complexity
 2. Business Lead – The Offeror must provide an experienced business lead with at least ten years of experience working with tax or revenue agencies. The Business Lead must meet at least one of the following additional criteria:
 - a. At least three years of business lead or equivalent experience on an implementation project with SAP TRM .
 - b. At least five years of experience on one or more implementation projects to implement an integrated tax system (that may be different than the proposed solution).
 3. Software Development Lead – The Offeror must provide an experienced technical lead who meets the following criteria:
 - a. At least three years of experience in a technical team leader role or technical manager role on an engagement to implement SAP TRM.
 - b. 10 years of technical experience with SAP products
 4. Technical Architecture Lead – The Offeror must provide an experienced technical lead who meets the following criteria:
 - a. At least three years of experience in a technical team leader role or technical manager role on an engagement to implement SAP TRM
 - b. At least 7 years of experience in a technical team leader role or technical manager role on an engagement to implement any SAP modules
 - c. 10 years of SAP technical experience with SAP R/3 Core components.
 5. Basis Administration Lead – The Offeror must provide an experienced Basis Administrator lead who meets the following criteria:
 - a. At least 7 years of experience in a Basis lead role managing a successful project of similar size and complexity
 - b. At least 5 years of experience administering SAP TRM (previously known as SAP Collection and Disbursements (PSCD) or R/3 Core components.
 - c. At least 5 years of experience with Basis Administration of AIX and Oracle installations
 6. Database Administration Lead – The Offeror must provide an experienced Database Administrator lead who meets the following criteria:

- a. At least 7 years of experience in a Database lead role managing a successful project of similar size and complexity.
 - b. At least 5 years of experience administering SAP TRM or R/3 Core components databases.
 - c. At least 5 years of experience with database administration of AIX and Oracle installations.
7. Reporting Lead –The Offeror must provide an experienced Reporting Lead who meets the following criteria:
 - a. At least Seven years of experience using SAP BI/BW to provide reporting of SAP data. Should include experience in both financial and workflow reporting.
 - b. At least Two years of experience using SAP Business Objects suite to report SAP BW data.
8. Testing Lead – The Offeror must provide an experienced Testing Lead who meets the following criteria:
 - a. At least five years of experience in a testing lead role managing a successful project of similar size and complexity.
 - b. 10 years of technical testing experience.
9. Security Lead – The Offeror must provide an experienced Security Lead who will be responsible for security as it relates to application architecture, development, and vulnerability assessment who meets the following criteria:
 - a. At least five years of experience in a SAP security lead role managing a successful project of similar size and complexity.
 - b. At least 3 years of experience with SAP TRM.
 - c. SAP Security Administration experience to include role development for single, composite, and derived roles.
10. Data Conversion and Interface Lead – The Offeror must provide an experienced Data Conversion and Interface Lead with at least ten years of overall IT experience who meets the following additional criteria:
 - a. At least five years of experience on an ITS implementation project.
 - b. At least three years managing conversion and interface team activities on a project of comparable size and complexity.
 - c. At least 3 years of experience in a conversion team leader role or conversion manager role on an engagement to convert legacy system data into any SAP modules.
11. Training Lead – The Offeror must provide an experienced Training Lead who meets the following criteria:
 - a. At least five years of experience as training lead on an IT project of comparable size and complexity.
12. Change Management/Communication Lead – The Offeror must provide an experienced Change Management/Communication Lead who meets the following criteria:
 - a. At least five years experience as a change management/communication lead on an IT project of comparable size and complexity.

- B. Project Staffing Summary - Offeror must complete the Project Staffing Summary table included in Appendix J2 Summary Tables as part of its RFP response.
- C. Experience by Key Position_– Offeror must complete form the Experience by Key Position table included in Appendix J2 Summary Tables as part of its RFP response.
- D. Project Organization Chart – Offeror must provide its proposed project organization structure with an accompanying narrative describing the positions and roles. The organization chart must include all the key offeror personnel and PaDOR personnel for this project and a summary of each key team member’s high level responsibilities.
- E. Candidate Reference Forms – Offeror must complete Candidate Reference forms using the template found in Appendix J1 Proposed Personnel Reference Template and include them in this section of its RFP Responses.
- F. Substitution or Addition of Personnel - During the project period, key employees not previously identified in the Offeror’s proposal may only be substituted for another person or added to the project team when approved in writing by the Commonwealth Project Manager.
 - 1. In the event that a key employee separates from the Offeror or subcontractor during the project period, the Offeror shall immediately notify the Commonwealth. The Offeror shall then provide a substitute candidate for review, which approval shall not be unreasonably withheld.
 - 2. Any request for a change in assignment for any of the Offeror’s key employees during the project period must be submitted in writing to the Commonwealth Project Manager not less than two weeks prior to the desired effective date of the change to the extent possible. The change must be approved in writing by the Commonwealth Project Manager before going into effect, which approval shall not be unreasonably withheld.

II-6. Training. Indicate recommended training of agency personnel. Include the agency personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

II-7. Emergency Preparedness

To support continuity of operations during an emergency, including a pandemic, the Commonwealth needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that essential contracts that provide critical business services to the Commonwealth have planned for such an emergency and put contingencies in place to provide needed goods and services. The Offeror must:

- A. Describe how it anticipates such a crisis will impact your operations.

B. Describe its emergency response continuity of operations plan. Please attach a copy of the plan, or at a minimum, summarize how the plan addresses the following aspects of pandemic preparedness:

1. Employee training (describe Offeror's organization's training plan, and how frequently the plan will be shared with employees)
2. Identified essential business functions and key employees (within Offeror's organization) necessary to carry them out
3. Contingency plans for:
 - a. how Offeror's organization will handle staffing issues when a portion of key employees are incapacitated due to illness.
 - b. how employees in Offeror's organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.
4. How Offeror's organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
5. How and when Offeror's emergency plan will be tested, and if the plan will be tested by a third-party.

II-8. Financial Capability. Provide last three (3) year's financial report which must include: Income Statements and Balance Sheets. Financial Reports must be Certified and/or Audited or if you are a public company, you do not have to attach financial data. Provide direct link to financials web site. All financial data will be confidential and will not be made public.

II-9. Objections and Additions to IT Contract Terms and Conditions. The Offeror will identify which, if any, of the terms and conditions (contained in **Appendix A**) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the standard contract terms and conditions. The Offeror's failure to make a submission under this paragraph will result in its waiving its right to do so later, but the Issuing Office may consider late objections and requests for additions if to do so, in the Issuing Office's sole discretion, would be in the best interest of the Commonwealth. The Issuing Office may, in its sole discretion, accept or reject any requested changes to the standard contract terms and conditions. The Offeror shall not request changes to the other provisions of the RFP, nor shall the Offeror request to completely substitute its own terms and conditions for **Appendix A**. All terms and conditions must appear in one integrated contract. The Issuing Office will not accept references to the Offeror's, or any other, online guides or online terms and conditions contained in any proposal.

Regardless of any objections set out in its proposal, the Offeror must submit its proposal, including the cost proposal, on the basis of the terms and conditions set out in **Appendix A**. The Issuing Office will reject any proposal that is conditioned on the negotiation of the terms and conditions set out in **Appendix A or to other provisions of the RFP as specifically identified above.**

II-10. Disadvantaged Business Submittal.

A. Disadvantaged Business Information.

1. To receive credit for being a Small Disadvantaged Business or a Socially Disadvantaged Business or for entering into a joint venture agreement with a Small Disadvantaged Business or for subcontracting with a Small Disadvantaged Business (including purchasing supplies and/or services through a purchase agreement), a Offeror must include proof of Disadvantaged Business qualification in the Disadvantaged Business Submittal of the proposal, as indicated below:
 - a. A Small Disadvantaged Businesses certified by BMWBO as an MBE/WBE must provide a photocopy of their BMWBO certificate.
 - b. Businesses certified by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act (15 U.S.C. § 636(a)) as an 8(a) Small Disadvantaged Businesses must submit proof of U.S. Small Business Administration certification. The owners of such businesses must also submit proof of United States citizenship.
 - c. Businesses, which assert that they meet the U.S. Small Business Administration criteria for designation as a small disadvantaged business, must submit: a) self-certification that the business meets the Small Business Administration criteria and b) documentary proof to support the self-certification. The owners of such businesses must also submit proof of United States citizenship, and provide any relevant small disadvantaged business certifications by other certifying entities.
 - d. All businesses claiming Small Disadvantaged Business status, whether as a result of BMWBO certification, or U.S. Small Business Administration certification as an 8(a) or self-certification as a U.S. Small Business Administration small disadvantaged business, must attest to the fact that the business has 100 or fewer employees.
 - e. All businesses claiming Small Disadvantaged Business status, whether as a result of BMWBO certification, or U.S. Small Business Administration certification as an 8(a) or self-certification as a U.S. Small Business Administration small disadvantaged business, must submit proof that their gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished by including a recent tax return or audited financial statement.
2. All businesses claiming status as a Socially Disadvantaged Business must include in the Disadvantaged Business Submittal of the proposal clear and convincing evidence to establish that the business has personally suffered racial or ethnic prejudice or cultural bias stemming from the business person's color, ethnic origin or gender. The submitted evidence of prejudice or bias must:
 - a. Be rooted in treatment that the business person has experienced in American society, not in other countries.
 - b. Show prejudice or bias that is chronic and substantial, not fleeting or insignificant.

- c. Indicate that the business person's experience with the racial or ethnic prejudice or cultural bias has negatively impacted his or her entry into and/or advancement in the business world.

BMWBO shall determine whether the Offeror has established that a business is socially disadvantaged by clear and convincing evidence.

- 3. In addition to the above verifications, the Offeror must include in the Disadvantaged Business Submittal of the proposal the following information:
 - a. Those Small Disadvantaged Businesses submitting a proposal as the Offeror, must include a numerical percentage which represents the total percentage of the work (as a percentage of the total cost in the Cost Submittal) to be performed by the Offeror and not by subcontractors and suppliers.
 - b. Those Small Disadvantaged Businesses submitting a proposal as a part of a joint venture partnership, must include a numerical percentage which represents the total percentage of the work (as a percentage of the total cost in the Cost Submittal) to be performed by the Small Disadvantaged Business joint venture partner and not by subcontractors and suppliers or by joint venture partners who are not Small Disadvantaged Businesses. Offeror must also provide:
 - c. The amount of capital, if any, each Small Disadvantaged Business joint venture partner will be expected to provide.
 - d. A copy of the joint venture agreement signed by all parties.
 - e. The business name, address, name and telephone number of the primary contact person for the Small Disadvantaged Business joint venture partner.
 - f. **All** Offerors must include a numerical percentage which represents the total percentage of the total cost in the Cost Submittal that the Offeror commits to paying to Small Disadvantaged Businesses as subcontractors. To support its total percentage DB subcontractor commitment, Offeror must also include:
 - 1) The dollar amount of each subcontract commitment to a Small Disadvantaged Business;
 - 2) The name of each Small Disadvantaged Business. The Offeror will not receive credit for stating that after the contract is awarded it will find a Small Disadvantaged Business.
 - 3) The services or supplies each Small Disadvantaged Business will provide, including the timeframe for providing the services or supplies.
 - 4) The location where each Small Disadvantaged Business will perform services.
 - 5) The timeframe for each Small Disadvantaged Business to provide or deliver the goods or services.
 - 6) A signed subcontract or letter of intent for each Small Disadvantaged Business. The subcontract or letter of intent must identify the specific work, goods or services the Small Disadvantaged Business will perform and how the work, goods or services relates to the project.
 - 7) The name, address and telephone number of the primary contact person for each Small Disadvantaged Business.
 - g. The total percentages and each subcontractor commitment will become contractual obligations once the contract is fully executed.

- h. The name and telephone number of the Offeror's project (contact) person for the Small Disadvantaged Business information.
- 4. The Offeror is required to submit **two** copies of its Disadvantaged Business Submittal. The submittal shall be clearly identified as Disadvantaged Business information and sealed in its own envelope, separate from the remainder of the proposal.
- 5. A Small Disadvantaged Business can be included as a subcontractor with as many prime contractors as it chooses in separate proposals.
- 6. An Offeror that qualifies as a Small Disadvantaged Business and submits a proposal as a prime contractor is not prohibited from being included as a subcontractor in separate proposals submitted by other Offerors.

B. Enterprise Zone Small Business Participation.

- 1. To receive credit for being an enterprise zone small business or entering into a joint venture agreement with an enterprise zone small business or subcontracting with an enterprise zone small business, an Offeror must include the following information in the Disadvantaged Business Submittal of the proposal:
 - a. Proof of the location of the business' headquarters (such as a lease or deed or Department of State corporate registration), including a description of those activities that occur at the site to support the other businesses in the enterprise zone.
 - b. Confirmation of the enterprise zone in which it is located (obtained from the local enterprise zone office).
 - c. Proof of United States citizenship of the owners of the business.
 - d. Certification that the business employs 100 or fewer employees.
 - e. Proof that the business' gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished by including a recent tax return or audited financial statement.
 - f. Documentation of business organization, if applicable, such as articles of incorporation, partnership agreement or other documents of organization.
- 2. In addition to the above verifications, the Offeror must include in the Disadvantaged Business Submittal of the proposal the following information:
 - a. The name and telephone number of the Offeror's project (contact) person for the Enterprise Zone Small Business.
 - b. The business name, address, name and telephone number of the primary contact person for each Enterprise Zone Small Business included in the proposal. The Offeror must specify each Enterprise Zone Small Business to which it is making commitments. The Offeror will not receive credit for stating that it will find an Enterprise Zone Small Business after the contract is awarded or for listing several businesses and stating that one will be selected later.
 - c. The specific work, goods or services each Enterprise Zone Small Business will perform or provide.
 - d. The total cost amount submitted in the Offeror's cost proposal and the estimated dollar value of the contract to each Enterprise Zone Small Business.

- e. Of the estimated dollar value of the contract to each Enterprise Zone Small Business, the percent of the total value of services or products purchased or subcontracted that each Enterprise Zone Small Business will provide.
 - f. The location where each Enterprise Zone Small Business will perform these services.
 - g. The timeframe for each Enterprise Zone Small Business to provide or deliver the goods or services.
 - h. The amount of capital, if any, each Enterprise Zone Small Business will be expected to provide.
 - i. The form and amount of compensation each Enterprise Zone Small Business will receive.
 - j. For a joint venture agreement, a copy of the agreement, signed by all parties.
 - k. For a subcontract, a signed subcontract or letter of intent.
3. The dollar value of the commitment to each Enterprise Zone Small Business must be included in the same sealed envelope with the Disadvantaged Business Submittal of the proposal. The following will become a contractual obligation once the contract is fully executed:
- a. The amount of the selected Offeror's Enterprise Zone Small Business commitment;
 - b. The name of each Enterprise Zone Small Business; and
 - c. The services each Enterprise Zone Small Business will provide, including the timeframe for performing the services.

II-11 Cost Submittal. The information requested in this **Part II, Section II-10** shall constitute the Cost Submittal. The Cost Submittal shall be placed in a separate sealed envelope within the sealed proposal, separated from the technical submittal. The total proposed cost must be broken down into the components identified in **Appendix D, Cost Matrix**. Please complete all tabs in **Appendix D** accordingly. **Please note that while the Commonwealth is requesting hardware cost information to be completed in the Appendix D, Cost Matrix, those costs are for internal Commonwealth purposes only and will not be included in the overall cost scoring.** Offerors should **not** include any assumptions in their cost submittals. If the Offeror includes assumptions in its cost submittal, the Issuing Office may reject the proposal. Offerors should direct in writing to the Issuing Office pursuant to **Part I, Section I-9**, of this RFP any questions about whether a cost or other component is included or applies. All Offerors will then have the benefit of the Issuing Office's written answer so that all proposals are submitted on the same basis.

The Issuing Office will reimburse the selected Offeror for work satisfactorily performed after execution of a written contract and the start of the contract term, in accordance with contract requirements, and only after the Issuing Office has issued a notice to proceed.

II-12 Domestic Workforce Utilization Certification. Complete and sign the Domestic Workforce Utilization Certification contained in **Appendix B** of this RFP. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal must be:

- A. Timely received from an Offeror;
- B. Properly signed by the Offeror.

III-2. Technical Nonconforming Proposals. The Issuing Office reserves the right, in its sole discretion, to waive technical or immaterial nonconformities in an Offeror's proposal.

III-3. Evaluation. The Issuing Office has selected a committee of qualified personnel to review and evaluate timely submitted proposals. Independent of the committee, BMWBO will evaluate the Disadvantaged Business Submittal and provide the Issuing Office with a rating for this component of each proposal. The Issuing Office will notify in writing of its selection for negotiation the responsible Offeror whose proposal is determined to be the most advantageous to the Commonwealth as determined by the Issuing Office after taking into consideration all of the evaluation factors. The Issuing Office will award a contract only to an Offeror determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, *Contractor Responsibility Program*.

III-4. Criteria for Selection. The following criteria will be used in evaluating each proposal. In order for a proposal to be considered for selection for best and final offers or selection for contract negotiations, the total score for the technical submittal of the proposal must be greater than or equal to 70% of the highest scoring technical submittal.

- A. Technical:** The Issuing Office has established the weight for the Technical criterion for this RFP as **50 %** of the total points. Evaluation will be based upon the following:
 - Soundness of Approach
 - Personnel Qualifications
 - Understanding of the problem
 - Offeror Qualifications
 - Financial capability
- B. Cost:** The Issuing Office has established the weight for the Cost criterion for this RFP as **30 %** of the total points.
- C. Disadvantaged Business Participation:** BMWBO has established the weight for the Disadvantaged Business Participation criterion for this RFP as **20%** of the total points. Evaluation will be based upon the following in order of priority:

Priority Rank 1

Proposals submitted by Small
Disadvantaged Businesses.

Priority Rank 2	Proposals submitted from a joint venture with a Small Disadvantaged Business as a joint venture partner.
Priority Rank 3	Proposals submitted with subcontracting commitments to Small Disadvantaged Businesses.
Priority Rank 4	Proposals submitted by Socially Disadvantaged Businesses.

Each proposal will be rated for its approach to enhancing the utilization of Small Disadvantaged Businesses and/or Socially Disadvantaged Businesses. Each approach will be evaluated, with Priority Rank 1 receiving the highest score and the succeeding options receiving scores in accordance with the above-listed priority ranking

To the extent that an Offeror qualifies as a Small Disadvantaged Business or a Socially Disadvantaged Business, the Small Disadvantaged Business or Socially Disadvantaged Business cannot enter into subcontract arrangements for more than **40%** of the total estimated dollar amount of the contract. If a Small Disadvantaged Business or a Socially Disadvantaged Business subcontracts more than **40%** of the total estimated dollar amount of the contract to other contractors, the Disadvantaged Business Participation scoring shall be proportionally lower for that proposal.

D. Enterprise Zone Small Business Participation: In accordance with the priority ranks listed below, bonus points in addition to the total points for this RFP, will be given for the Enterprise Zone Small Business Participation criterion. The maximum bonus points for this criterion is 3% of the total points for this RFP. The following options will be considered as part of the final criteria for selection:

Priority Rank 1	Proposals submitted by an Enterprise Zone Small Business will receive three percent bonus for this criterion.
Priority Rank 2	Proposals submitted by a joint venture with an Enterprise Zone Small Business as a joint venture partner will receive two percent bonus for this criterion.
Priority Rank 3	Proposals submitted with a subcontracting commitment to an Enterprise Zone Small Business will

receive the one percent bonus for this criterion.

Priority Rank 4

Proposals with no Enterprise Zone Small Business Utilization shall receive no points under this criterion.

To the extent that an Offeror is an Enterprise Zone Small Business, the Offeror cannot enter into contract or subcontract arrangements for more than **40%** of the total estimated dollar amount of the contract in order to qualify as an Enterprise Zone Small Business for purposes of this RFP.

- E. Domestic Workforce Utilization:** Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFP. The maximum bonus points for this criterion is 3% of the total points for this RFP. To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those Offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal. The certification will be included as a contractual obligation when the contract is executed.

PART IV

WORK STATEMENT

IV-1 Objectives. The Pennsylvania Department of Revenue (PaDOR) has launched its Revenue Modernization Program to improve and modernize its business processes and technology. Through this initiative, PaDOR seeks to improve its overall process efficiency, compliance enforcement, customer service, operational and IT flexibility, reporting, and data exchange capabilities.

As part of the Revenue Modernization Program and the Commonwealth's enterprise IT consolidation initiatives, PaDOR seeks to acquire implementation services including hardware and software recommendations to implement SAP's Tax and Revenue Management Software (SAP TRM). PaDOR will procure SAP TRM solution licenses through existing Commonwealth contracts.

PaDOR will be leveraging the investments made by the Commonwealth in the SAP platform (current license information can be found in Appendix O). PaDOR will be integrating the SAP TRM solution into the Commonwealth's Enterprise ERP solution. The SAP platform will be relocated at the Commonwealth's Data PowerHouse (DPH) during the summer of 2010 (specific requirements associated with the DPH can be found in Appendix P).

PaDOR requests hardware recommendations as part of the proposal. Hardware recommendations must be compatible with the DPH environment. PaDOR will procure the recommended hardware through the Commonwealth's existing contracts. If the items are not on a Commonwealth contract, PaDOR may procure the items through the selected Offeror.

For planning purposes, PaDOR is anticipating a May 2010 project start date.

This project represents an extremely important component of the overall program and is tasked with meeting several of its key objectives. These include:

A. General Objectives

1. Consolidating and integrating of stove-piped processing, case management, and reporting that is currently spread across approximately 33 separate software applications
2. Shifting of core processing to the SAP TRM software from the current mix of predominantly custom developed, internally maintained, and aging software applications.
3. Meeting the high volume and high availability processing and compliance needs of PaDOR
4. Substantially simplifying and accelerating the process of making annual tax form, business rule, rate, filing period, and other annual changes imposed by the legislature or policy directive

5. Accommodating the shift to electronic and Internet filing and payment in terms of: 1) managing any filing and payment mandates; 2) capturing, storing, validating, correcting, and displaying the entire electronic return and any supporting schedules
6. Proposing the data and processing infrastructure for decision analytics related to various tax activities

B. Business Improvement Objectives

1. Development of new and more efficient processes, with improved consistency across tax types
2. Standardizing processes and functionality across tax types when possible.
3. Improving core process and case management performance monitoring, accountability, and reporting
4. Establishing consolidated views of the taxpayer data to support customer service, compliance, policy analysis, and overall administration
5. Expanding tracking and reporting on tax preparers, tax software providers, services bureaus, and other third parties providing services to taxpayers
6. Improving the quality and accuracy of taxpayer data used in reporting, processing, and compliance enforcement
7. Leveraging third party and IRS data to support in-stream returns validation and review (W2, 1099, etc...)
8. Expanding and improving pass-through-entity processing, reporting, compliance analysis and enforcement
9. Improving ad hoc and online reporting and query capabilities via a new reporting facility that operates on a separate platform and provides customized data structures to improve ease of reporting and to meet specialized throughput, backlog, productivity, trend, and comparative period, and other reporting objectives
10. Provide a single facility for reporting both data generated by the ITS and legacy data

C. Technical Objectives

1. Eliminating the current PaDOR mainframe in favor of a more modern production environment leveraging SAP TRM and the DPH
2. Improving application maintenance flexibility and configurability
3. Reducing the number of technologies supported by PaDOR IT staff
4. Improving application interoperability and data exchange via compliance with XML, SOAP and other applicable industry standards
5. Implementing the SAP TRM solution following the SAP ASAP or an ASAP based methodology which can be replicated for projects following implementation
6. Achieving self sufficiency in operations and maintenance by the end of the project

D. PaDOR is seeking to acquire the following through this RFP:

1. Implementation services for a 5 year project that includes:
 - a. Project management
 - b. Business process redesign to improve processing efficiency and adapt to new software design
 - c. Organizational change management support to assess the impact of changes, identify and mitigate risks and communicate changes to PaDOR
 - d. Design and development of business requirements and rules that meet best practices
 - e. Configuration, extension, testing, and implementation of the ITS (all proposed products).
 - f. Design and implementation of a reporting platform
 - g. Implementation of a correspondence repository
 - h. Integration with PaDOR's imaging systems and with data capture, filing and payment channel applications
 - i. Interfaces with external agencies, third parties, and PaDOR legacy applications
 - j. Cleansing, conversion, transformation and loading of legacy system data
 - k. Technical Training
 - l. End User Training (based on a train-the-trainer approach)
2. Six months of full post implementation support after each implementation point, except for individual taxes, where post implementation support will extend for peak filing period of January – July.
3. Break-fix support during the entire project.
4. Six months of post implementation support after final go live subject to the limits of the five year implementation services contract.
5. Knowledge transfer shall continue throughout the stages to allow self sufficiency in operation and maintenance of the ITS and other implemented software at the conclusion of each stage and the final implementation.
6. ITS server and data storage hardware recommendations (Commonwealth will purchase from existing Commonwealth contracts) including estimated sizing for each product by phase.
7. Database management system license(s) (Oracle). Oracle will be included with the SAP TRM software. Database software required for supporting products may need to be acquired separately. Microsoft SQL server is acceptable where Oracle is not supported or practical.
8. Recommendations including but not limited to:
 - a. Developer's toolkits for maintenance of the ITS site specific code
 - b. Correspondence repository solution (if required)
 - c. Requirements management, quality assurance and testing solution (if required). Offerors should recommend user volumes for load testing (the IES Load Runner is currently limited to 1000 concurrent users)
9. PaDOR staff will be productively utilized throughout the project, but the Offeror will be responsible for all deliverables.

IV-2 Nature and Scope of the Project. The ITS project is a large, enterprise wide project for the PaDOR to implement hardware and ITS software for key functions and processes for PaDOR's major tax types. The project scope includes: project management; business process redesign; change management and communications; system design; development; data cleansing and conversion; software configuration and implementation; test plan/script development and testing; cutover; production monitoring; and training.

It also includes the replacement of approximately 33 existing systems; interfaces with existing imaging, data capture, and internet applications; and interfaces to a number of retained legacy systems and applications operated by external entities. Additionally, it includes the build of temporary interfaces, as required, during the implementation. (See the following appendices for additional detail: Appendix E: Functional Requirements, Appendix F: Technical Requirements, Appendix G - Tax Type Descriptions , Appendix H - Systems to be Replaced, Appendix I – Existing Interfaces, Appendix K – Totals by Tax System, Appendix M – Tax Forms, and Appendix N Electronic Returns. For a complete listing of currently owned SAP software and associated infrastructure, refer to Appendix O IES SAP Component List.).

The ITS project includes a base project (described in IV-2.1 and IV-2.2) and a set of optional functions and/or services that may be incorporated into the project scope at the discretion of PaDOR management. These optional functions and services are defined in Section IV-2.3 Options.

It must also be noted that PaDOR may need to implement additional taxes or additional functionality for existing taxes during the project due to future legislative mandates. If any such legislation is enacted, PaDOR, with input from the selected Offeror will determine the effect of that legislation on the project and, DOR deems it to be necessary, the contract may be amended to include any required modifications.

IV-2.1 Base Project Scope. The selected Offeror will be responsible for implementing the following major ITS functions and components in a five year project that includes six months of post implementation support after the final implementation date. (See Appendices E and F for functional and technical requirements associated with the Base Project. See also IV-2.2 for tax types to be included in each stage)

A. Functions to be Implemented

1. Taxpayer Management
2. Returns Processing
3. Tax Account Management
4. Revenue Accounting
5. Case Management
6. Common Services
7. Correspondence Generation
8. Workflow

B. Business Process Design. The Offeror must provide Business Process Design services during the Blueprint Stage to identify and design the “to-be” processes as well as identifying any gaps needed to meet process, process control, process monitoring and reporting objectives. The objectives of such process design activities will include:

1. Reviewing the “As-Is” and designing and documenting the “To-Be” end-state processes
2. Identifying Gaps in current business process and recommending business process and/or organizational changes to address those gaps
3. Reviewing and verifying business requirements
4. Standardizing processing across tax types to the extent feasible
5. Adapting process designs to fit new software design, where acceptable
6. Improving the efficiency of processing
7. Identifying the key business rules and data required to support them
8. Identifying uses of workflow and outbound correspondence
9. Validating and defining process controls, process monitoring, and performance metrics to provide end to end function and audit ability
10. Identifying enhancements to the SAP TRM solution that may be needed to meet key objectives for a process.

Such end to end processes will include:

1. Registration and Follow-up
2. Returns Processing
3. Payments
4. Refunds
5. Offsets (Internal and External)
6. Billing and Assessment Staging
7. Licensing
8. Rebates
9. Audit (not including selection)
10. Discovery (not including selection)
11. Non Registered, Non-filers/Estimated Assessments - Corporation Taxes
12. Non Registered, Non-filers/Substitute for Return Assessments - other than Corporation Taxes
13. Collections
14. Bankruptcy
15. Tax Clearances (including Dissolutions and Withdrawals)
16. Deferred Payment Plan
17. Offer in Compromise
18. Automated Write-offs
19. Correspondence Sorting and Mailing
20. Returned Mail
21. Account Cancellation
22. Revenue Accounting

- C. **Data Cleansing Services, Tools and Conversion.** The success of the ITS project is dependent on data coming from the legacy system being cleansed and converted to the new system. The selected Offeror will be responsible for the planning, facilitating, cleansing, conversion and loading of data from the legacy system to the ITS.

PaDOR will perform data extraction to support automated data conversion. Data cleansing and conversion services must be thorough and complete. PaDOR will only extract data in its current legacy format to a target staging area to be provided by the selected Offeror. Offeror must propose and recommend tools and approaches for identifying data problems as part of its proposal. PaDOR reserves the right to purchase these tools from existing Commonwealth contracts.

PaDOR will assign business and IT personnel to review data, make decisions regarding data corrections, provide access to and information on legacy systems, make queries and extracts, and perform other functions to support the effort.

Cleansing of data should include but not be limited to:

1. Standardization of name and address data
2. Identifying and consolidating duplicate third parties
3. Rectifying data integrity issues
4. Identifying and resolving data gaps
5. Identifying and consolidating duplicate accounts
6. Cleaning up open items in legacy systems
7. Translation of data values from legacy to the new ITS
8. Validating the successful load of data to TRM
9. Other cleanup, as required

- D. **Reporting Database.** The ITS project will include a reporting functionality to support recurring and ad hoc reporting needs. This reporting functionality will operate on a separate hardware platform than the production ITS application and will contain ITS data refreshed on a near real –time basis (3 updates daily) and will use existing Commonwealth licenses for Business Intelligence and Business Objects in support of ad hoc and dashboard reporting.

The Offeror will propose the hardware architecture and sizing for this new BI/BW Platform which will be a separate instance by itself.

Reporting will include customized data structures to facilitate reporting:

1. Pre-summarized data (where the pattern of expected use makes it more efficient to summarize data in advance of the query. Examples of such summarization would include monthly, quarterly, and annual financial outcomes as well as backlog, throughput, and productivity statistics.)

2. Record structures to facilitate comparative period and trend reporting (e.g. for financial outcomes, returns filed, backlog statistics, productivity statistics)
3. Throughput, backlog, and productivity reporting for all major ITS processes
4. Normalized record structures that support easy access to commonly queried final return values, payments, and current general taxpayer information.
5. Historical reporting of and comparative period backlog, throughput, and productivity by user selected time slice (e.g. throughput for individual income tax returns for the period April 15th to 30th this year vs. the same period in the previous year)
6. Performance reporting (e.g. no return audits, audit yield per hour, collections per collector, percentage of assessments collected by type, etc...)
7. Security reporting for user activity (e.g. account updates, inquiries, deletes, etc.) within the ITS
8. Reporting at the return line item level (where data has been captured to support this requirement)
9. Return error reporting (e.g. taxpayer id errors, math errors, or duplicate filing errors)
10. Development of one management level dashboard

- E. **Generated Correspondence Repository.** The selected Offeror must provide all services for the implementation of a correspondence repository that will contain read-only soft copies of all correspondence, notices, and bills generated by the ITS in PDF format. These will be linked to appropriate records within the ITS for retrieval from within the ITS. Inbound correspondence, images, reports and forms shall be stored in PaDOR's InfoImage system and accessible to the ITS via links or interfaces.

The selected Offeror must provide for conversion of legacy correspondence stored in the Isis Papyrus Softcopy application as part of the data cleansing and conversion strategy. **Note:** Offerors must enable the ITS to access Softcopy correspondence either via conversion to the format of the proposed correspondence facility, or by re-platforming Softcopy files from the mainframe and linking or interfacing them from a server-based platform as part of the ITS project scope analysis.

- F. **External Offsets.** The selected Offeror must identify software and propose services required to implement comprehensive external offsets (in addition to internal offsets). Key requirements for external offsets will include:
1. Ability to import liabilities from other Commonwealth agencies for offset against overpayments in the ITS
 2. Ability to offset due balances in the ITS against pending payments or overpayments for other Commonwealth agencies
 3. Ability to import liabilities from the IRS and offset them against overpayments in the ITS
 4. Ability to import overpayments from the IRS and offset them against due balances in the ITS

5. Ability to establish rules and controls governing the sequence and priority of external offsets
6. Ability to establish restrictions by taxpayer as to which balances are available to be used to offset other liabilities
7. Ability to update ITS balances for all offsets performed
8. Ability to review and approve pending offsets before they occur
9. Ability to reverse external offsets
10. Ability to generate notices to taxpayers, other Commonwealth agencies, and the IRS related to offsets
11. Ability to perform funds transfers with other Commonwealth agencies and the IRS

G. Replacement of BT Pay. The selected Offeror must provide all services necessary to design, develop and implement a replacement for PaDOR's current Business Tax Payment System (BT Pay) application and conversion of its data. The BT Pay accepts electronic payments for business taxes due PaDOR. On a monthly basis this system processes approximately 400,000 payments for an average total of \$1.6 billion. The BT Pay currently accepts electronic payments for the following taxes: Corporation taxes, Sales tax, Employer tax, Motor Carrier Road tax, Liquid Fuels and Fuels tax, Cigarette tax, Malt Beverage tax, Pari-Mutuel tax and Realty Transfer Tax.

The BT Pay application performs the following functions:

1. Receives taxpayer payments from ETIDES, PaDOR's contractors for Telefile or ACH Debit Touch Tone, or through the taxpayer's own financial institution
2. Receives taxpayer credit card payments through PaDOR's credit card vendor (OPC – Official Payment Corp). PaDOR is aware that OPC is not an SAP certified credit card partner. Please note any risks or issues with the use of OPC or recommend if and how PaDOR would transition to another contractor.
3. Transmits received payments to the Commonwealth's contractor for acceptance of such payments (currently PNC Bank).
4. Provides functionality to balance, review, and correct payment information if necessary (e.g. insufficient funds, wrong account)
5. Marks any bad payments (e.g. returned items)
6. Sends payment information to the appropriate tax processing system for application to taxpayers' accounts via interface.
7. Allows users to designate financial accounting treatment for received payments and then updates the statewide accounting system via interface
8. Provides audit trail and summary reports and views related to payment receipt, payment type, tax type, tax account period, and control amounts to allow verification that all receipts received were transmitted for application to taxpayers' accounts in the appropriate system.

H. Replacement of ACH Debit System. The selected Offeror must provide all services necessary to design, develop, and implement a replacement for PaDOR's current ACH Debit System and conversion of its data. This application accepts electronic

payments for personal income taxes due PaDOR, formats them and passes them to the system used to process individual income taxes.

The ACH Debit System performs the following functions:

1. Receives electronic payments from a variety of sources including: Telefile, PA Direct, electronic returns, Revenue portal (internet), and Official Payment Corp (OPC) for credit cards.
2. Transmits received payments to the Commonwealth's contractor for acceptance of such payments (currently PNC Bank).
3. Provides functionality for review, balance, and correction of errors (e.g. insufficient funds, wrong account)
4. Marks any bad payments (e.g. returned items)
5. Posts the payment (via interface) to the taxpayer's account. The same timing is used for debiting the taxpayer's bank account. Credit card payments are handled via OPC and are processed immediately.
6. Allows users to designate financial accounting treatment for received payments and then updates the statewide accounting system via interface
7. Provides reports and online display payment totals by type, quantity, amount, revenue code and effective dates to allow reconciliation of bank statements.

NOTE: PaDOR management believes that a single, consolidated application may be used to replace both the BT Pay system and the ACH Debit System. This implementation will be discussed with the selected Offeror during project preparation, business blueprint, and realization activities. PaDOR preference is to have a single consolidated application.

I. Specialized Pass-through-entity processing and audit selection. The selected Offeror must provide the following capabilities as part of the ITS solution:

1. Ability to capture and maintain pass-through-entity registry information for Partnerships, Sub S Corporations, Limited Liability Companies, and certain Trusts including information related to:
 - a. the entity
 - b. owner, member, and partner data including ids, name, contact information, and ownership percentages
2. Ability to process pass-through-entity returns and other taxpayer submissions and capture income and pass through credits
3. Ability to process and capture withholding on nonresident owners, members, or partners during returns processing (including withholding for non filing corporate partners).
4. Ability to process nonresident composite returns
5. Ability to update nonresident partner, owner, or member individual accounts with withholding during pass-through-entity return processing

6. The ability to identify withholding non compliance and to assess penalties, interest, and issue notices, as appropriate.
7. Ability to adjust pass-through-entity returns and automatically calculate adjustments to individual partner, member, and owner shares.
8. The ability to automatically create adjustments to partner, owner, and member returns based on calculated adjustments to pass-through-entity returns
9. Ability to export pass-through-entity, corporate tax, individual income tax, sales tax, and employer withholding tax data for analysis and cross matching.
10. Programs or routines that match and compare owner, member, or partner income with applicable personal income tax and corporate tax returns to identify instances of non-filing and underreporting on liable returns.
11. Programs or routines that match and compare pass-through-entity return data with data from the IRS (e.g. IMF, BMF, IRTF, BRTF, EOAD, TAR) to identify instances of non-filing and underreporting on pass-through-entity returns.
12. Analysis routines that match and compare pass-through-entity data with data from other states (i.e. MA/Nestea clearinghouse and multi-state tax shelter databases)
13. Analysis routines to assist PaDOR in identifying and understanding multi-layered pass-through ownership structures where one pass-through entity has owners or partners that are themselves pass-through entities. This will include graphical presentation of such structures, where feasible.
14. The ability to create automated adjustments, assessments for owners, partners, and officers of pass-through-entities
15. The ability to suspend adjustments and amended returns for review if a pass-through-entity return for the same period has been previously adjusted.
16. The ability to review possible audit and discovery cases prior to creating and assigning them

J. Integration/Interfacing . The selected Offeror must provide all services to address the following:

1. Integration with PaDOR's existing technology for returns, registration, payment, receipt and data capture including those related to:
 - a. Internet
 - b. Image based data capture (including OCR/ICR)
 - c. Key punch
 - d. Telefile
 - e. Check remittance processing
 - f. Cash and Money Order
2. Integration with Fed/State e-File system
3. Integration with PaDOR's existing imaging applications to manage workflow, archive and retrieve existing imaged documents.
4. Interfaces with retained legacy systems
5. Interfaces with the IRS, other Commonwealth agencies, and counties
6. Interfaces to third party entities (software and data providers)

7. Interface to/refresh of PaDOR's existing compliance data warehouse
8. Interfaces to banks (Check 21), credit card processing firms (e.g. OPC and PNC)
9. Integration with the CRM solution (SAP CRM 7.0)
10. Integration with the statewide financial system (SAP 6.0)

For a complete listing of existing interfaces, refer to Appendix I.

Temporary interfaces will also be required during the implementation.

- K. **Reports.** The selected Offeror will provide custom reports as defined during the ITS project. With approval from PaDOR during the project, the selected Offeror may substitute standard reports that are delivered with the baseline software or may enhance such standard reports so long as PaDOR's business and technical requirements for such reporting have been met. The selected Offeror's obligation to provide such custom reports is limited to 200 custom reports to be available at implementation in addition to those explicitly listed in Appendix E. Functional Requirements. The selected Offeror will also implement one management level dashboard.
- L. **Correspondence.** The selected Offeror will provide custom designed and developed system generated correspondence items as needed to meet PaDOR's requirements for notices and other outbound communications (printed or electronic) that involve extracts of taxpayer, tax preparer, or other information stored in the ITS database (including those related to address validation, postal discount processing, and returned mail processing). Postal regulations must be taken into consideration as part of the correspondence requirements. The selected Offeror's obligation to provide such system generated correspondence is limited to no more than 350 correspondence items. Offeror must include correspondence in the data sizing estimate.
- M. **Forms.** The selected Offeror will configure and customize the ITS software as necessary to process required forms submitted by or on behalf of taxpayers. This will include returns processing forms associated with the tax types being implemented, including all schedules and lines for the year being processed immediately after implementation and for three previous years (except for those related to Corporate Taxes, which shall include returns forms and schedules for the current year and five previous years). The selected offer must establish a summary processing capability for each of the tax types so that PaDOR may process prior year returns more than three years past their original due date. (See Appendix M, Tax Forms for Forms)
- Offeror must propose the number of forms to be implemented by stage, specify which forms are included and excluded in that number by stage, and provide the justification for that assumption.
- N. **Workflow.** The selected Offeror will implement automated workflow tools within SAP TRM, as required to establish efficient, automated processes including but not limited to the following major processes:

1. Registration and Follow-up
2. Returns Processing
3. Payments
4. Refunds
5. Offsets (Internal and External)
6. Billing and Assessment Staging
7. Licensing
8. Rebates
9. Audit (not including selection)
10. Discovery (not including selection)
11. Non-registered, Nonfilers/Estimated Assessments - Corporation Taxes
12. Non Registered, Non-filers/Substitute for Return Assessments - other than Corporation Taxes
13. Collections
14. Bankruptcy
15. Tax Clearances (including Dissolutions and Withdrawals)
16. Deferred Payment Plan
17. Offer in Compromise
18. Automated Write-offs
19. Correspondence Sorting and Mailing
20. Returned Mail
21. Account Cancellation
22. Revenue Accounting

Note: PaDOR works with the Auditor General for Corporate Tax routing purposes and Treasury for PIT refunds.

Offeror must propose the number of workflows to be implemented by stage and the justification for that assumption.

- O. **Electronic Return Capture, Storage, and Display.** Currently, PaDOR does not process or store the entire electronically received return in its returns processing systems. The selected Offeror will provide the ability for PaDOR to validate, process, store, and display the entire electronically received return in the ITS including all design, configuration, enhancement, UI design and development, extensions to the database, and other work required. This would apply to all tax types, returns forms, and schedules. See Appendix N, Electronic Returns for electronic return volumes.
- P. **Process controls for returns and payments processing.** The selected Offeror will provide parameter driven returns and payments processing controls. These controls allow for managing and prioritizing initial returns and payments processing, reprocessing items in suspense or in corrections worklist, the error conditions that would cause suspending or worklisting of a return or payment, and the conditions that will cause a return to be flagged for compliance review.

Specific controls to be provided by selected Offeror include:

1. A returns and payments release table that would contain all returns and payments ready for loading into the ITS for processing. Controls accompanying this table would provide the ability to selectively load and process returns and payments including but not limited to the following selection categories: tax type, filing period, returns with payments, returns without payments, returns with refund requests, channel used for submission.
2. Pending Returns and Payments Views and Reports – These views and reports would allow PaDOR to assess the size and composition of the population of returns and payments not yet processed to support decisions on selective processing and prioritization.
3. Suspense Analysis Tools – These will allow PaDOR to obtain a summary of returns and payments in suspense by tax type, filing period, returns with payments, returns without payment, returns with refund requests, payments without a return, and returns with only overridable errors.
4. Reprocessing controls – These would allow PaDOR to selectively reprocess returns and payments in suspense by tax type, filing period and other parameters after instructing the system to ignore all or particular overridable errors for those returns and payments selected.

Q. Process Controls for Billing. The selected Offeror must provide for the establishment of billing and noticing controls. Such controls will allow users to monitor the production and manage release of bills and notices to avoid overloading call center or other operations personnel. They will also allow differentiated billing and assessment processing based on taxpayer size and complexity of accounts, compliance profile, and history data within the system.

Controls provided by the selected Offeror must allow PaDOR to set the following parameters:

1. Bill/Assessment Tolerance –Threshold amounts, below which no billing would occur
2. Bill/Assessment Review Threshold – Parameters that would require review of a pending bill before issuance
3. Certified Mail Threshold—Notices of Assessment (as differentiated from “bills” that may or may not precede them) for amounts greater than or equal to \$300.00, are required to be sent by certified mail (in accordance with Act 119)
4. Interest/Penalty through Date – Control the dates through which interest and penalty would be calculated for each bill cycle
5. Bill or Assessment Group/Cycle – Set the billing cycles and the items to be included in a particular bill cycle
6. Automatic Assessment Threshold (Number of bills required before taxpayer is automatically assessed)
7. Bill/Assessment Date Lag Days – Represents the number of days to add to the run date to derive the bill or Assessment date

8. Account Collation – Provide for an alternative management of notices for large and/or complex accounts so that selected accounts receive all of their notices on a routine or periodic basis (monthly or semi-monthly) while still addressing statutory requirements.
 9. Ability to control/manage the sorting and/or prioritization of system generated correspondence.
 10. Quality Controls – Provide for error and validation processing.
 11. Bill Release Controls
 - a. Regular bill cycle
 - b. Activity bill cycle
 - c. Assessment notices
 12. Views
 - a. Billing and assessment holds (by tax and type)
 - b. Pending bills/assessments by cycle
- R. Correspondence Tool that provides for library of standard paragraphs.** The selected Offeror must provide for an ad hoc correspondence authoring tool that allows creation of new outbound correspondence combining new text and a selection of standard paragraphs from a library. Key requirements for this tool include:
1. Ability to add, maintain, and delete new paragraphs
 2. Ability to control update privileges via security
 3. Ability to create new correspondence using templates
 4. Ability to automatically track all updates (e.g. user, date/time stamp).
 5. Ability to select and add paragraphs from the library when creating new correspondence
 6. Ability to add custom text to the standard paragraphs used
 7. Ability to print completed correspondence at local printers
 8. Ability to automatically save a soft, read only copy to the correspondence repository that also contains all generated correspondence
 9. Ability to cut and paste taxpayer data from the ITS
 10. Ability to support use of window envelopes
 11. Ability to support bar coding for use in returned mail
 12. Ability to automatically update correspondence log maintained in ITS
 13. Ability to support intelligent bar coding for automatic routing of correspondence
- S. Balance Due Calculator.** The selected Offeror must provide for a balance due calculator. This calculator will allow ITS users to calculate balances due at a specified future date within a tax period, across tax periods for a single tax, across tax types, and for not-yet-processed assessments, as well. Key capabilities needed would include but not be limited to calculating balances due including any penalty and interest at a specified date for:
1. A specified taxpayer, tax type, and tax period

2. A specified taxpayer, tax type, and all applicable periods with open balances
 3. A specified taxpayer for all tax types and tax periods with open balances applicable to that taxpayer
 4. A not yet processed assessment for a specified taxpayer involving one or more tax types and periods.
- T. **Views and notices that show how interest and penalty were calculated.** The selected Offeror must provide the ability to show how interest and penalty amounts charged to the taxpayer's account were calculated. This information must be available in online views and on correspondence, bills, and notices sent to the taxpayer.
- U. **Automated Write-off Processing.** The selected Offeror must provide for automated write-offs processing of due balances below configurable tolerances set by PaDOR. Specific functionality would include:
1. Automated routine to abate tolerated amounts
 2. Controls by tax type
 3. Automated routine to re-establish write-offs if tax period adjustments increase the balance

IV-2.2 Implementation Staging and Tax Types. PaDOR has chosen to implement the ITS over a five year period in five stages. The stages may overlap for planning and post implementation support (e.g. planning for the next stage may occur while an implementation stage is still in progress and post implementation support for a previous stage may coincide with activities associated with the subsequent stage).

For each of Stages 2 through 5, a period of post implementation support is specified. Such support, which must be provided by the selected Offeror, will include functional, technical, development and operations support activities as required to:

- A. Stabilize the implemented ITS applications in the production environment
- B. Validate hardware sizing and user response performance objectives
- C. Ensure that reported problems are addressed
- D. Provide analysis, prioritization, and resolution support for issues related to the implementation. Those defects that PaDOR classifies as critical or high must be corrected prior to the termination of the post implementation support period for the stage
- E. Provide focused assistance to PaDOR technical, operations, security and other ITS support personnel as they acquire the skills required for self sufficient use and support of the ITS

- F. Train and support PaDOR help desk personnel on the new ITS system to provide assistance to the community of users
- G. Provide tier 2 support to the PaDOR help desk personnel for implementation issues, as required, to ensure that timely and effective support is provided to PaDOR ITS users

All taxes defined within each Stage must be implemented at the time of the stage's go live with post implementation support beginning after go live. For each tax implementation, the period of post implementation support will be the six months immediately following the implementation. For the Individual Tax implementation, the period of post implementation support must also include the peak filing period of January through July.

In addition, the selected Offeror will provide production break-fix support during the entire project for defects related to configuration, programming, interfaces, user security roles, and converted data. All post implementation and break-fix support will be provided by skilled Offeror personnel who have become familiar with PaDOR over the course of the implementation effort.

The production and post implementation support provided by the selected Offeror must include immediate notification of new security vulnerabilities and the application, testing and validation of security patches or updates to all environments or instances of the system.

Each stage of the project is described in more detail below. For each of the activities in the base project scope, please clearly specify the role, tasks and number of PaDOR resources and the role and tasks of the Offeror in all activities required for implementation.

As part of the RFP response, Offerors must propose a project plan which proceeds with the stages, years and scope outlined below as Implementation Alternative 1. In addition, Offerors must also propose the following implementation alternative:

Implementation Alternative 2

Stage 1 – Scope Remains As Is

Stage 2 – KITS (Sales and Employer, Use Tax, Hotel Tax) Vehicle Rental, Public Transportation Assistance Fund Taxes and Fees

Stage 3 – Corp Tax

Stage 4 – PIT (including fiduciary), Inheritance Tax, PTRR and Pass Thru Entity

Stage 5 – Motor Carrier, IFTA, Liquid Fuels, Alternative Fuels, Cigarette, Malt Beverage, Small Games of Chance (Note: The Tax Type change of Malt Beverage and Small Games of Chance only pertains to the Implementation Alternative 2)

Offerors must document the initial project start up activities and costs including hardware (cost information must only be included in Appendix D – Cost Matrix) which remain constant regardless of implementation alternative selected. Offerors must describe the tasks and activities included in their assumptions such as tasks including but not limited to initial development for the master data, standardized business process design, and project preparation activities.

For both implementation alternatives, PaDOR is seeking a project plan as well as specific descriptions of any implementation assumptions that change based on the change in staging by tax type.

Implementation Alternative 1

Stage 1 – Project Preparation

This initial stage of the ITS project will lay the groundwork for later implementation stages. It will include the following activities:

- A. Scope, Charter and Organization
- B. Planning (spanning all stages)
- C. Detailed Plans for Stage 2
- D. Preparation for Business Process Design spanning all tax types and stages
- E. Creation of issue, risk, communication, change management and configuration plans
- F. Adoption of status project reporting procedures
- ~~G.~~ Strategy and approaches for key activities of the project including data cleansing and conversion, , interfaces, knowledge transfer and project team training
- H. Software and hardware installation
- I. Technical environment design
- J. Rollout of standards and tools
- K. Initial design of correspondences
- L. Initial design of the reporting environment
- M. Initial project team training including naming of classes to be obtained from SAP and other proposed software vendors.
- N. CoPA project staff skills assessment and furnish initial job descriptions.

Functions to be Implemented - None

Taxes to be Implemented - None

Stage 2 – Implementation of Corporation Taxes. The second stage of the ITS project will be devoted to the implementation of Corporation Taxes.

Functions to be Implemented

- A. Taxpayer Management
- B. Returns Processing
- C. Tax Account Management
- D. Revenue Accounting
- E. Case Management:
 - 1. All case types applicable to Corporation Tax processing including audit, collections and discovery.
 - 2. Audit case management functionality for tax types that are not implemented in the ITS.
 - 3. Bankruptcy case management functionality will be implemented, at minimum, to establish a basic bankruptcy case, identify pre-petition and post petition debt, stop interest and penalty on pre-petition debt, identify dischargeable, non dischargeable, and priority debt, and apply payments as required for bankrupt accounts.
- F. Correspondence Common Services:
 - 1. Correspondence & Forms
 - 2. Workflow
 - 3. Basic Reporting

(Note: The Auditor General works with PaDOR as a reviewer or initiator of a Corporation Tax Desk Audit for project scoping purposes).

Tax Types to be Implemented

- A. Corporate Net Income Tax
- B. Capital Stock and Foreign Franchise Taxes (Note: Current plans call for the expiration of CSFT taxes for taxable years beginning after 12/31/2013. Accordingly, these taxes would be implemented for processing returns and other ITS functions for those years preceding the expiration.).
- C. Loans Tax
- D. Gross Receipts Tax
- E. Gross Premiums Taxes, including Retaliatory Fees
- F. Financial Institutions Taxes
 - 1. Bank Shares Tax
 - 2. Bank Loans Tax
 - 3. Mutual Thrift Tax
- G. Public Utility Realty Tax
- H. Other Corporation Taxes, including Agricultural Cooperative and Electrical Cooperative

Post Implementation Support. The selected Offeror must provide six months of post implementation support.

Stage 3 – Implementation of Individual Taxes and Pass Through Entity. This stage will implement Individual Taxes on all functions of the ITS and Pass Through Entity.

Functions to be Implemented

- A. Taxpayer Management
- B. Returns Processing
- C. Tax Account Management
- D. Revenue Accounting
- E. Case Management
 - 1. All case types applicable for Individual Taxes including audit, collections, and discovery.
 - 2. Bankruptcy case functionality implemented in Stage 2, adapted as required for Individual Taxes.
 - 3. Pass-through-entity Cases
- F. Common Services:
 - 1. Correspondence & Forms
 - 2. Workflow
 - 3. Basic Reporting

Tax Types to be Implemented

- A. Personal Income Tax (including Fiduciary)
- B. Inheritance Tax
- C. Property Tax Rent Rebates
- D. Pass-through-Entity Taxes (Note: These are not taxes, per se, the liabilities of the owners, partners, and members of these entities are passed through to the individual and corporate tax accounts)

Post Implementation Support. The selected Offeror must provide a minimum of six months of post implementation support. This support must include support for the peak filing and processing period (January through July).

Stage 4 – Implementation of Trust Fund Taxes . Stage 4 will implement all functions of the ITS for Trust Fund taxes.

Functions to be Implemented

- A. Taxpayer Management
- B. Returns Processing
- C. Tax Account Management
- D. Revenue Accounting
- E. Case Management
 - 1. All case types applicable for Trust Taxes (including audit, collections, and discovery cases and revocation functionality)
 - 2. All bankruptcy case management functionality (including that not implemented in previous stages)

- F. Common Services:
1. Correspondence & Forms
 2. Workflow
 3. Basic Reporting

Tax Types to be Implemented

- A. Employer Withholding Tax
- B. Hotel Occupancy Tax
- C. State and Local Sales and Use Tax
- D. Vehicle Rental Tax
- E. Malt Beverage Tax
- F. Public Transportation Assistance Fund Taxes and Fees
- G. Small Games of Chance Licensing

Post Implementation Support. The selected Offeror must provide six months of post implementation support

Stage 5 – Implementation of Remaining Taxes. All remaining taxes within the project scope are to be implemented in this stage.

Functions to be Implemented - All

Tax Types to be implemented

- A. Motor Carriers Road Tax / IFTA
- B. Liquid Fuels Tax
- C. Alternative Fuels Tax
- D. Cigarette Tax (including schedule Cigarette Non-participating Manufacturers)
- E. Cigarette Floor Tax
- F. Cigarette Licensing

Post-Implementation Support – There will be an additional six months of post implementation support after the Stage 5 implementation has been completed. Note that this support must fall within the five year contract term.

IV-2.3 Options. Offeror must include options in its proposals for the following additional functionality and/or services. Such options may be included in the project scope and as part of any contract awarded at the discretion of PaDOR. Options must clearly state the role, responsibility, tasks and resources required by the Offeror and PaDOR to implement the option if it is exercised. Options must clearly state if exercising the option has an impact on the project plan and, if so, what that impact is. Options must include hardware architecture and sizing if applicable.

- A. Advanced Reporting Database.** Offerors must provide an option for a reporting database with additional features beyond those called for in the base project. This reporting facility would provide that functionality described for Reporting Database (see IV-2.1d) and also meet the following requirements:
1. Contain all ITS reference, transactional, and other data
 2. Allow for inclusion of data from external sources or other PaDOR applications
 3. Provide reports/dashboards incorporating approximately 20 key performance indicators (KPIs) to be based on ITS data. Examples of KPIs that may be needed include:
 - a. Total compliance ratio by number of accounts - the proportion of taxpayers who timely filed and paid all taxes for a given time period
 - b. Total compliance ratio by dollars - the proportion of tax dollars associated with taxpayers who timely filed and paid ALL taxes for a given time period
 - c. Total (audit and system) assessments
 - d. Proportion of assessments sustained through appeal process
 - e. Proportion of (audit and system) assessment collected
 - f. Average number of days to process returns and payments
 - g. Returns and payments by channel
 - h. Returned mail
 - i. Ratio of Collections/Collectable Balance
 4. Utilize existing licenses for BW and Business Objects to support ad hoc reporting and provide online analytical processing (OLAP) capabilities.
 5. Have near-time refresh/extract, transform, and load capabilities (3 times daily)
- B. Organization Change.** Offeror must provide an option that will allow PaDOR to implement the organization changes resulting from changes in business process and technology. The option must include but is not limited to the following tasks:
1. Current state organization including FTEs, tasks and percentage work effort by FTE per task
 2. Future state organization chart
 3. Identification of tasks and activities associated with the business changes and alignment of those processes to the new organization
 4. Workload assessments associated with business process change to determine required personnel to perform the functions
 5. Mapping current state tasks, future state tasks and FTEs to the future state organization
 6. Identifying personnel impacts and associated communication strategy
 7. Estimating financial impact of organization change in terms of cost savings and increased revenue as a result of additional or improved enforcement efforts.
- C. Behavioral Descriptive Data for Taxpayer.** Offeror must provide an option for the automated collection of statistics on taxpayer compliance for use in online views, reporting, and in determining worklisting, billing treatments, collections scoring and

case routing, audit selection, and other purposes. The behavioral descriptive data would be updated via batch process on a frequency to be determined and would include but not be limited to the following information by tax type and overall on a rolling period basis (e.g. five years):

1. Returns filed
2. Amended returns filed
3. Late filings
4. Late payments
5. Underpayments
6. Delinquency notices
7. Estimated assessments
8. Payments on estimated assessments
9. Audit assessments
10. Bad checks
11. Deferred payment plans
12. Missed deferred payment plan payments
13. Broken promises to file
14. Broken promises to pay
15. Appeals filed
16. Appeals resolutions
17. Calls to customer service
18. Letters to customer service
19. Physical visits to/for customer service
20. Liens
21. Levies
22. Garnishments
23. License revocations
24. Citations
25. Criminal referrals
26. Other enforcement actions
27. Registration updates – name
28. Registration updates – business location or mailing address
29. Collection agency
30. Sheriff's sale
31. Bankruptcy
32. Other data as may be identified during the project

- D. Ability to validate/audit income line on returns during processing.** Offeror must provide an option to design and develop the functionality to audit income lines on income tax returns by comparing them to standard IRS and/or PaDOR information returns including W2 and 1099 data while the return is being processed, and via

database cross match after initial processing for other taxes and other informational sources relating to individual income tax. The option must include the following capabilities:

1. Storage of W2, 1099, K-1 and other data (and the ability to view, print, and report on such data)
2. Automated comparison of taxpayer income on Individual Income Tax Returns with W2, and 1099, for applicable returns during returns review (after returns correction) to determine instances of underreporting
3. Automated database cross match of taxpayer returns with other information sources for tax types other than Individual Income Tax to determine instances of underreporting (after initial returns processing has occurred)
4. Automated database cross match of Income Tax returns with K-1, federal forms, and other information received independent of the taxpayer return via external database cross matching after initial returns processing has occurred.
5. Automated identification of discrepancies from all comparisons
6. Ability to set and apply rules for automated adjustment of returns based on configurable business rules
7. Ability to set and apply rules for automated worklisting of returns on which discrepancies were found for review
8. Views and reporting on volume, amount, backlog, and other data associated with automated income audits
9. Configurable controls that allow PaDOR management to control parameters used for related processing, adjustment, and worklisting
10. Flexibility to add other information return types that the IRS may design and implement.

E. Replacement of E-filing applications. Offeror must provide an option to include all design, development, and implementation services necessary for replacement of the Partnership and Corporate Tax Fed/State Modernized e-file (MeF) application (but not PaDOR's Internet or Individual income tax filing applications). The Offeror will work with PaDOR to determine what, if any, components of the existing applications and processes (including those that may have been implemented for the Income Tax MeF application) can be leveraged or adapted for continued use during the planning and analysis activities of the ITS project. The replacement application will be designed, developed, and implemented in Stage 2 with the ability to:

1. Receive e-filings from current channels in the formats provided
2. Validate that e-filings and ACH payments are in appropriate format and validate the effective date
3. Provide for ACH and e-filing exception processing
4. Assign a DLN to ACH debits and returns.
5. Create and send required notifications of confirmation, rejection, acceptance and/or exception for e-filings and payments
6. Interface to other applications used to validate and/or process ACH, credit card, and other payment information

7. Store copy of the electronically filed return data (including all schedules) in a consolidated repository for all e-filings. (The PDF documents received from the IRS will continue to be stored in PaDOR's imaging system – Info Image).
8. Provide the ability for read only browsing of all received returns in formatted views
9. Provide the ability to export electronically received returns to other applications
10. Provide the ability to link to the ITS to support viewing of the electronically received return from within the ITS
11. Format and load required return data into the ITS for processing.
12. Provide statistics and reports to be used in confirming that all received returns have been confirmed and loaded to the ITS
13. Track and report tax preparer, software package, and sender of the electronic return

F. Enhancements to support collection of receivables not processed in the ITS.

Offeror must provide an option that will allow PaDOR to process collections cases for debts that are not recorded or processed in the ITS. This would be used during implementation staging and may be needed if PaDOR is called upon to collect balances due to other Commonwealth agencies. Key capabilities include but would not be limited to:

1. Ability to import due balances, name, address, contact, and other information required to establish and pursue a collections case
2. Ability to import tax due balances, taxpayer id, name, address, contact, and other information from other systems in PaDOR and combine them into a collections case with debt from taxes processed in the ITS or create a collections case if one does not currently exist.
3. Ability to automatically establish a collections case for non-tax debts
4. Ability to establish a separate set of routing and priority rules for the non-tax debt
5. Ability to account for collections against imported due balances
6. Ability to calculate penalty and/or interest on imported balances
7. Ability to initiate funds transfers when collections are made against imported debt

IV-2.4 Project Facility/Work Location. PaDOR will provide desk space and a workstation with connection to the CWOPA network domain and standard PaDOR workstation software for each Offeror staff person assigned to perform services under this Contract. Shared printers (including printer supplies) will also be supplied.

The Offeror may not use any PaDOR provided workstations for purposes not specifically related to the project.

If the Offeror has any Offeror workstations or devices that are to be connected to the Commonwealth's network, the Offeror must comply with Commonwealth network and security standards. All hardware and software shall be reviewed before it is used on the local area network, and may be made operable on the local area network only with written approval by the Commonwealth. Please see the IT security policies and standards

of the Commonwealth and the Department, which can be found at <http://www.portal.state.pa.us/portal/server.pt?open=512&objID=337&mode=2>.

Proposals shall confirm that all project work will take place onsite at the Harrisburg, PA project site. If during the course of the project an offsite resource is required to complete a task, arrangements for such resource will be managed on a case-by-case basis and must be approved in advance by PaDOR.

IV-2.5 Responsibilities of PaDOR. PaDOR responsibilities on the project will include the following:

- A. Providing project facilities for up to 75 project team members, inclusive of PaDOR and Offeror, in a single location
- B. Overall project management and selected Offeror oversight
- C. Management of PaDOR and technical services personnel
- D. Provide requirements gathering assistance and subject matter expertise
- E. Timely review work products and deliverables
- F. Coordination of hardware and software installation at the Commonwealth's Data PowerHouse (would be a joint responsibility of the selected Offeror and PaDOR technical services personnel)
- G. Making any roles or responsibilities changes needed in PaDOR operations as a result of new or changed processing
- H. Facilitating and assisting to conduct the user acceptance test
- I. Performing some configuration and developing some site-specific code as part of a knowledge transfer approach
- J. Performing legacy data extraction to support automated data conversion
- K. Training end users (after the selected Offeror trains the PaDOR trainers)
- L. Participate in technical knowledge transfer activities

IV-3 Requirements

A. Qualification of the Proposed Solution

1. Offeror must provide documentation that demonstrates that the hardware recommended can process at least the PaDOR current peak volume of 500,000 returns within an 8 hour nightly batch window. This proof may be from a tax agency production site, a non-tax agency production site based on an equivalent processing load, or from a performance benchmark created by an independent third party. A full description of the volumes processed, transactions involved, average transaction size, hardware and software must be provided along with the client or third party organization name, knowledgeable contact person, address, phone, and email. In addition, the SAP TRM solution must be able to process PaDOR expected future peak volumes of 750,000 tax returns within an 8 hour nightly batch window. The solution must be scalable in nature to address future growth. Offeror must provide a description of how its proposed solution will meet this requirement.

2. The Offeror must have successfully implemented the SAP TRM software for a tax or revenue agency with at least \$1 billion in annual revenue.

-OR -

The Offeror must have successfully implemented an integrated tax system at a tax or revenue agency with at least \$1 billion in annual tax revenues AND have experience with SAP TRM. This experience may be from an integrated tax system project that is still in progress.

- B. Functional and Technical Requirements. The PaDOR functional software requirements and technical requirements and related instructions for Offeror responses have been placed in Appendices E and F. These should be completed using the instructions provided and included in the Offeror's RFP response.

- C. Adherence to Standards and Procedures

Service providers delivering services/systems to agencies under the Governor's jurisdiction are required to comply with the IT standards and policies issued by the Governor's Office of Administration, Office for Information Technology (OA/OIT), for the Commonwealth enterprise (See www.oit.state.pa.us). These standards and procedures are referred to as Information Technology Bulletins (ITB).

Of particular interest to this project is *ITB-ACC001 - IT Accessibility Policy* which requires that the appropriate Section 508 and W3C accessibility standards are followed. However, this is in no way exclusive as the Commonwealth requires compliance with all ITBs.

Link to ITB's:

<http://www.portal.state.pa.us/portal/server.pt?open=514&objID=210791&mode=2>

IV-4 Out of Scope Items. Hardware, software, and services to provide the following are not within the scope of the ITS project.

- A. **Expansion of internet services.** The ITS project requires integration with, but not replacement of, or expansion of, existing internet filing applications.
- B. **Replacement of imaging tools and capabilities.** The ITS project requires that existing imaging software be integrated with the new ITS application. No replacement of imaging tools or software is included within the scope of the ITS project.
- C. **Audit selection.** With the exception of audit selection for pass-through entities, audit selection capabilities are not to be provided as part of the base ITS project. PaDOR will provide a list or flat file of taxpayer audits selected for a particular tax type and period.

- D. **Audit Procedure Software.** Although audit case management software capabilities are within the scope of the ITS project, software functionality needed to conduct field audit procedures is not included.
- E. **Nonfiler discovery.** With the exception of nonfiler discovery related to pass-through entities implementation of automated tools to assist the PaDOR in identifying nonregistered, nonfilers is not within the scope of the project.
- F. **Replacement of the existing data warehouse.** PaDOR's requirement for a new reporting facility containing the ITS should not be interpreted by Offerors as a call for a new enterprise data warehouse.
- G. **Web based taxpayer self service.** The ITS project scope does not include the implementation of any new public facing internet functionality. Integration with existing Internet facilities is within scope.
- H. **Customer Service Case.** The PaDOR is separately pursuing a customer relationship management project using SAP based CRM. As part of this project, PaDOR will implement a customer service case management capability. As such, the ITS project does not include customer service case management within its scope. Integration with the new SAP based CRM solution is within the project scope, however.
- I. **Appeals Case Management.** PaDOR has chosen to retain its existing appeals case management solution (RAPS), so it is not within the project scope.

IV-5 Task/Deliverables. The selected Offeror will be responsible for performing the following tasks and producing the listed deliverables. Other tasks may be added if PaDOR includes any of the proposed options as part of any contract award.

- A. **Project Management (Applicable to All Stages).** The selected Offeror will provide a Project Manager to plan all project activities and directly manage all Offeror activities. PaDOR will provide a Project Manager to oversee the entire project. The Offeror's management responsibilities on the project will include the following:
 - 1. Staff Management – PaDOR will provide oversight for the entire project. The selected Offeror will provide overall project management for the tasks required to implement all components of the project and production support as contractually defined. The selected Offeror will provide administrative support for its staff and activities as well as coordinate schedules and calendars for the entire project team.
 - 2. Use of a Project Repository – The selected Offeror will establish and maintain a project repository. The selected Offeror will use the SAP Solution Manager for this repository where possible. The selected Offeror will review options to either propose a new installation of SAP Solution Manager or use of the existing IES system. The proposal must include sizing for the proposed solution. Copies of the electronic deliverables not contained in SAP Solution Manager must be stored on the commonwealth LAN. This repository will contain all document based work

products, document based deliverables, issues descriptions and related analysis, memos, and other project documents. The selected Offeror will establish and use document creation, naming, and version control procedures.

3. Kick-Off Meetings – The selected Offeror and PaDOR will conduct a kick-off meeting for each stage of the project. The initial kick-off meeting will occur within 10 working days after the Effective Date of the Contract or within an alternative time frame, approved by the PaDOR Project Manager.
4. Status Meetings - Throughout the project, the selected Offeror's Project Manager and key project staff will attend status meetings with the PaDOR Project Manager and other members of the ITS project. The weekly meetings will follow a pre-set agenda but must also allow the selected Offeror or PaDOR the option to discuss other issues that concern either party. The PaDOR Project Manager may require additional status meetings and associated status reports.
5. Ad-hoc and Monthly Executive Steering Committee Meetings – The selected Offeror's Project Manager (or designee on those occasions where the Project Manager is not available) will prepare and present project information to the Steering Committee including but not limited to project status updates, issues and risks, key project related decisions, scope decisions and critical path dates. (Deliverable – Monthly Steering Committee Presentations)
6. Status Reports – The selected Offeror will provide weekly electronic status reports on the project, which are due to the PaDOR Project Manager at least 24 hours before each meeting unless the Parties agree to a different time frame during project planning. Status reports must contain, at a minimum, descriptions of the following:
 - a. Any issues encountered and their current disposition
 - b. Whether deadlines were met
 - c. Any issues that need to be addressed before proceeding to the next task
 - d. Anticipated tasks to be completed in the next week
 - e. Tasks timely completed, tasks not timely completed, and tasks where delays are expected
 - f. Updated project schedule
 - g. Status of open issues
 - h. Change Control Status
 - i. Risk Status
 - j. Deliverables Status
 - k. Knowledge Transfer Status
 - l. Staffing Updates

The selected Offeror's proposed format and level of detail for the status report will be subject to PaDOR approval.

Deliverables

- Monthly Steering Committee Presentations **to include key status updates, critical issues and decisions.**

B. Project Preparation Stage. The selected Offeror will be responsible for organizing, and conducting an initial project stage that (in addition to the applicable planning and organizing tasks described in Task A - Project Management), will establish the necessary business requirements, change/communications management, hardware and software infrastructure for the project and provide for initial project team training and a knowledge transfer plan. The selected Offeror will be responsible for the following activities and deliverables during this stage:

1. **Project Scope, Charter and Organization** – In conjunction with initial project planning activities, the selected Offeror will create a project scope and charter document inclusive of the project goals, governance, scope, project team, and project reporting and project management. The document should also validate the sequence of the project implementation. The governance and project organization chart with accompanying narrative describing roles and responsibilities for each selected Offeror and PaDOR team member, executive, or governance body should be included in the Scope and Charter Document. The selected Offeror will work with PaDOR to determine if individuals from PaDOR are expected to support the entire project implementation or support implementation stages and then move into production support roles. The document will include the resulting total FTEs engaged in the project from start to completion. The organization chart and roles/responsibilities description will be subject to PaDOR approval. The project organization chart will be updated for each stage of the project based on required staff changes. (Deliverable – Project Scope, Charter and Organization)
2. **Project Planning** – The selected Offeror will be responsible for the creation and maintenance of project plans and team level sub-plans throughout the project. Within the first four (4) weeks of beginning work, the selected Offeror will create the detailed ITS Project Strategy, Work Plan and Resource Schedule (the Project Plan) consistent with timelines and plans submitted as a part of its RFP Response. The project plan should include key activities such as business requirements gathering, communications and change management, the technology plan including tasks for hardware installation, specification creation, development, testing, integration testing, user acceptance testing, end user training, dependencies and cutover. This document must be refined and approved in conjunction with PaDOR project management, key stakeholders, and key project participants. This initial plan document must contain the following:
 - a. A consolidated view of the work to be performed and the timing of all major activities in the entire project (including all stages)
 - b. Detailed plans and assignments for the first stage
 - c. A narrative and graphical description of the overall implementation and staging approach
 - d. Project activities, task assignments, due dates and resources for both the selected Offeror and PaDOR employees in Microsoft Project

In addition, the selected Offeror will routinely update the Microsoft Project Plan to reflect changes in the nature and timing of project activities, all changes being

subject to PaDOR approval. Prior to the beginning of each implementation stage, the selected Offeror will work with PaDOR management to add detail to the overall plan and adjust schedules and assignments so that a complete, detailed, and up-to-date plan is available for managing that stage. A detailed plan for the next stage shall be required as a condition of closing out the preceding stage. (Deliverable – Project Plan and Project Plan Updates by Stage)

3. **Issues and Risk Management Plan, Execution and Reporting** – The selected Offeror will provide Issue and Risk Management to include key reports, mitigation process and the issue and risk escalation process. The tasks must include how issue and risks will be identified, quantified, strategies to respond to issues and risks to be used by the project team inclusive of monitoring and control. Following the creation of the plan, each project stage will require the creation of a new issue and risk log which will be managed to for that Stage's implementation. The deliverables associated with each of the Stages after the initial Plan deliverable should follow the standards set forth in the Plan. (Deliverable - Issue and Risk Management Plan and Issue/Risk Execution and Reporting Documents by Stage)
4. **Communications and Change Management Plan, Execution and Reporting** – The selected Offeror will create a Communication and Change Management Plan that is inclusive of all internal and external communications related to the organization and business process changes that will be implemented as a result of the project. The Change Management and Communications Plan must identify all stakeholder impacts and include key milestones based on the plan. The Plan should include at a minimum PaDOR internal staff, Commonwealth agencies, taxpayers, tax practitioners, the legislature, the Treasury, Auditor General, and the Federal Government. Content creation for project communications for all Stages is the responsibility of the selected Offeror. Content review is the responsibility of PaDOR. Organization change recommended to support the business process changes is the responsibility of PaDOR unless the Organization Change Option is exercised. (Deliverable - Communications and Change Management Plan and Communication and Change Execution by Stage)
5. **Configuration Management Plan** – The selected Offeror will create a Configuration Management Plan detailing all environments and plans to control and move artifacts through these environments. The Communications Management Plan should include hardware sizing and system software control, application software control, environment administration with regards to role based security access, backups, organizational responsibilities and change control. The selected Offeror will update the landscape and validate sizing for each stage of the project. (Deliverable - Configuration Management Plan and Configuration Updates)

The Following Tasks Are Applicable Only To The Project Preparation Stage

6. **Technical Environment Design** - The selected Offeror will work closely with the PaDOR to plan and design all technical environments needed on the project (including all development, quality, testing, training, sandbox and production

environments and related network configuration). The design must describe the organization structure, security architecture and design to encompass all components making up the system solution/platform to achieve application security. Note that the PaDOR Project Manager may postpone design of certain of the technical environments needed on the project if it is determined that it is in the best interest of PaDOR to do so. (Deliverable – Technical Environment Design)

7. **Hardware Installation** - Commonwealth and DPH staff will install the necessary server, storage and network hardware and operating systems software. The selected Offeror will assist Commonwealth system administrators with configuring, and testing all hardware, server peripherals, utilities, and system management software. (Deliverable – Installed Hardware, Installation Check List and Sign Off Document)
8. **Software Installation** - The selected Offeror, with participation from Commonwealth staff, will install all required ITS software and assist PaDOR in verifying that: all modules are present and installed; the system operates in a stable fashion both online and offline, the system can be accessed from PaDOR's network or from any mobile application (as needed); and that the documentation is complete. Documentation must include:
 - a. Database configuration parameters, database object definitions, and other tailoring requirements to support the application
 - b. Application and system software configuration parameters definitions, hardware requirements, installation procedures, and operations instructions
 - c. Operations run book, backup and restore procedures, system monitoring and administration processes, and other operations functions(Deliverable – Installed Software, Installation Check List and Sign Off Document)
9. **Module Verification** - After completion of the initial software installation and configuration, the selected Offeror will verify, to PaDOR, that all acquired modules are present and installed; that the system operates in a stable fashion both online and offline; and that the system can be accessed from PaDOR's network. (Deliverable - Installed Module Checklist Results and Sign Off Document)
10. **Pre-Populated "User Playground"** - The selected Offeror will install a pre-populated set of application files complete with all needed options sets and any data necessary for PaDOR users to become familiar with the system. This environment also will be used by the selected Offeror to conduct demos, education sessions, and walkthroughs of how the RFP requirements have been met. It must be kept current by the selected Offeror as the project progresses. The selected Offeror will provide PaDOR with all tools and utilities required to automatically refresh the environment after training sessions and to automatically maintain the environment and apply changes to the application system software and databases as future changes are implemented within the production environment. (Deliverable - Pre-Populated User Playground)
11. **Data Cleansing, Conversion Strategy and Master Data Strategy**- The selected Offeror will produce a comprehensive data cleansing and conversion strategy that lists all systems to be replaced, describes the tools and approaches to be used in data cleansing and data conversion, describes the recommended sequence of

cleansing and conversions at a high level, and provides recommended ways of addressing the key data issues (including consolidation of data under a global taxpayer id, open items, data integrity problems, data redundancy, data standardization issues, missing data, and other data quality issues). The document will clearly define the role of PaDOR and the selected Offeror in data cleansing and conversion. The strategy should identify all master data. (Deliverable Data Cleansing, Conversion and Master Data Strategy)

12. **Integration/Interfaces Strategy**– The selected Offeror will produce a strategy document outlining the permanent and temporary interfaces to be built, as well as tools, middleware, standards, and approaches to be used. This strategy document will cover all interfaces and integration regardless of the stage and will include the approach to be used in integrating the ITS with existing imaging software. The interface software must be fully documented to allow PaDOR to properly structure current and future interface projects. The list of current interfaces for PaDOR applications to be replaced provided in Appendix I, shall be the starting point for the required analysis. Both PaDOR and IES have a significant investment in a hub and spoke integration architecture based on message brokering and open standard web services currently deployed on IBM Websphere Message Broker (WMB) which will need to be reviewed as part of the project implementation. (Deliverable Integration/Interface Strategy)
13. **Baseline Project** – The selected Offeror will provide PaDOR with a baseline list of tasks and deliverables or portions thereof that are required to be completed regardless of the staged implementation by tax type.
14. **Knowledge Transfer Strategy** – The selected Offeror will work closely with PaDOR to define a knowledge transfer strategy which will document and map which training should be provided to which staff at which time and through which medium based on the existing end user and technical skills of PaDOR staff. The selected Offeror is responsible for execution of knowledge transfer throughout all stages of the project to include the initial installation of all ITS project software. (Deliverable- Knowledge Transfer Strategy)
15. **Initial Project Team Training** - At a minimum, the selected Offeror will provide training to the PaDOR project team for use of the installed baseline software. The initial project team training must be aligned to the Knowledge Transfer Plan for the project team. This training must take place in Harrisburg and cover the following:
 - a. System architecture, navigation and functionality
 - b. The selected Offeror’s basic strategy for meeting PaDOR requirements
 - c. Configurable components and system options
 - d. Online and batch operations
 - e. Security, system options available
 - f. Application Data Model
 - g. Other topics useful in training the project team to the software

The selected Offeror will also describe how the PaDOR project team members will have continued access to the “User Playground” environment to better understand system functionality and to try various business scenarios. (Deliverable – Initial Project Team Training) The project team training should help the team develop any configuration/development skills for work done for the project.

Deliverables

- Project Charter, Scope and Organization Document (One Time Deliverable)
- Project Plan
- Issue and Risk Management Plan, Execution and Reporting
- Communication and Change Management Plan, Execution and Reporting
- Configuration Management Plan
- Technical Environment Design (One Time Deliverable)
- Installed Hardware, Installation Checklist and Sign Off (One Time Deliverable)
- Installed Software, Installation Checklist and Sign Off (One Time Deliverable)
- Installed Module Checklist and Sign Off (One Time Deliverable)
- Pre-Populated User Playground Environment (One Time Deliverable)
- Data Cleansing, Conversion and Master Data Strategy (One Time Deliverable)
- Integration/Interfaces Strategy (One Time Deliverable)
- Baseline Project Start Up (One Time Deliverable)
- Knowledge Transfer Strategy (One Time Deliverable)
- Initial Project Team Training (One Time Deliverable)

C. Project Blueprint Stage

The selected Offeror will be responsible for defining business process requirements, master data strategy, establishing the change control process, and technical design.

The Following Tasks Are Applicable To All Stages Of The Project

- 1. Business Process Design and Blueprint** – The selected Offeror will define the scope and number of business process requirements workshops required to create and implement an Integrated Tax System understanding that the system must be developed with the end result of all taxes integrated with standard processes and master data despite a staged roll out by tax type. The selected Offeror will utilize work previously performed by PaDOR as informational only to baseline what is required to define the To-Be requirements and the Gap Analysis. The As-Is environment is only expected to be documented in enough detail to understand and communicate the business process and organizational changes that will be required. It is not expected that detailed flow charts and supporting documentation would be created for the As-Is environment. The workshops will be led by the selected Offeror and will include requirements definition and business rules for the end to end processes, forms, reporting, interfaces,

conversion, enhancements and workflow (FRICE-W). The Blueprint is to include lists for requirements and specifications based on workshops. The design sessions should also provide input into the training requirements and change/communication plans based on process changes to be implemented. For each Stage, the Blueprint should be reviewed to determine any changes as well as updates required to implement the additional tax types by Stage. (Deliverable – Business Blueprint and Blueprint Update Documents by Stage)

2. **Project Planning Documents** – Based on the Blueprint, the selected Offeror will perform an analysis and produce the detailed project planning documents described below. These documents will be used to manage project related work and will be updated by stage. Each document should clearly define roles and responsibilities of the selected Offeror and PaDOR:
 - a. **Implementation Plan**– The selected Offeror will produce an implementation detailed plan document that describes the functions and taxes to be implemented in each stage, how tax type differences will be staged without significantly affecting previously implemented functionality or operations and reporting for previously implemented taxes. It will also document the approach and schedule to be used for replacing support applications that are used by legacy tax systems scheduled for replacement in different project stages. This document will also list all of the functional and technical specifications, customization and development tasks required for each stage’s implementation. The implementation plan must also include the organization strategy which must be in alignment with the Commonwealth’s enterprise standards. (Deliverable – Implementation Plan)
 - b. **Data Cleansing, Conversion and Master Data Plan**- The selected Offeror will produce a comprehensive data cleansing and conversion detailed plan that lists all systems to be replaced; documents data to be converted from those source systems; describes the tools and approaches to be used in data cleansing and data conversion; describes the recommended sequence of cleansing and conversions; and provides recommended ways of addressing the key data issues (including: consolidation of data under a global taxpayer id, open items, data integrity problems, data redundancy, data standardization issues, missing data, and other data quality issues). The deliverable will clearly define the role of PaDOR and the selected Offeror in data cleansing and conversion. PaDOR will only extract data in its current legacy format to a target staging area to be provided by the selected Offeror. The plan must be inclusive of all master data creation as well as providing for the processes and procedures required to maintain master data after implementation. PaDOR requires detailed conversion of taxpayer data through the statute of limitations date for each tax. The Master Data Plan must take into account the department’s record retention, archival and purge policies. Data must be migrated to a staging platform or repository in the legacy system format (see Appendix K: Volume Statistics and Statute of Limitations for Each Tax). The plan must cover all aspects of creating the production database necessary to take the system “live”. (Deliverable – Data Cleansing, Conversion and

Master Data Plan)

This plan must describe and be updated at the appropriate stage:

- 1) All tables and elements to be populated in the new system
- 2) The sequence of data development to support referential integrity and dependency relationships
- 3) Field-level specific data sources for those tables (data mapping scheme that identifies any data parsing, transformation formulas and lookups, concatenation, and format changes)
- 4) Expected data volumes
- 5) Conversions where automated programming or utilities will be used to significantly reduce data conversion labor
- 6) Conversion verification logic and associated audit reporting of conversion processing (e.g. counts of records converted, reconciliation of items by tax type, reconciliation of transactions by tax type)
- 7) Roles and responsibilities and timing requirements for the conversion effort
- 8) A plan to identify and handle exceptions
- 9) Data Model and data dictionary

(Deliverable Data Cleansing, Conversion and Master Data Plan)

- c. **Integration/Interfaces Plan** – The selected Offeror will produce a detailed plan document outlining the permanent and temporary interfaces to be built; tools, middleware, standards, and approaches to be used; and approaches for overcoming key issues and obstacles. This plan document will cover all interfaces and integration in each stage and will include the approach to be used in integrating the ITS with existing imaging software. The interface software must be fully documented to allow PaDOR to properly structure current and future interface projects. The list of current interfaces for PaDOR applications to be replaced provided in Appendix I, shall be the starting point for the required analysis. Both PaDOR and IES have a significant investment in a hub and spoke integration architecture based on message brokering and open standard web services currently deployed on IBM Websphere Message Broker (WMB) which will need to be reviewed as part of the project implementation. (Deliverable Integration/Interface Strategy)
- d. **Change Control Plan, Execution and Reporting** - The selected Offeror will create (and adhere to) a written Change Control process which establishes the technical change management roles and responsibilities, policies, guidelines, processes and procedures necessary for controlling and managing the changes, both technical and other, during the term of any resulting contract. This documented plan will be subject to PaDOR approval and will describe how changes are identified, defined, evaluated, approved, and tracked to completion. A change control board with both PaDOR and selected Offeror members will be established to oversee execution of the plan. Any changes to project scope, timing, roles and responsibilities must be made in writing and will require written approval of the PaDOR Project Manager. Significant

changes in scope may require amendment of the governing contract in compliance with the procurement code. (Deliverable - Change Control Plan, Execution and Reporting)

- e. **Testing Plan** – The selected Offeror will document the testing plan and approach to be used on the project including that for unit, string, integration, system, security roles, end-to-end interface, performance and user acceptance testing. The plan will document needed tools and environments. The selected Offeror is responsible for the creation of test scenarios and scripts with the assistance of PaDOR. The plan will describe how and where regression testing will be pursued as the ITS schedule proceeds and as annual changes are made to the software after each implementation point. (Deliverable – Testing Plan)
 - f. **Application Security Testing Plan** – The selected Offeror will document the security testing plan and approach to be used on the project including that for vulnerability and penetration testing, system scanning with current signature files, vulnerabilities correction, and the method for providing results of the tests performed. (Deliverable – Application Security Testing Plan)
 - g. **Reporting Plan** – The selected Offeror will document the approach to reporting including the set of the Business Intelligence environment. The plan should include required standard and customized reports defined as part of the Blueprint. The reporting strategy must be in alignment with the Commonwealth’s enterprise standards. (Deliverable – Reporting Plan)
3. **Site Specific Code Approach** - The selected Offeror will produce a Site-Specific Code Retrofitting Approach document which outlines the strategy and approach that will be used to eliminate or reduce re-work of site-specific code when PaDOR upgrades to new releases of the application software. The selected Offeror may not make any modifications to the base application objects (i.e. programs, functions, table definitions, etc...) that are delivered with the software without written approval by PaDOR. As a general rule, the selected Offeror will be required to enhance the base application objects using pre-existing software-provided enhancement points (i.e. user exits) or create a custom version (copy) of the base application and modify it to meet user requirements. PaDOR will consider enhancements to the base application objects if such enhancements will be incorporated into new releases of the software
4. **Training Plan** – The selected Offeror will produce a training plan document that provides or describes key aspects of the training approach including: identification of the users to be trained during each stage; an overview of the training curriculum needed; the number of trainers and classrooms that will be needed for each stage; and the approach for training PaDOR trainers. The plan document will identify major training issues and recommend approaches for addressing them as well as identifying the characteristics needed in PaDOR trainers. (Deliverable – Training Plan)
5. **Knowledge Transfer Plan and Team Training Execution/PaDOR Self Sufficiency Plan** – The selected Offeror will document its approach to providing knowledge transfer to approximately five technical personnel, five operations personnel, five administrative personnel, ten programming personnel, and thirty

users/other personnel to allow them to fulfill their project roles and their post implementation roles.

This plan must document a credible approach for PaDOR to achieve self sufficiency in using, operating, and maintaining the system once functionality for a stage is implemented and a reasonable period of post implementation support from the selected Offeror has elapsed. This approach must go well beyond classroom training and provide for hands on experience during the project for a targeted set of key personnel. The selected Offeror will give PaDOR electronic copies of any tools, templates, materials or aids developed or used in support of the knowledge transfer. The document must include a proposed organization structure to support the new system as well as a transition plan to move individuals into the new ITS support organization as knowledge transfer occurs and PaDOR becomes self sufficient.

At a minimum, to execute the plan the selected Offeror will provide training to the project team, as needed during the project based on the knowledge transfer plan. This training should build on the training provided in the first weeks of the project, and must cover the following, as needed during each implementation stage:

- a. System architecture, navigation and functionality
- b. The selected Offeror's basic strategy for meeting PaDOR requirements
- c. Configurable components and system options
- d. Online and batch operations
- e. Security, system options available
- f. Application Data Model
- g. Other topics useful in orienting the project team

The selected Offeror must also include training sessions that describe:

- 1) The software configuration
- 2) Organization of software libraries
- 3) System operation procedures for use during the project
- 4) System administration responsibilities, log on/log off procedures, workflow, and security
- 5) Other topics necessary to educate PaDOR personnel on system housekeeping during the ITS project

As the project progresses, the selected Offeror will provide focused sessions with supporting materials on project requirements. Such topics must include developing desk level procedures, organizing for the cutover, managing accounting operations during the cutover to the new system, establishing procedures for providing user support, and other relevant topics helpful to project team members in planning, organizing, and executing their assigned project roles.

The selected Offeror will supply classroom and substantial hands-on training in each stage to ensure that PaDOR personnel have the necessary skills to operate and maintain the ITS during the post-implementation period. It is assumed that PaDOR personnel will perform all operations and system administrative functions with assistance as needed by the selected Offeror following each stage's implementation. Such training must include: systems operations including system startup, backup and recovery; nightly batch operations; running of ad-hoc, monthly, and annual jobs; any other tasks necessary to operate the system; training on any components of the operating environment that are new to PaDOR; and training for PaDOR programming staff on the use of the selected Offeror's development tools.

The selected Offeror will not be required to furnish training for client operating systems, such as Windows XP; or for commonly used PC-based office automation products, such as spreadsheet or word processing products, or network operating systems.

(Deliverable – Knowledge Transfer Plan and Team Training Execution)
(Deliverable - PaDOR Self Sufficiency Plan)

Deliverables

- Business Process Design and Blueprint
- Implementation Plan
- Data Cleansing and Conversion and Master Data Plan
- Integration/Interface Plan
- Change Control Plan, Execution and Reporting
- Testing Plan
- Application Security Testing Plan
- Reporting Plan
- Site Specific Code Approach
- Training Plan
- Knowledge Transfer Plan and Training Team Execution
- PaDOR Self Sufficiency Plan

D. Project Realization Stage (For Stages 2, 3, 4, and 5)

The selected Offeror will be responsible for implementing the ITS system by stage. The tasks included are the creation of the functional and technical specifications, development of the business process procedures, configuration of the business processes, development for forms, reports, interfaces, conversions, enhancements and workflow, creation of the test plans for unit, integration, system, performance and user acceptance testing, building all final environments, security testing and training.

Project Team Training – The selected Offeror will conduct training for those PaDOR project team members who did not receive training in stage one because they joined the project after the initial stage as part of a phased implementation approach. This training will focus on training PaDOR personnel who will perform configuration, programming, and technical tasks.

1. Realization – Build. The selected Offeror is responsible for the realization of the project implementation. The build includes configuration of business processes, development of the FRICE-W items, building quality and production environments, creation of functional and technical specifications, unit testing and creation of business process procedures.

a. **Technical Environment Design Update, Setup and Maintenance** - The selected Offeror will update the technical design document for each stage of the implementation and produce a final design at project closure. The selected Offeror will work closely with the PaDOR technical staff to setup any technical environments needed during an implementation stage and to maintain all technical environments used during the course of the project. The selected Offeror's staff will have primary responsibility for installation of proposed application software with close participation by PaDOR staff. Such environments will include, at minimum:

- a) Sandbox environment
- b) Development environment
- c) Quality environment
- d) Testing environment
- e) Training environment
- f) Production environment

This responsibility must include maintaining site-specific software source code and configuration via properly licensed version control tools acceptable to PaDOR.

(Deliverable Technical Environment Setup, Checklist and Sign Off)

b. **Configuration Document** - The selected Offeror will develop the configuration document inclusive of but not limited to the organization and business partner models, security, transactions as well as all required master data definitions and unit testing of the configuration. The selected Offeror will be responsible for implementing the requirements within the Configuration Document. The selected Offeror will work closely with PaDOR project management, team members, subject matter experts and technical personnel in each stage. The selected Offeror will demonstrate the configured software as required during each stage of the project so that PaDOR personnel may review and approve it. Approved configurations must be rigorously unit tested and documented as well. (Deliverable - Configuration Document)

- c. **Specification Document** - The selected Offeror will develop the detailed functional and technical specifications required to implement the ITS functionality needed for each stage. The functional and technical requirements specified in appendices E and F respectively are not all-inclusive and should be used as the starting point for this analysis. The selected Offeror is responsible for the finalization of the requirements, business rules and the full traceability of the satisfaction of requirements and rules through testing. (Deliverable – Specification Document)
- d. **Extension Programming – Extension Program Designs** - Once site-specific code usage for a particular stage is approved, all extension programming will be the responsibility of the selected Offeror. The selected Offeror will produce functional and technical designs for review and approval for each of the extension programs required. In each stage, the selected Offeror will be responsible for completing and testing all extension programming in accordance with PaDOR's standards for software acceptance. In addition, the selected Offeror will program such code so it can be carried forward without modification when PaDOR upgrades to any new releases of the software application. All code must be unit tested as part of this task.
- e. **FRICE-W Document** The selected Offeror will produce a plan and non technical designs for all required automated forms, reports, interfaces, conversions and workflow required by Stage. The FRICE-W Document must include the following:
 - 1) **Custom Reports** -The selected Offeror will provide custom report designs to meet the unique reporting needs of PaDOR associated with each stage. These designs must be based on the use of Business Objects' Crystal Reports or other appropriate Business Warehouse or Business Object product. The selected Offeror will provide comprehensive training covering exploration of the applicable database structure and relationships to PaDOR technical staff
 - 2) **Custom Correspondence Design** - The selected Offeror will produce designs for custom outbound correspondence to be generated by the ITS to meet the unique needs of PaDOR in each implementation stage. The selected Offeror will also provide comprehensive training to PaDOR technical staff related to the design and development of outbound correspondence. The selected Offeror will leverage correspondence documentation produced prior to the start of the ITS project or produced during previous stages of the ITS project during the design of ITS outbound correspondence.
 - 3) **The Interface** component of the document must identify, analyze and schedule the interfaces to be developed and implemented. This plan document must cover the identification and resolution of data translation issues and must recommend appropriate strategies and approaches. The plan must also address the sequence in which the interfaces must be developed and moved to production. Any temporary interfaces must also be included in this document. The selected Offeror will also be responsible for producing designs in accordance with the approved

Interface Plan for each implementation stage. Based on the Interface Plan and Interface Design documents for each stage, the selected Offeror will be responsible for completing:

- 1) Program specifications
- 2) Interface programs
- 3) Testing of the interface programs to include at minimum unit, integration, system, and end-to-end tests

(Deliverable FRICE-W Document)

- f. **Business Process Procedures (BPPs)** The selected Offeror will produce business process procedure documents for each of the business processes to be implemented. The Commonwealth currently utilizes uPerform to create BPPs. (Deliverable – Business Process Procedures)
- g. **Archiving Strategy** - The selected Offeror will produce an archiving strategy based on the design and PaDOR's retention requirements to ensure that the schedule for data migration from the production environment to an archive system is in place and to ensure that the system design takes into account the long term requirement to migrate data to an archived environment. This should also include the purging strategy from the archive system based on retention requirements. (Deliverable – Archiving Strategy)

Deliverables

- Technical Environment Setup, Checklist and Sign Off
- Configuration Document
- Specification Document
- FRICE-W Document
- Business Process Procedures
- Archiving Strategy

2. **Realization - Cleansing and Data Conversion.** It is the responsibility of the selected Offeror to manage and lead the data cleansing and conversion for the project. The effective conversion of data is imperative for a successful implementation. The selected Offeror is responsible for performing the following activities and producing the listed deliverables in association with this task:

- a. **Data Cleansing and Conversion Execution** - The selected Offeror will execute the data cleansing and conversion plan for each implementation stage. PaDOR requires detailed conversion of taxpayer data through the statute of limitations date for each tax. Data must be migrated to a staging platform or repository in the legacy system format (see Appendix K: Volume Statistics and Statute of Limitations for Each Tax)

Data to be cleansed, converted and loaded to the ITS production database will be defined more precisely during the project but will generally include:

- 1) Source systems listed in Appendix H: System To Be Replaced
 - 2) Taxpayer and other entity account, demographic and relationship data for:
 - a) All active accounts
 - b) All accounts that have become inactive within the statute of limitations associated with in-scope taxes
 - c) All inactive accounts that have an open case
 - 3) Summary return data for all tax types (adjusted line item level) within the statute of limitations for each tax and summary return data for open cases relating to periods not within the statute of limitations (See Appendix K for additional information on the Statute of Limitations for each Tax).
 - 4) Summary data for each payment (adjusted payment level) within the statute of limitations or that relate to open cases to include payment dates, amount of payment, source, type (estimated pre-payment, restricted credit, transfer etc.)
 - 5) Summary taxpayer accounting data for periods within the statute of limitations or that relate to open cases.
 - 6) Summary revenue accounting data for periods within the statute of limitations
 - 7) All open cases (and closed cases relating to filing periods within the statute of limitations)
 - 8) All unexpired credits and Net Operating Losses for Corporation Taxes
- b. **Data Conversion Programs** - Based on the Data Cleansing and Conversion Plan for an implementation stage, the selected Offeror will be responsible for creating and testing automated cleansing and conversion programs to support the commencement of live operations. This must include:
- 1) Developing programming specifications
 - 2) Coding and unit and integration testing for the conversion programs
- (Deliverable – Data Conversion Program)
- c. **Data Test Scenarios** – In each stage, the selected Offeror will be responsible for developing test scenarios with assistance from PaDOR and PaDOR will conduct the acceptance testing with the assistance of the selected Offeror. As part of this effort the selected Offeror will build any crosswalk file structures required.
- (Deliverable – Test Scenario Sign Off)
- d. **Converting and Loading Data** - The selected Offeror will be responsible for running the cleansing and conversion programs, conducting multiple mock conversions, establishing the master data environment to support the automated loads, and assisting PaDOR with the verification of the converted

data in the production environment in each implementation stage. The selected Offeror verification assistance will include producing reports that assist in verifying account level, period, and other balances and totals. PaDOR will assist with loading transactional data that is not converted or loaded automatically and for certifying the production database as being accurate. Such manual loading of data shall be limited to that which cannot be practically or reasonably performed by automated means. The selected Offeror will be responsible for adapting and re-running conversion programs as necessary to properly convert and load the data. These conversion programs must be able to load and reload any manually keyed data provided by PaDOR that was not available in source systems.

(Deliverable – Converted Data Sign Off and Data Load Implementation Plan)

Deliverables

- Data Cleansing and Conversion Programs
- Data Test Scenario Sign Off
- Converted Data Sign Off
- Data Load Implementation Plan

3. Realization – Testing. The selected Offeror will manage all phases of testing including unit, integration, user acceptance, system and performance. All system components to be implemented in an implementation stage must be subjected to testing performed by a test team composed of the selected Offeror and PaDOR staff. The selected Offeror will conduct unit, integration testing, system, performance and will facilitate and assist PaDOR with its user acceptance testing responsibilities. The selected Offeror's system test team will function as system users during unit, integration, system, and performance testing and will evaluate all test outcomes. The selected Offeror's team must provide all error resolution and other technical support as required. In addition, the selected Offeror is responsible for the following activities.

a. Unit Testing - The selected Offeror will prepare and conduct unit testing and sign off on development work prior to any movement from the development environment to the quality environment for integration testing.

(Deliverable - Unit Test Plans and Scripts)

(Deliverable - Unit Test Results w/Sign Off)

b. Integration Testing - The selected Offeror will prepare the system and the test plans for integration testing and verify that:

- 1) The new, configured, modified and unmodified software work in concert
- 2) Security and roles are properly mapped in the system
- 3) The system has been properly configured for use for PaDOR

- 4) Reports and correspondence work in accordance with PaDOR requirements
- 5) All scripts or job streams run properly
- 6) All interfaces function properly

This test plan must be comprehensive in scope and must be drafted in cooperation with PaDOR Project management, IT staff assigned to the project, and subject matter experts. The selected Offeror will prepare the Integration Test Scripts, all of which or a subset of which will be used for User Acceptance Testing for each stage. The Acceptance Test Scripts will include the following:

- 1) Explanations of test scenarios
- 2) User actions
- 3) Expected processing outcomes

(Deliverable -Integration Test Plans and Scripts)

(Deliverable - Integration Test Results w/Sign Off)

- c. **System Testing** - The selected Offeror will be responsible for conducting system tests, with converted data, for each implementation stage in accordance with the approved ITS system test plans. Performance and System Testing must occur in parallel to integration testing. All system test results must be documented, exceptions analyzed and any software defects corrected. The selected Offeror will lead selected PaDOR Project team members through the system test process so that PaDOR can verify completion of the test process.

(Deliverable -System Test Plans and Scripts)

(Deliverable - System Test Results w/Sign Off)

- d. **Performance Testing and System Tuning** - The selected Offeror will build test scripts and conduct automated performance testing and system tuning for the fully configured and tested software prior to commencing live operations for each stage and at a point in each stage sufficiently in advance of the implementation date to allow reasonable tuning. These tasks will be coordinated with the PaDOR Project Manager and verified by appropriate PaDOR staff including system programmers, basis administrators, database administrators, and application development staff. Performance testing and tuning activities, including benchmarking applications for performance and scalability, testing to identify bottlenecks, and simulation of various load conditions will occur at various stages throughout the process. For example, tuning could take place after the software installation, prior to production migrations and during initial production. If modifications are made to the application software to meet PaDOR's requirements, the selected Offeror will review and make adjustments to ensure acceptable performance.

(Deliverable -Performance Test Plans and System Tuning)

(Deliverable – Performance and System Tuning Test Results w/Sign Off)

- e. **User Acceptance Test Planning** - The selected Offeror will prepare a User Acceptance Test Plan for each implementation stage, based on PaDOR input, and which will be subject to PaDOR approval. The selected Offeror will also be responsible for populating the technical environment to be used for User Acceptance Testing, so that Acceptance Testing Activities can validate the readiness of the application using such data. The plan must include:

- 1) Structuring of the test cycles
- 2) Use of converted production data to use as part of Acceptance Testing
- 3) Organizing the test tracking, outcome tracking, and exception follow-up procedures

(Deliverable –User Acceptance Test Plans and Scripts (if different from Integration Testing)

(Deliverable – User Acceptance Test Results w/Sign Off)

- f. **User Acceptance Testing Assistance** – PaDOR, with the assistance of the selected Offeror, will be responsible for conducting acceptance testing of the entire application for each implementation. During acceptance testing the selected Offeror will be responsible for submitting offline jobs, performing backups and restoring databases as required. The selected Offeror will provide the following during testing:

- 1) Organizing User Acceptance Testing Sessions
- 2) Analyzing and explaining outcomes
- 3) Answering questions as they arise
- 4) The means for recording, documenting, tracking and reporting regarding defect identification, prioritization, resolution and results
- 5) Making required changes to the software and documentation as required rectifying negative test outcomes (consistent with the approved design).
- 6) Establishing (or re-establishing) the data state in the ITS to support UAT test execution
- 7) Identification or creation of data records to support specific UAT test cases or scenarios, including dependent test case predecessors and successors, and test cases and scenarios
- 8) Transfer of knowledge needed so that PaDOR can successfully submit offline jobs, perform backups, and restore databases for testing when the selected Offeror's post-implementation responsibilities end

(Deliverable – Acceptance Testing Assistance Plan)

- g. **Application Security Testing** – The selected Offeror will be responsible for performing vulnerability and penetration testing, scanning the system with

current signature files, documenting and correcting any identified vulnerabilities, and providing written results of the tests performed.

Successful completion of these tests shall be required before the software can be approved for production use.

(Deliverable – Application Security Test Plans and Scripts)

(Deliverable – Application Test Results w/Sign Off)\

Deliverables

- Unit Test Plans and Scripts
- Unit Test Results w/Sign Off
- Integration Test Plans and Scripts
- Integration Test Results w/Sign Off
- System Test Plan
- System Test Results w/ Sign Off
- Performance Testing and System Tuning
- Performance Testing and System Tuning Results w/Sign Off
- User Acceptance Test Plan
- User Acceptance Test Results w/Sign Off
- Acceptance Testing Assistance Plan
- Application Security Plan
- Application Security Test Results w/Sign Off

4. Realization – Training. A train-the-trainer classroom approach will be pursued by the selected Offeror to assist PaDOR in training employees who will be using the ITS. The main goal will be the effective training of approximately 2000 users across the five implementation stages in compressed timeframes. The selected Offeror will provide the following categories of training on the ITS project:

- a. Knowledge Transfer (see section IV-5.C.5) including
 - 1) Project Team training
 - 2) Technical and operations personnel training to support implementation
 - 3) Deeper knowledge transfer to a core group of functional, administrative, programming, and other technical and operations personnel to support independent operations capability when the selected Offeror departs
- b. End User Training to support implementation and ongoing needs
- c. Train and support PaDOR help desk personnel to support implementation including:
 - 1) Provide help desk training materials
 - 2) Provide system knowledge-base content including scripting for commonly known and frequently reported issues with the proposed system
 - 3) Provide instructor-led training for DOR help desk personnel

- 4) Note: the PaDOR help desk tool is BMC Remedy Action Request System

Selected Offeror responsibilities and related activities associated with end user training and help desk support tasks include:

- a. **Training Curriculum and Training Materials** - The selected Offeror will develop all training materials that support the training curriculum for each stage including training guides, speaker notes, syllabi, user materials, desk procedures and course curricula (including training objectives and outcomes). The selected Offeror will also work with assigned PaDOR staff to incorporate policy, procedure, and specific personnel roles into the materials. All training materials must be reviewed and approved by PaDOR prior to the start of the training. The selected Offeror will provide all electronic source documents and graphics used in the development and presentation of training. These materials may then be customized further by PaDOR personnel, with the selected Offeror's assistance, to include desk procedure content, organization context information, and comparisons (Deliverable – Training Curriculum and Materials)
- b. **Train the Trainer for PaDOR trainer candidates in:**
 - 1) Best practices on training for the proposed software
 - 2) The system functionality and course on which they will be performing training
 - 3) How to customize the training materials and set up specific reference data in the training environment
 - 4) A stable, tested training environment pre-loaded with representative converted reference and historical data that can become a starting point for creating training materials (including screen prints showing user actions and processing outcomes). Note: For training purposes, PaDOR will work with the selected Offeror for entering representative reference data that is impractical or impossible to convert automatically.
 - 5) Assistance to the PaDOR trainers as they customize training materials and enter required data to support their future training exercise
 - 6) Support to PaDOR trainers during training
 - 7) Back up, restore, and troubleshooting assistance in the training environment as materials are prepared and customized and as end user training proceeds(Deliverable – Train the Trainer)
- c. **Help Desk Support Strategy and Implementation** - PaDOR plans to provide ongoing user support to answer operational problems and questions (system access, security profiles, program bugs, instruction in the use of the system, etc.). The selected Offeror will provide and implement a plan in each stage that addresses the following:

- a. Assistance in providing user support during the post-implementation support period
 - b. Staffing and organization
 - c. Problem report tracking software
 - d. Staff training requirements
 - e. User support incident tracking procedures and tools
 - f. Evaluation of, response to, and escalation of reported incidents
 - g. Assumption of full user support responsibility by PaDOR personnel at the end of the post-implementation support period for a particular stage
- (Deliverable – Help Desk Support Strategy and Implementation)

All of the training will take place at PaDOR facilities within the Commonwealth. PaDOR will provide training facilities which the selected Offeror will use for conducting training for which it is directly responsible.

Deliverables

- Training Curriculum
- Training Materials including Desk Procedures
- Train the Trainer
- Help Desk Support Strategy and Approach

E. Final Preparation/Cutover (For Stages 2, 3, 4, and 5)

The selected Offeror will provide the following services and work products for each stage as part of this task:

1. **Cutover Plan** - The selected Offeror will produce a cutover plan for each stage that lists and describes activities needed to implement associated functions and taxes. The plan will describe to PaDOR how the selected Offeror will successfully implement the ITS. The plan will detail the approach for coordinating the following:
 - a. Final data conversion activities
 - b. Technical preparation and system changeover activities
 - c. Development of an implementation activities check list
 - d. Staffing requirements, by role and responsibilities, for both selected Offeror and PaDOR staff for all implementation activities
 - e. Implementation schedule
 - f. Activities required to effectively operate and maintain the ITS. In addition to the activities, the plan must include, but not be limited to, staffing requirements by staff type and skill level, and the activities that must be performed by this staff.

g. The selected Offeror will provide implementation assistance to PaDOR personnel assigned to this task. This will include the creation of implementation activity plans, implementation readiness checklists, and assistance to PaDOR users and managers who will perform tasks needed for successful implementation.

h. Key Components List of Items to be Implemented

(Deliverable – Cutover Plan)

2. **Contingency Plan** which will define the process for identifying, communicating, resolving risks and maintaining then current production capability if the implementation is delayed. The contingency plan must identify appropriate roll back procedures to restore production capabilities in a timeframe that will not interrupt normal business processing as well as the criteria required to make a decision whether to implement the contingency plan itself. The contingency plan must identify all roles required including selected Offeror and PaDOR staff.
(Deliverable – Contingency Plan)

3. **Implementation Readiness Letter** - The selected Offeror will provide an Implementation Readiness Letter in each stage that certifies that the ITS is ready for implementation. The Readiness letter must confirm:

- a. All staff have successfully completed staff and management training
- b. User Acceptance Signoff has been obtained from the stakeholders
- c. The software has been tested and will be stable once implemented
- d. Performance testing has been completed satisfactorily for online and batch functions.
- e. All data has been converted, cleaned and received formal acceptance, in writing from PaDOR
- f. All site preparation requirements have been met
- g. All user and system supports are in place
- h. The system will meet performance requirements

(Deliverable – Implementation Readiness Letter)

4. **Go Live Monitoring** – The selected Offeror will provide a checklist of activities that will be monitored and the timeframe for monitoring the commencement of production by the system. Production will be monitored on a daily basis for a minimum of 4 weeks following each go live. All major issues logged on the Go-Live Monitoring plan must be resolved prior to turnover.

(Deliverable –Go Live Monitoring Checklist)

5. **Production Turnover** - Once the system has been approved, in writing, as ready for production, the selected Offeror will work with PaDOR to turn over the system to PaDOR. Among other things, this procedure requires that the Offeror turn over all system components according to the implementation plan into the production environment. The selected Offeror will ensure that the source code, compiled modules (where required), job streams, other components of the

production environment, and all documentation are ready and organized for the production turnover. PaDOR will then ensure all compiled extension programs have corresponding source code and ensure that all programs are present. PaDOR will also ensure that all components and modules of the production environment can be operated online or run to completion as appropriate, and that all modules, job streams (or scripts) are properly documented according to agreed upon standards.

(Deliverable - Production Turnover /Commencement of Stable, Live Operations Sign Off

6. **Production and Post-Implementation Support** -For all implementations except that for Individual Taxes, the selected Offeror will provide post implementation support after each implementation for a period of six months. This support will include functional, technical, and operations support. For the Individual Tax implementation, the selected Offeror will provide a minimum of six months of post implementation support that must include the peak filing period (January through July). In addition, the selected Offeror will provide break fix support during the entire project for defects related to configuration, programming, and converted data. All post implementation and break fix support will be provided by skilled selected Offeror personnel who have become familiar with PaDOR over the course of the implementation effort. The selected Offeror and PaDOR will draft Service Level Agreements (SLAs) for services to be provided during the maintenance phase of each stage. Critical support/break fix/ enhancement will be provided by the selected Offeror during the support phase based on the agreed terms.

Deliverables

- Cutover Plan
- Contingency Plan
- Implementation Readiness Letter
- Go-Live Monitoring Checklist
- Production Turnover /Commencement of Stable, Live Operations Sign Off
- Production and Post Implementation Support

- F. **Documentation.** The selected Offeror will develop and provide to PaDOR all system documentation at the time the system is presented for final acceptance for each stage. The selected Offeror will provide complete, well-written, and accurate technical, system, and user documentation. The selected Offeror will also provide complete Source Code for any custom developed applications or system components. The documentation must be easy to follow, with each element, screen, and report fully documented. This documentation must be customized to reflect the windows, screens, element names, modified and configured functionality, tax agency and other distinguishing characteristics, and site-specific configuration applicable to PaDOR. All documentation must be made available in both paper and electronic form (in a format acceptable to PaDOR). As part of this effort, the selected Offeror will describe

and pursue appropriate options for providing parts or all of the documentation online. The documentation must be updated throughout the course of the project. The documentation will include, at a minimum, the following:

1. **Security Administrators Guide** - In order to delegate selected security maintenance tasks and responsibilities to a restricted number of employees in each bureau, a comprehensive security guide tailored to meet PaDOR objectives will be created by the selected Offeror. The guide will include defining and documentation of all the TRM security roles. The guide will combine general reference information with PaDOR-specific procedures to assist security administrators in performing their duties. (Deliverable – Security Administrators Guide and updates)
2. **User Documentation** - The selected Offeror will develop online user procedures, online help, and online policy documentation for all inquiry and update transactions. In addition, the selected Offeror will develop a hard-copy guide for ITS users that provides log-on and log-off procedures and basic access and navigation instructions for all inquiry and update transactions. (Deliverable – User Documentation and updates)
3. **Operations Documentation** - The selected Offeror will develop complete operations documentation. The operations documentation will include overviews of the application, system structure, major processing, required interfaces, report documentation and correspondence documentation. This includes any required periodic maintenance tasks. The operations documentation will also describe the overall batch or background process schedule, including dependencies, sequencing, and timing. The documentation will also include the following:
 - a. Batch and background job submission and backup and restart/recovery procedures in general
 - b. Detailed instructions on how to restart each batch program and how to get problem records back into the production stream once problems with it are corrected.
 - c. How to resolve abnormal job or program terminations.
 - d. Other Jobs/Programs that cannot be run if the program must be pulled from the batch stream due to a severe error.(Deliverable – Operations Documentation and updates)
4. **Technical Documentation** - The selected Offeror will produce complete system documentation that documents the application software and its architecture (e.g. implementation view of the application architecture) and data model and dictionary. This includes all ITS programs, and executables. The selected Offeror will maintain this documentation to reflect changes made throughout the project. This documentation will include a standardized or open formatted listing and description of all programs that include program id, program name, core area program supports (i.e. tax account management, returns processing, etc...), whether the program is batch or online, jobs that execute the program (batch

only), frequency of execution (e.g. daily, weekly) if the program executes in batch, a list of all error codes used when a program does not end normally and the error code definitions. There should also be detailed specifications for **site specific code**. (Deliverable – Technical Documentation and updates)

5. **Development Standards Guide-** The selected Offeror will produce a guide detailing the development standards to be used in the project. This will include naming conventions, programming standards, performance optimization techniques, reusable component development standards, etc. (Deliverable – Development Standards Guide)
6. **Documentation of All Customization/Configuration Parameters** - The selected Offeror will document all customization/configuration parameters used at PaDOR as well as the full range of alternative values possible (and the effect of each value). The documentation must reference all parameters and note and explain where dependencies occur and where environmental conditions dictate specific usage and settings. (Deliverable Customization/Configuration Parameters and updates)
7. **Documentation of All Supported Exit Points and Exposed Parameters for Site-Specific Programming Modifications** - The selected Offeror will provide documentation of all supported program exit points. The documentation to include the envisioned functionality of each exit point, any configuration values that may affect the operation of each exit point and the input and output data parameters or arguments available to site-specific programs invoked from each exit point. (Deliverable – Exit Points)
8. **Workstation Installation Procedures and Automated Installation Tools** - If there are any workstation-based components to any of the proposed software products and solutions, the selected Offeror will provide PaDOR with a set of documented procedures and automated deployment/installation scripts for use with PaDOR's software distribution tools. These scripts and procedures will enable PaDOR staff to independently install and connect additional workstations. (Deliverable – Workstation Installation Procedures and Automated Installation Tools)
9. **Workflow Administration Guide** - The selected Offeror will produce a Workflow Administration Guide that describes the duties of workflow administrators. Included will be:
 - a. Coverage of policies and procedures for workflow setup
 - b. User setup
 - c. Work group setup
 - d. Workflow rules setup
 - e. Administrator security
 - f. Testing of rules prior to implementation

- g. Provisions for establishing alternates for absent users
- h. Workload balancing
- i. Procedures for changing existing rules when active documents are being processed
- j. Archiving and reporting
- k. Process monitoring
- l. Identifying and clearing bottlenecks
- m. Monitoring user, organization, and process productivity and throughput
- n. Other relevant topics

(Deliverable Workflow Administration Guide)

- 10. Data Model and Dictionary** - The selected Offeror will produce a data model and data dictionary guide that includes but is not limited to the data elements, definition, domains, type, length, examples, comments and business rules. The documentation must include how data is represented and accessed and the relationships between data elements.

(Deliverable Data Model and Dictionary)

- 11. Forms and Correspondence** - The selected Offeror will document all forms and correspondence implemented including the total number of forms, types of forms, restrictions in forms if any, user limits in forms if any, correspondence size limitations if any.

(Deliverable Forms and Correspondence Documentation)

Deliverables

- Security Administrators Guide (and updates)
- User Documentation (and updates)
- Operations Documentation (and updates)
- Technical Documentation (and updates)
- Development Standards Guide
- Documentation of All Customization/Configuration Parameters (and updates)
- Documentation of All Supported Exit Points and Exposed Parameters for Site-Specific Programming Modifications (and updates)
- Workstation Installation Procedures and Automated Installation Tools
- Workflow Administration Guide (and updates)
- Data Model and Dictionary (and updates)
- Forms and Correspondence (and updates)

IV-6. Contract Requirements—Disadvantaged Business Participation and Enterprise Zone Small Business Participation. All contracts containing Disadvantaged Business participation and/or Enterprise Zone Small Business participation must also include a provision

requiring the selected contractor to meet and maintain those commitments made to Disadvantaged Businesses and/or Enterprise Zone Small Businesses at the time of proposal submittal or contract negotiation, unless a change in the commitment is approved by the BMWBO. All contracts containing Disadvantaged Business participation and/or Enterprise Zone Small Business participation must include a provision requiring Small Disadvantaged Business subcontractors, Enterprise Zone Small Business subcontractors and Small Disadvantaged Businesses or Enterprise Zone Small Businesses in a joint venture to perform at least **50%** of the subcontract or Small Disadvantaged Business/Enterprise Zone Small Business participation portion of the joint venture.

The selected contractor's commitments to Disadvantaged Businesses and/or Enterprise Zone Small Businesses made at the time of proposal submittal or contract negotiation shall be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to BMWBO, which will make a recommendation to the Contracting Officer regarding a course of action.

If a contract is assigned to another contractor, the new contractor must maintain the Disadvantaged Business participation and/or Enterprise Zone Small Business participation of the original contract.

The selected contractor shall complete the Prime Contractor's Quarterly Utilization Report (or similar type document containing the same information) and submit it to the contracting officer of the Issuing Office and BMWBO within **10** workdays at the end of each quarter the contract is in force. This information will be used to determine the actual dollar amount paid to Small Disadvantaged Business and/or Enterprise Zone Small Business subcontractors and suppliers, and Small Disadvantaged Business and/or Enterprise Zone Small Business participants involved in joint ventures. Also, this information will serve as a record of fulfillment of the commitment the selected contractor made and for which it received Disadvantaged Business and Enterprise Zone Small Business points. If there was no activity during the quarter then the form must be completed by stating "No activity in this quarter."

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF DISADVANTAGED BUSINESSES STATUS OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR DISADVANTAGED BUSINESSES UTILIZATION.