



**Shelby County
Tennessee**

Mark H. Luttrell, Jr. Mayor

Request for Proposal

Shelby County Government

Purchasing Department

160 N. Main, Suite 550
Memphis, TN 38103

Issued: June 20, 2013

Due: July 12, 2013 no later than 3:00 P.M. (Central Standard Time)

RFP # 13-006-90

Comprehensive

Property Tax Payment & Collection System

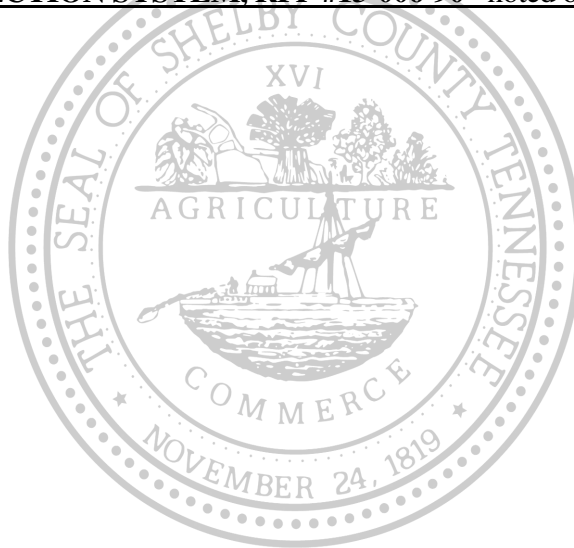
Shelby County Trustee

Shelby County Government is soliciting written proposals, on a competitive basis from qualified vendors to provide a Property Tax Payment & Collection System. The RFP is located on the County's website at www.shelbycountyttn.gov. At the top of the home page, click on the links "Department", "P" for the Purchasing Department and "Bids" to locate the name of the above-described RFP.

The proposal, as submitted, should include all estimated costs related to the services requested by the RFP specifications. If selected, your proposal will be the basis for negotiating a contract with Shelby County Government. Your proposal must be received in the Shelby County Purchasing Department **no later than 3:00 p.m. Friday, July 12, 2013.** Proposals should be addressed to:

Robert S. Brenner, Buyer
Shelby County Government
Purchasing Department
160 N. Main St., Suite 550
Memphis, TN 38103

The package containing an original (clearly identified as original) and five (5) copies of your proposal must be sealed and marked with the Proposer's name and "**CONFIDENTIAL, COMPREHENSIVE PROPERTY TAX PAYMENT & COLLECTION SYSTEM, RFP #13-006-90**" noted on the outside.



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Note: Please make sure you pay close attention to Sections: I-V, IX - XI. These sections will clearly outline what information is required to properly respond and prepare your RFP response.

Please download all of the additional information and attachments that accompany this RFP.

I. INTRODUCTION

Shelby County Government (the "County"), is seeking proposals from interested and qualified companies or professionals to provide a **Comprehensive Property Tax & Collection System for the Shelby County Trustee** (the "Services"). This Request for Proposal ("RFP") is being released to invite interested and qualified companies or professionals to prepare and submit proposals in accordance with instructions provided where the successful candidate(s) will be selected and invited to enter into a contractual relationship with Shelby County for the Services outlined in this RFP. In this RFP, the terms Proposer and Provider are used interchangeably unless the context indicates otherwise.

II. MINIMUM PROPOSER REQUIREMENTS

All Proposers must:

1. Have a minimum of five (5) years of experience performing the work described in the RFP.
2. Have sufficient, competent and skilled staff, with experience in performing the Services.
3. Have all appropriate licenses and certifications required in the State of Tennessee to perform the Services and procure all permits, pay all charges, taxes and fees.
4. **Apply and qualify** for a Vendor Number through Purchasing and an Equal Opportunity Compliance (EOC) certification number through our EOC Administration **prior to submitting your response.**
5. Have the necessary credentials, licensures, etc. (if applicable) that govern the services provided and adhere to all applicable local, state and federal laws.
6. Independent contractors (sole proprietors) must adhere to State of Tennessee Public Chapter No. 436, known as the "Tennessee Lawful Employment Act" (effective date of 1/01/12). Proof and documentation of employment eligibility must be included with the proposal.
7. Adhere to all Title VI requirements and provide proof/documentation if necessary.
8. Provide proof of the minimum insurance requirements (**MANDATORY**, please review closely).

Please Note: *As a part of doing business with Shelby County, each individual, company or organization is required to obtain a vendor number and an "Equal Opportunity Compliance" certification number.*

You can access the online applications to receive the numbers indicated above at www.shelbycountyttn.gov. To obtain a vendor number and an EOC number, please follow the instructions below:

Vendor Number (Purchasing Department)

At the top of the home page, click on the links "Department", "P" for the Purchasing Department and "Conducting Business with Shelby County". The "Vendor Registration" link is at the bottom of the drop down box. Please download the application instructions and read thoroughly prior to accessing the application. ***(Applications for a vendor number are accepted online only.)***

Equal Opportunity Compliance (EOC) Number (EOC Administration Office)

At the top of the home page, click on the links "Department", "E" for the Equal Opportunity Compliance and "Contract Compliance Program". The "Contract Compliance Packet" link is in the middle of the page. Please print the packet and mail or fax the completed packet to the EOC office. The mailing address is 160 N. Main Street, Suite 501, Memphis, TN 38103. The fax number is 901-222-1101.

If you have any questions regarding the application, you may contact Purchasing at (901) 222-2250 or the EOC Administration at (901) 222-1100.

III. CORRESPONDENCE

All correspondence, proposals, and questions concerning the RFP are to be submitted to:

**Robert S. (Bob) Brenner, Buyer
Shelby County Government
160 N. Main St. Suite 550
Memphis, TN 38103**

Respondents requesting additional information or clarification are to contact Bob Brenner in writing at bob.brenner@shelbycountyttn.gov at the address listed above. Questions should reference the section of the RFP to which the question pertains and all contact information for the person submitting the questions. ***IN ORDER TO PREVENT AN UNFAIR ADVANTAGE TO ANY RESPONDENT, VERBAL QUESTIONS WILL NOT BE ANSWERED. The deadline for submitting questions will be July 8, 2013, by 12:00 p.m. (CST).*** These guidelines for communication have been established to ensure a fair and equitable process for all respondents.

Note: All written questions submitted by the deadline indicated above will be answered and posted on the County's website at www.shelbycountyttn.gov within 48 hours of the above cut-off date.

Please be aware that contact with any other personnel (other than the person clearly identified in this document) within Shelby County regarding this RFP may disqualify your company from further consideration.

IV. PROPOSAL SUBMISSION DEADLINE

All proposals must be received at the address listed above no later than **July 12, 2013 @ 3:00 p.m. (CST)**. Facsimile or e-mailed proposals will not be accepted since they do not contain original signatures. Postmarks will not be accepted in lieu of actual receipt. Late or incomplete proposals may not be opened and considered. Under no circumstances, regardless of weather conditions, transportation delays, or any other circumstance, will this deadline be extended.

V. PROPOSAL TIMELINE

Shelby County reserves the right to modify this timeline at any time. If the due date for proposals is changed, all prospective proposers shall be notified.

Request for Proposals Released	Thursday, June 20, 2012
Proposal Due Date	Friday, July 12, 2013 by 3:00 pm (CST)
Notification of Award	August, 2013
Services to Commence	Immediately upon execution of the contract

The County may reproduce any of the proposer's proposal and supporting documents for internal use or for any other purpose required by law.

VI. PROPOSAL CONDITIONS

A. Contingencies

This RFP does not commit the County to award a contract. The County reserves the right to accept or reject any or all proposals if the County determines it is in the best interest of the County to do so. The County will notify all proposers, in writing, if the County rejects all proposals.

B. Modifications

The County reserves the right to issue addenda or amendments to this RFP.

C. Proposal Submission

To be considered, all proposals must be submitted in the manner set forth in this RFP. It is the proposer's responsibility to ensure that its proposals arrive on or before the specified time.

D. Incurred Costs

This RFP does not commit the County to pay any costs incurred in the preparation of a proposal in response to this RFP and Proposers agree that all costs incurred in developing this RFP are the Proposer's responsibility.

E. Final Authority

The final authority to award a contract rests solely with the Shelby County Purchasing Department.

F. Proposal Validity

Proposals submitted hereunder will be firm for at least ninety (90) calendar days from the due date unless otherwise qualified.

G. Disclosure of Proposal Contents

Proposer understands and acknowledges that the County is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to the County is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee. All proposals and other materials submitted become the property of Shelby County Government.

H. LOSB

The County encourages the utilization of locally-owned small businesses as sources of subcontract work. The County notifies all respondents that all firms and/or individuals shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Title VI of the Civil Rights Act of 1964, as amended.

LOCALLY OWNED SMALL BUSINESS PURCHASING PROGRAM RULES AND REGULATIONS:

- (i) The Administrator of Purchasing in conjunction with the Administrator of EOC shall identify certain goods and services required by the County to be set aside for special purchasing procedures for locally owned small businesses.
- (ii) Only certified locally owned small businesses will be allowed to submit competitive bids on the goods or services identified under paragraph (i) above.
- (iii) The Administrator of Purchasing shall, in conjunction with the Administrator of EOC, annually review the Shelby County Capital Improvement Program to determine those projects with a construction cost of \$250,000 or more. Contracts amounting to at least ten percent (10%) of the construction costs of such project shall be awarded to locally owned small businesses as defined herein, except as set forth in sub-paragraph (vi) of this section, either as part of the conditions of the solicitation for general contractors bidding on these projects, or as separate bids issued by the County for subcontracts that may be assigned to general contractors.
- (iv) After adhering to all other bidding and purchasing requirements of the County, not inconsistent with this part, if no bids are received from locally owned small businesses, then the County may solicit bids for the goods or services from all other sources.
- (v) On all purchases and/or contracts entered into by the County, the Purchasing Administrator or his or her designee shall have the right to negotiate with any supplier of goods or services to the County for the inclusion of locally owned small business subcontractors and/or suppliers in the contract award.
- (vi) Failure by a supplier or proposer to include locally owned small business sub-contractors or suppliers in its bid or contract may be grounds for rejection of said bid or contract unless the supplier or proposer can show documented evidence of good cause why none were included.
- (vii) Any locally owned small business awarded a contract or purchase order under this section shall not sublet, subcontract or assign any work or services awarded to it without the prior written consent of the Mayor or the Purchasing Administrator.
- (viii) As to those purchases below the requirement for a formal bid solicitation (currently, under \$15,000) and not included in the locally owned small business set aside, the Administrator of Purchasing shall determine if any locally owned small business offers that product or service. If so, at least one such eligible locally owned small business should be included in the vendors contacted for an opportunity to bid, and the Administrator of Purchasing may, at his discretion, designate in a purchase order the purchase of such goods and services from the identified locally owned small business.
- (ix) In those situations where a locally owned small business as defined herein, engages in open competitive bidding for County contracts, the Administrator of Purchasing shall provide for a preference

for the locally owned small business where responsibility and quality are equal. Said preferences shall not exceed five percent (5%) of the lowest possible bidder meeting specifications. The preference shall be applied on a sliding scale in the following manner:

- a. A preference of up to five percent (5%) shall be allowed for contracts up to \$500,000.00;
 - b. A preference of up to three and one-half percent (3.5%) shall be allowed for contracts up to \$750,000.00;
 - c. A preference of two and one-half percent (2.5%) shall be allowed for contracts up to \$1,000,000.00;
 - d. A preference of two percent (2%) shall be allowed for contracts that exceed \$1,000,000.00.
- x) For construction contracts over \$2,000,000.00, the Administrator of Purchasing shall provide for a preference of two percent (2%) to general contractors meeting the requirements of Section 1, Subparagraph B, if fifty percent (50%) or more of the total work comprising the bid has been or will be awarded to certified locally owned small businesses. The fifty percent (50%) subcontracting threshold must be met prior to contract execution.
- (xi) The Administrator of Purchasing may divide a single bid package for any purchase of goods and services into two or more smaller bid packages in any case that the Administrator of Purchasing reasonably believes that the smaller bid packages will result in a greater number of bids by locally owned small businesses.
- (xii) The Administrator of Purchasing, upon approval of the County Mayor, may establish special insurance and bonding requirements for certified locally owned small businesses so long as they are not in conflict with the laws of the State of Tennessee.
- (xiii) The Administrator of Purchasing, with the approval of the County Mayor, shall adopt and promulgate, and may from time to time, amend rules and regulations not inconsistent with the provisions of this ordinance, governing the purchase of goods and services from locally owned small business concerns to effectuate and implement the Locally Owned Small Business Purchasing Program within the intent of this ordinance.
- (xiv) The Administrator of EOC shall, in conjunction with the Administrator of Purchasing, provide a written quarterly report to the Mayor and Board of Commissioners which shall include a summary of the purchases selected for this program, a listing of the contracts awarded to locally owned small businesses for the period, and the dollar amounts of each such contract, and the percentage which such contracts bear to the total amount of purchases for the period.

VII. GENERAL REQUIREMENTS AND INFORMATION

A. Background

The Shelby County Trustee, acting as the billing and collection agent for county and municipal taxes, is seeking to replace its existing property tax payment and collection software. This RFP provides information on current tax processes as well as anticipated future needs. In conjunction with the replacement of the existing tax software, the RFP includes a request for data migration and conversion services for both the Shelby County Trustee and the City of Memphis based upon the January 2013 Inter-local Agreement between Shelby County Government and the City of Memphis for both current and delinquent property tax collections. Implementation for the City of Memphis is expected to follow successful implementation for Shelby County (and its related municipalities)—a minimum live production period of 90 days.

B. Scope of Contract

The County wishes to engage in a contractual relationship with the best-qualified Proposer selected through a competitive process that will work well with the County's personnel in the performance of the Services in a manner that is cost-effective and practical of which price is but one of the selection criteria.

C. Project Time Frame

The initial contract term will begin immediately upon execution of the contract through June 30, 2014, with the option to renew for one (1) additional one year period beginning July through June, with the same terms and conditions and satisfactory performance of all criteria and subject to the availability of funds for each renewal period. The optional renewal periods will be upon mutual written consent of both parties. The Provider must be prepared to begin immediately upon receipt of a Notice to Proceed.

D. Reservation of Rights

The County reserves the right, for any reason to accept or reject any one or more proposals, to negotiate the term and specifications for the services provided, to modify any part of the RFP, or to issue a new RFP.

The County may at any reasonable time, at its expense, make an audit of the Provider's books relative to the Accounts.

E. Selection Criteria

Each response will be evaluated on the criteria outlined in Section IX - XI of this document. Each respondent should set out in its response to this RFP to clearly identify the qualifications of its company and each individual who will work on this project.

As part of the qualification process each vendor will be required to apply for an EOC # and provide workforce utilization information. Please contact the EOC Administration @ 901-222-1100 to obtain the necessary documents and to ask any questions that you may have regarding this information.

During the evaluation process, Shelby County Government reserves the right to consider the Vendor's EOC rating in the evaluation.

VIII. PURPOSE / SCOPE OF WORK

To select the best-qualified company and award a County-approved contract for a Comprehensive Property Tax Payment & Collection System along with the professional services necessary to plan, design, implement, test, and install all facets of the solution and to satisfactorily complete all activities associated with the system. The system will reside on the network and hardware infrastructure as provided by Shelby County Information Technology Systems located at 160 N. Main Street, 12th floor, Memphis, TN 38103. Further, as the Trustee seeks to provide payment and collection services for the City of Memphis in 2014, the selected vendor will be required to migrate and convert data from two systems: 1) the Shelby County Trustee SQL database and 2) various databases located at the City of Memphis including Oracle, Informix, and SQL. Implementation for the City of Memphis will follow successful implementation for the Shelby County Trustee – a minimum live production period of 90 days.

IX. CONTRACT REQUIREMENTS

A. SHELBY COUNTY GENERAL OVERVIEW

Shelby County was established in 1819 and covers 783 square miles in southwest Tennessee. The County is managed by a mayor-commission form of government under a Home Rule Charter that went into effect on September 1, 1986. The Mayor is elected to a four (4) year term. He is the County's chief executive officer and oversees eight divisions:

- 1) Administration and Finance
- 2) Community Services
- 3) Corrections
- 4) Health Services
- 5) Information Technology Services
- 6) Personnel
- 7) Planning and Development
- 8) Public Works

Each division is headed by a director appointed by the Mayor and confirmed by the Board of County Commissioners.

The Board of County Commissioners is the legislative branch of the County. Duties include, to mention only a few, adopting an annual budget, setting the property tax rate, approving appointments, passing ordinances, adopting rules, procedures, and regulations for county purchases and approving contracts of more than \$100,000.

In addition, the citizens of Shelby County elect persons to fill the following county offices:

- Chancery Court Clerk
- Circuit Court Clerk
- Criminal Court Clerk
- General Sessions Court Clerk
- Probate Court Clerk
- Juvenile Court Clerk
- Sheriff
- County Clerk
- Register
- Assessor
- Trustee

B. TRUSTEE OVERVIEW

The Office of Trustee is identified as a County Charter Office in accordance with the Shelby County Charter Amendment of November 2008. Under the amendment, the Trustee may serve two (2) four year terms to perform those duties identified by the state constitution and mandated by the laws of the State of Tennessee. Trustee David Lenoir was elected to his first term in 2010 and will serve through 2014 (he has plans to run for re-election in 2014).

The Trustee employs approximately **76 employees** to perform five major functions:

- Accounting & Reporting
- Banking & Operations
- Billing & Collection of Property Taxes
- Receipting & Disbursing
- Forecasting & Receivable Analysis

1. PROPERTY TAXES

With the mission to provide efficient and quality service at the lowest possible cost to taxpayers, the Trustee has the principal responsibility for the billing and collection of property taxes associated with approx. **389,000 parcels** (2012 count). Property taxes are categorized as follows:

- Real property taxes
- Personal property taxes
- Railroad and Public Utility taxes (Formerly known as TPSC)
- Payment in lieu of taxes (PILOT)

Real property taxes are taxes on real estate, improved or raw land. Personal property taxes are taxes on equipment and other items used in a business. Railroad and public utility taxes are taxes set by the state regarding the use of roadways and other locations for business purposes. PILOT or “payments in lieu of” taxes are tax incentive programs designed to attract businesses by offering reduced tax rates for initial periods of time.

Property tax receipts are expected to exceed **\$ 1.250 billion** in the 2014-2015 fiscal year ranking Shelby County in the top five US Counties for property tax collections. With over 4 million receivables in transactional history, the Trustee expects to add 700,000 new receivables each year.

2. PROJECTIONS for 2014-2015

- \$1.250 billion in property tax receipts
- 1,000,000+ tax bills
- 700,000 new receivables
- 650,000 payments
- 228,000 phone calls
- 30,000 office visitors
- 22,000 refunds
- 41,000 assessment changes
- 19,000 applications for Tax Relief

- 11,000 applications for Tax Freeze
- 7,000 applications for Wheel Tax
- 1,400 applications for Quarterly Pay

3. PARCEL COUNTS

Parcel Counts for 2012

	Shelby County	Memphis	Arlington	Bartlett	Collierville	Germantown	Lakeland	Millington	Unincorporated
Realty	351,156	240,753	4,835	20,852	16,927	15,364	5,145	3,982	43,298
Personalty	36,445	26,500	371	2,014	1,697	1,620	379	555	3,309
TPSC	861	359	46				29	45	0
PILOT	483	417	10	11	5	4	0	2	0
Total	388,945	268,029	5,262	22,877	18,629	16,988	5,553	4,584	46,607

Note: Municipal parcel counts are included in the Shelby County totals.
There is also unincorporated parcels within Shelby County that are not a part of a particular municipality.

Each piece of property in the county is identified by a parcel number (a combination of five fields: ward (3), block (4), subdivision (1), number (5), and consolidation (1). Unlike the Shelby County Assessor and other municipal governments in Shelby County, the Trustee zero-fills each of the five fields that comprise parcel identification number (14 digits) associated with each piece of property subject to taxation. **Note:** If information is electronically transferred or delivered with the parcel identification number that is not zero-filled, the Trustee will “convert” the number to the zero-filled format.

4. TAX LOAD

Once the Shelby County Assessor delivers the “certified assessment roll” on or around May 20 of each year, assessment information is “loaded” for each town code, taxes are calculated, and notices are mailed to each of the 389,000 parcels in Shelby County based on the town code. Each piece of property has its own parcel number and a notice is generated for each parcel number. A parcel number may have multiple receivables – receivables are created for each tax year and can be identified with a unique combination of a parcel number (04410500000180) with a tax year (2012) and a town code (N). For a description of the workflow, process flow, and data flow-- see **Diagrams A4, B3, and C10**.

5. MUNICIPAL TAXES

In addition to Shelby County taxes, the Trustee provides municipal billing and collection services. Each entity (i.e. the county and each municipality) has its own unique town code and its own unique tax rate(s). For Shelby County taxes, the tax rate varies based on the property location -- property located *inside* the limits of the City of Memphis has a different rate from property located *outside* Memphis city limits. Unique town code identifiers of “N” and “S” differentiate the property locations (i.e. “N” represents Shelby County property located *inside* the Memphis city limits and “S” represents Shelby County property located *outside* the Memphis city limits).

The Trustee is authorized to bill and collect taxes for the following entities:

Shelby County	Current & delinquent taxes
Arlington	Current & delinquent taxes
Bartlett	Delinquent taxes only (receivables selected by Bartlett)
Collierville	Delinquent taxes only (receivables selected by Collierville)
Germantown	Delinquent taxes only (receivables selected by Germantown)
Lakeland	Current & delinquent taxes
Memphis	Current & delinquent taxes
	CBID
	Special Fees
Millington	Current & delinquent taxes

Please see **Exhibit F1** for a Schedule of Property Tax Collection Activities for Shelby County.

Additional information regarding tax collections in Shelby County may be found online at www.shelbycountyttrustee.com.

DAVID LENOIR
SHELBY COUNTY TRUSTEE
TENNESSEE

ABOUT US INFORMATION PAYMENTS SENIORS HOW DO I

SEARCH
SHARE EMAIL PRINT
Address Change
Contact Us
FAQs
Notify Me
Owner Change
Pay Plan
Tax Freeze
Tax Relief
Tax Sale

ONLINE SERVICES
PAY TAXES *online bill pay*
SEARCH TAXES *find tax info*
PRINT YOUR BILL *pay by mail*
PRINT RECEIPT *for your records*

COMMUNITY

NEWS & ANNOUNCEMENTS VIEW ALL
Trustee, Treasurer News & Announcements - View All
Shelby County Trustee David Lenoir and state treasurer David Lillard were guests on AM 600's Memphis Morning News show talking about the upcoming Financial Literacy Summit Jan. 26 and the Bank On Memphis relaunch Feb. 2. [Listen to the MMN segment](#)
Trustee Office closed for MLK Birthday
The Office of Shelby County Trustee David Lenoir will be closed Monday, Jan. 21, in recognition of Dr. Martin Luther King's birthday. The office will reopen at 8 a.m. Tuesday, Jan. 22.
County collects \$212,000 from latest tax sale
The results are in for the most recent Shelby County Tax Sale held Jan. 9-10 that drew 65 registered bidders. The sale, the second of the fiscal year, featured more than 400 properties. A total of 26 properties were sold to individuals for \$212,721.69. [Read on...](#)

EVENTS
January 22
Project H.O.M.E. Financial Literacy Workshop
January 26
Financial Literacy Summit for Teachers
January 31
Quarterly Payment Plan Deadline for Shelby County Resident
February 2
Bank On Memphis Relaunch Event
VIEW ALL EVENTS

CONTACT Us
P. O. Box 2751
Memphis, TN 38101
(901) 432-4829
www.shelbycountyttrustee.com
VIEW OUR LOCATIONS

HOME Contact Us Privacy Security Accessibility Copyright Notice Powered by CivicPlus

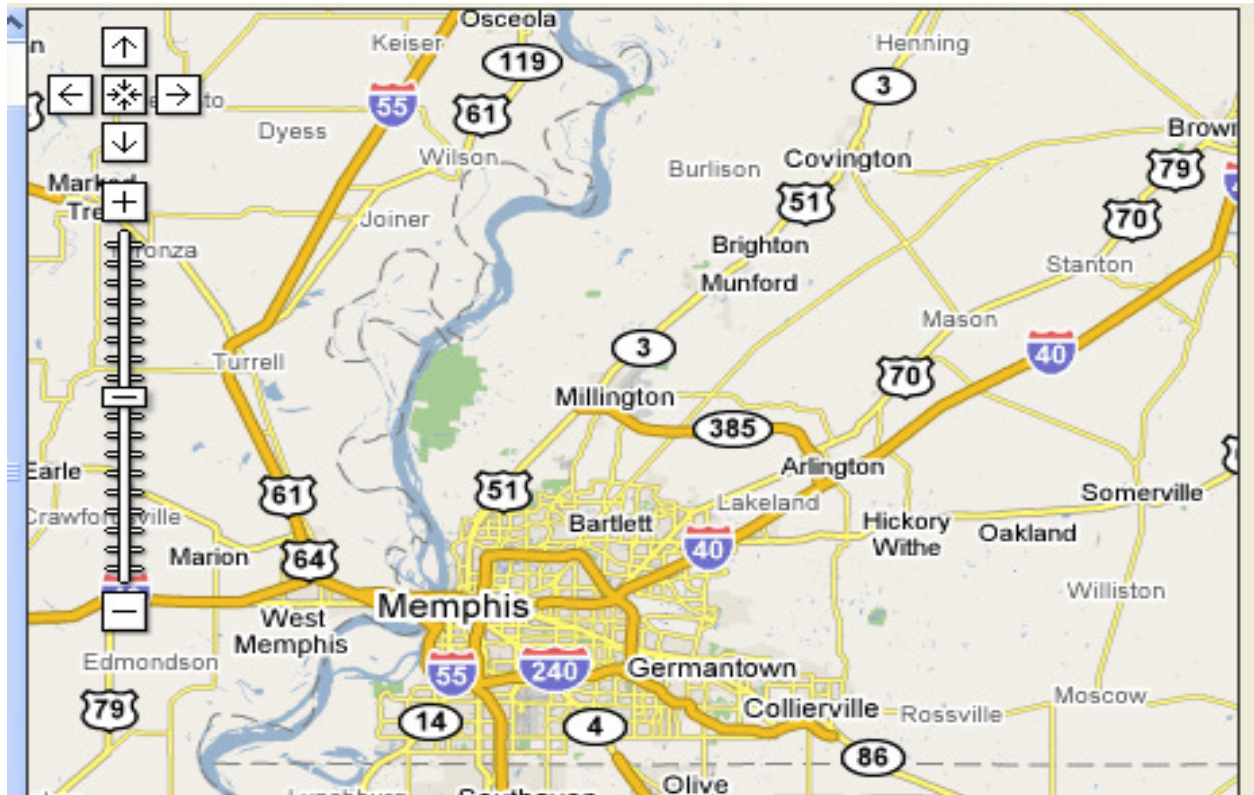


Figure 1 Taxing Authorities serviced by the Shelby County Trustee

<u>Taxing Authority</u>	<u>Town Code</u>	<u>Location</u>	<u>Tax Type</u>
Shelby	N	Property inside City of Memphis	All – Realty, Personality, INL, TPSC
Shelby	S	Property outside City of Memphis	All—Realty, Personality, INL, TPSC
Millington	M	City of Millington	All – Realty, Personality, INL, TPSC
Bartlett	B	City of Bartlett	Delinquent -- Realty & Personality
Arlington	A	City of Arlington	All – Realty, Personality, INL, TPSC
Collierville	C	City of Collierville	Delinquent Only
Germantown	G	City of Germantown	Delinquent-- Personality
City of Memphis	J	City of Memphis	All – Realty, Personality, INL, TPSC
City of Memphis	H	City of Memphis	CBID special assessments
City of Memphis	K	City of Memphis	Special Fees
Lakeland	L	City of Lakeland	All – Realty, Personality, INL, TPSC

6. TAX DUE DATES

Shelby County & Lakeland

First Monday of October through last day of February

Millington

October 1 through last day of February

Arlington, Bartlett, Collierville and Germantown

December 1 through the last day of February

Memphis

July 1 through August 31

7. DELINQUENCY DATES

Shelby	March 1
Arlington	March 1
Bartlett	March 1
Collierville	March 1
Germantown	March 1
Lakeland	March 1
Millington	March 1
Memphis	September 1

8. INTEREST & PENALTY RATES

Property taxes become delinquent on the dates listed above. Upon the delinquency date, interest and penalty (I & P) begins to accrue on any unpaid tax amount. The amount of interest and penalty varies as follows:

Shelby 1% interest + .5% penalty (18% per annum)

Arlington 1% interest + .5% penalty (18% per annum)

Bartlett Mar 1 1.5% interest + 5% penalty
Apr 1 1.5% interest (every month thereafter)*

*Trustee typically receives delinquent receivables from Bartlett for collection after this point.

Collierville 1% interest + .5% penalty (18% per annum)

Germantown Mar 1 0% interest + 5% penalty
Apr 1 1% interest + 7% penalty
May 1 1% interest + 8% penalty
Jun 1 1% interest + 9% penalty
Jul 1 1% interest + 10% penalty
Aug 1 1% interest + 0% penalty*

*Trustee typically receives delinquent receivables from Germantown for collection after this point.

Lakeland	1% interest + .5% penalty (18% per annum)
Millington	1% interest + .5% penalty (18% per annum)
Memphis	1% interest + .5% penalty (18% per annum)

Note: Bankruptcy and BOE interest rates are specified in the bid requirements.

9. LEGAL FEES

Left unpaid, delinquent taxes become subject to lawsuit and additional fees such as court costs, attorney fees, and other miscellaneous fees. Court costs and service fees are static fees, whereas attorney fees are calculated at 10% of the base tax amount. Such lawsuits are filed two times each year – one in March (for realty) and one in November (for personalty). Unpaid taxes can eventually result in the ultimate sale of the property.

The Trustee currently uses a process within STAR.NET to add legal fees and lawsuit flags (in batch) to delinquent receivables (see **Exhibit B7**). The process works as follows:

- 1) The Legal Department or the Tax Sale Department prepares an ACCESS table containing the receivables subject to fees – the receivables are identified by parcel number, year, and town code.
- 2) Through a restricted function (restricted to particular users) in STAR. NET, a stored procedure with “hard-coded” data (fee amounts) is executed to update the fee balances and the lawsuit flags on each delinquent receivable.
- 3) If additional fees are incurred with the passage of time, the process may be executed at any time upon user demand.

10. PAYMENT DISTRIBUTION

When payments are received in the Trustee’s office, funds are applied as follows:

- Fees
- Interest & Penalty
- Tax

For detailed information, please see **Exhibit B19** for Payment Hierarchies.

As indicated above, Interest and penalty is calculated at the rates described in the “INTEREST & PENALTY RATES” (Section B7 above), except in instances where property is protected by a bankruptcy claim that reduces the interest to only one percent (1%) with no penalty each month. (Unlike many other trustees in local government, the Shelby County Trustee collects both current and delinquent taxes.) Both full and partial payments are accepted at any time (except in those instances where county sale of the property is imminent).

11. EXISTING TAX SOFTWARE

In 1999, the Trustee purchased third-party software from CPS Systems Inc., for increased functionality, efficiency, and Y2K compliance. With more than twenty years of experience in the

public sector, CPS Systems Inc. provided the Trustee with a modular solution written in VB6 and a Microsoft SQL Server relational database to service upwards of 350,000 parcels with a twelve-year transactional history. The online-real-time solution expanded reporting and integration capabilities throughout the office with the use of thirteen (13) different modules (see **Exhibit B6**) and extensive note capabilities (see **Exhibit B17**). Please note that some STAR updates and integrations are currently supported by the nightly jobs and stored procedures described in **Exhibits F2, G1 and G2**.

On February 4, 2000, CPS Systems Inc. filed Chapter 11 bankruptcy in the state of Texas. As a result of that filing and the terms of the contract, the Trustee was awarded the source code for the CPS software. Since that time, software support has been provided by programming analysts in the Trustee's office along with outside programming consultants.

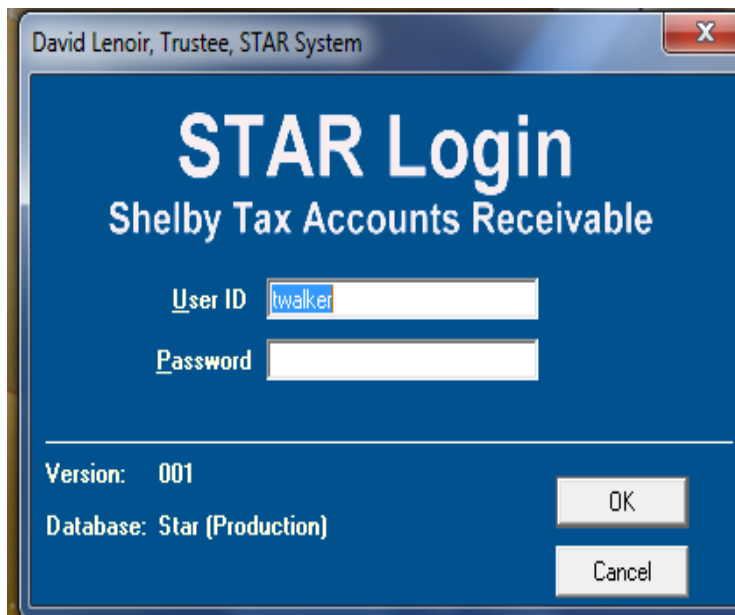


Figure 2 STAR -- Accounts Receivable Software (primary) used by the Shelby County Trustee

To keep pace with growing taxpayer demand, new commission initiatives, and technological advances, the office has been forced to create applications and interfaces using VB.NET, WPF, and Silverlight-- not VB6. The limitations of the VB6 development environment were evident as early as August 2007 when options for new functionality became more restricted. These development limitations prompted the Trustee to create new features in STAR.NET.



Figure 3 STAR.NET – A browser-based application with increased functionality using the STAR database.

For additional information regarding the modules within STAR.NET, please see **Exhibit B7**.

12. CONFIGURATION NECESSITY

As local governments explore new sources of revenue and expand revenue allocations, it is essential that the Trustee be able to respond quickly with flexibility to accommodate changes in tax programs and fee structures. In recent years, various government entities (i.e. the Shelby County Board of Commissioners and the Memphis City Council) have approved customized taxing structures for target communities and special projects. Further, new assessments have emerged that offer alternative sources of revenue and these new assessments may or may not include the addition of interest and penalties, nor may they be regulated by laws that dictate the use of lawsuits or sales. To that end, new software must provide the flexibility to accommodate the ever-changing variety of calculations and distribution methods as outlined in the requirements of the RFP.

C. PROPERTY TAX ACCOUNTING

The Trustee is mandated to account for, allocate and disburse funds received by the County (as well as municipalities). In addition to recording and allocating over \$ 3 billion in revenue annually for the county, the Accounting Department is also charged with maintaining and processing changes to values associated with each parcel (see **Diagrams A2, B8, and C2**).

1. GENERAL DUTIES

Listed below are the Accounting responsibilities relating to tax receipts, tax changes and the receipt of revenue:

- a. Bill/Adjust/Refund/Account for the collection of property taxes based on the assessed value of a property divided by 100 and multiplied by the tax rate for a given year.
- b. Bill/Adjust/Refund/Account for the collection of PILOTS (see **Exhibit B9**) which may be a flat contractual amount and/or adjusted assessment (while also continuing to show the actual assessed amount in the system).
- c. Bill/Adjust/Refund/Account for the collection of special tax zones (Uptown Redevelopment and Highland Redevelopment TIF districts) that lock the assessments to a base amount for all parcels inside a zone; any increase above the base amount is identified to be allocated separate from the base amount (see **Exhibit H8 and H9**).
- d. Bill/Adjust/Refund/Account for the collection of municipal taxes which have a separate tax rate from Shelby County.
- e. Bill/Adjust/Refund/Account for the collection of a special class (Greenbelt) of property that is billed at an adjusted assessment (while also continuing to show the actual assessed amount in the system).
- f. Bill/Adjust/Refund/Account for the collection of TPSC (or SAP) taxes related to public utilities and other state-assessed properties (see **Exhibit C18**).
- g. Post tax and fee receipts from Star to the General Ledger using an upload file (see **Exhibit C20**) into Microsoft Great Plains Dynamics v10. The balancing and posting of receipts is done on the next working day after the transactions are recorded in Star.

- h. Allocate tax/fee receipts to various funds and entities on a daily basis (within a 24-hour period).
- i. Create electronic (or manual) Refund Requisitions packets (see **Exhibit B3 and B10**) within the RAS workflow software to support each refund issued.
- j. Process refunds in Star and generate Trustee refund checks (**Exhibit B11**).
- k. Record the refund batches in the Microsoft GP Dynamics accounting software on a daily basis.
- l. Export refund check data to an Access database on a daily basis for use in the reconciliation process.
- m. Allocate the refund activity to various general ledger funds.
- n. Post and balance assessment changes made in Star.
- o. Generate daily, monthly and annual reports related to tax receipts, tax changes and tax balances (see **Exhibits H7 – H9, H12 -17, H19, H20**).

2. PROPERTY VALUES

Values on parcels change for the following reasons:

- Errors on the record
- Amendments to personal property schedules
- Improvements or damages to property
- Appeals approved by the county and state boards of equalization

The Shelby County Assessor, the Shelby County Board of Equalization, and the State Board of Equalization forward “change orders” to the Trustee Accounting Department, both in paper format (see **Exhibits D49, E1, E2, and E15**) and in the form of electronic files (see **Exhibit C2**). These change orders include increases and decreases to the assessed value of a property. The new assessed values are entered into STAR and new tax amounts are calculated for the properties. A transaction record is created in the transaction history of each receivable reflecting the tax adjustment. Reason Codes are listed for assessment changes (see **Exhibit B13**) and receivable modifications (see **Exhibit B14**). At the end of the day, a “Correction Register” report is produced to document the changes (see **Exhibit H7**).

Because county and municipal properties are linked by a common parcel number, a change in the value of a county receivable creates a change to the value of the municipal receivable for a given year. For instance, if the assessed value on county receivable M0110500000180 2012 S is reduced by \$10000, then the assessed value on the municipal receivable M0110500000180 2012 M is also reduced by \$10000. As a result of one change, tax balances on both receivables are adjusted downward.

At the present time, the converse is *not* true. If a change in value is received on a municipal receivable, STAR will adjust only the municipal receivable and notify the user with a message to manually adjust the county receivable. Because some municipalities do not currently pass

assessment value information to the Trustee and because interest rate structures vary for municipalities, a manual process is required. Should the new software allow for consistent tracking of property values and variable interest rate structures, this process may be subject to revision upon implementation of the new software.

In particular, delinquent receivables transferred to the Trustee from Bartlett, Collierville, and Germantown, require that no change is made to the assessment value on the municipal receivable when a change is received on the corresponding county receivable (**Note:** the assessment value is not present in the current system for that particular town code). Since these entities only transfer delinquent balances (not values) to the Trustee for collection purposes, the municipality is notified to make the value adjustment. If a change is needed in the tax balance as a result of an assessment change for Bartlett, Collierville, or Germantown, the municipality will notify the Trustee in writing, an MR (modify receivable – see **Exhibit E3**) will be prepared and only the tax balance will be adjusted in STAR.

3. GREENBELT

Greenbelt parcels are Realty parcels that are allowed a special assessment if granted a greenbelt status by the Assessor. They are subject to a rollback tax if the status is removed. The greenbelt appraised value and greenbelt assessed value are recorded for these parcels. Billing for these receivables requires that the greenbelt assessed values be used to calculate the correct tax amounts.

4. PILOTS

In addition to assessment changes, the Accounting Department is also instructed to monitor and maintain receivables for special revenue programs, such as the “Payment in Lieu of Taxes” (PILOT) program. The PILOT program was established to entice new or existing businesses to locate or expand their enterprises through reduced tax amounts. Historically, the Accounting Department has managed 483 PILOT contracts (see three samples under **Exhibit B9**) for the county. Though taxes are loaded into STAR for PILOTS, the software was not designed to accommodate the requirements needed for efficient contract management; extensive manual processes are also required for accurate billing and maintenance on these receivables as contract structures vary. With the issuance of this RFP, the Trustee is looking for software that can accommodate some or all of the contractual parameters associated with extensive legal contracts and future tax calculations.

A PILOT receivable is based on a contract between Shelby County (or a municipality) and a business whereby values and taxes are reduced for a pre-determined amount of time (see **Exhibit B9**). However, PILOT contracts may have terms up to 20 or 30 years. In addition, the tax can be set as a fixed amount (\$100.00) or according to a frozen assessment, a percentage of the assessed value, or a percentage of a preset assessed amount. Further, PILOT contracts may contain a provision for the collection of rents associated with a particular property.

The Trustee is hopeful that new software can accommodate the billing of taxes based on a reduced adjustment to value while retaining the original assessment of a property for a given year. At the present time, the Trustee creates a new parcel number for each property with a PILOT. However, it would be preferable to maintain an existing parcel number when a new PILOT contract is issued. It would also be helpful to associate multiple parcels with a single PILOT contract.

In addition, it would also be helpful if the new software had the ability to input the billing requirements for each year of a contract (Example: a ten year contract calling for a fixed tax of

\$25,000.00 in the first three years, then 60% of the assessed value for the next four years and finally 80% of the assessed value for the last three years. Using a variable rate structure, the software would allow for the different calculation methods associated with each of the ten years to be set up in the beginning of the contract). For annual billing purposes, information is currently loaded into STAR via a file (see **Exhibit C23**) on an annual basis; the file is manually created. Lastly, contracts are imaged and accessed via STAR for research purposes.

Further, in particular instances, there are “rents” associated with PILOT contracts. In the STAR system, these receivables have an “F” town code; they are billed and paid annually in a manner similar to all other PILOT receivables. At the current time, the proceeds from Rent collections are sent to Deutsche Bank on a monthly basis.

5. TPSC (or SAP)

TPSC is a tax on property related to public utilities and common carriers. TPSC parcels may include taxes for Shelby County and one or more municipalities. The value of a TPSC receivable is determined by the Comptroller of the Treasury of the State of Tennessee each year and these values are submitted to the Trustee each January.

Assessment values are established for public service entities at the beginning of the tax year based on the values from the previous year; these values are loaded into STAR (or rolled) in July of each year and taxes are billed accordingly. When the Trustee receives an electronic file from the State (see **Exhibit C18**) with information related to the current year assessments (typically in January of each year), the Accounting Department uses an electronic comparison process in STAR.NET to calculate tax differences and make the necessary adjustments to the STAR database. In short, the assessed value in January is compared to the assessed value loaded in July. If a difference is determined, the tax is adjusted appropriately and a new tax bill is issued.

For instances in which a parcel number exists in the file from the State, but not in STAR (i.e. new assessment), a manual supplement must currently be made to create a new parcel and a new receivable in STAR. Likewise, if a parcel number from STAR does not appear in the electronic file from the State, a manual adjustment must be made to remove the assessment and the tax from STAR. With the implementation of new software, this process may be automated and improved.

6. UPTOWN REDEVELOPMENT & HIGHLAND ROW (TIF)

Uptown Redevelopment parcels are defined by a geographic area and subject to a unique tax allocation program. In particular, Uptown Redevelopment can be characterized as a special billing district where parcels have a frozen assessment. The original assessment is billed and allocated as a regular realty parcel. If the parcel is assessed at more than the frozen amount as time goes by, then the additional taxes are collected and allocated per a special taxing code. Within the code, the Uptown portion of the tax is subject to a 10% commission if the receivable has a court flag. With or without a court flag, the receivable is subject to a 2% commission allocated to the Trustee. Debt Service is allocated at the debt service percentage for the specific receivable year. The remaining amount is broken into two parts where 95% is allocated directly to Uptown and the 5% remaining is then allocated the same as the regular Realty taxes based on current and delinquent allocation percentages (see **Exhibit H8 and Diagrams A7, B11, and C9**). Likewise, Highland Street parcels are also defined by a particular geographic area and subject to a unique tax allocation program (see **Exhibit H9**).

7. REFUNDS

Refunds are created in STAR for three reasons:

- Overpayment of a balance due
- Assessment Decrease is processed creating a paid-in-full condition and a surplus balance
- Payment is cancelled (i.e. creating an amount to be refunded to the taxpayer or transferred to another receivable)

Once a refund is created within STAR, there are three options for handling the refund:

- Issue a refund check
- Apply the refund to another receivable
- Cancel the refund as if it never existed

See **Exhibits B10, B11, C2, D24, D25, E1, E2, E10** and **Diagrams A11, B15, and C14**.

Please note the following refund volumes for the five previous tax years listed below:

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
July	363	810	146	34	168	721	258
Aug	213	1,333	406	508	183	1,263	548
Sept	219	266	315	465	208	1,861	937
Oct	266	387	669	396	250	402	602
Nov	644	229	338	199	281	418	238
Dec	689	512	445	592	563	615	604
Jan	505	1,078	675	393	925	1,134	2,167
Feb	573	647	677	597	1,876	1,781	1,561
March	1,854	1,085	1,008	969	2,023	2,436	848
April	1,251	1,189	1,307	901	1,756	3,385	2,976
May	2,249	548	709	589	3,969	1,286	389
June	1,940	743	466	552	2,812	453	459
Total	10,766	8,827	7,161	6,195	15,014	15,755	11,587

Though STAR affords the basic functionality to generate a refund, apply a refund to another receivable, and cancel a refund altogether, refund processing using the STAR software requires many labor-intensive tasks along with time-consuming manual efforts from end users and management.

To address many of the bottlenecks associated with the workflow for refunds, an external WPF software application known as “RAS” – Refund Automation System was developed in 2009 by a former MIS Manager for the Trustee who now acts as a software consultant (Chekib Kchouk). The software was created to automate the workflow processes associated with refunds (see **Exhibit B3**). The software streamlined both the research and approval processes by electronically gathering information from the STAR database along with the images stored on the network and automatically routing them to personnel for approval based on distinctive roles within Activity Directory (i.e. directors are required to approve refunds greater than \$ 5,000).

The RAS software has provided an automated workflow process that has been helpful to the Trustee. As such, the Trustee will be interested in similar software solutions from vendors designed to expedite refund processing. Please note that Active Directory integration in any

proposed solutions should be limited to the authentication and authorization of group members; hence, the software may have its own unique method of routing information among users.



Figure 4 Display of automated workflow in RAS

Here's how it works:

- End user is presented with an electronic packet for review based on pre-defined packet requirements for transaction history, images, etc.
- End user can make comments to be added to the electronic packet.
- Packets are then routed to approvers based on pre-defined dollar limits.
- Once the refund is properly approved, data is passed to STAR and a check is issued.
- A button appears on the Refund History tab in the Transaction History of a receivable that allows a person (an office employee) to see the research packet online, real-time.

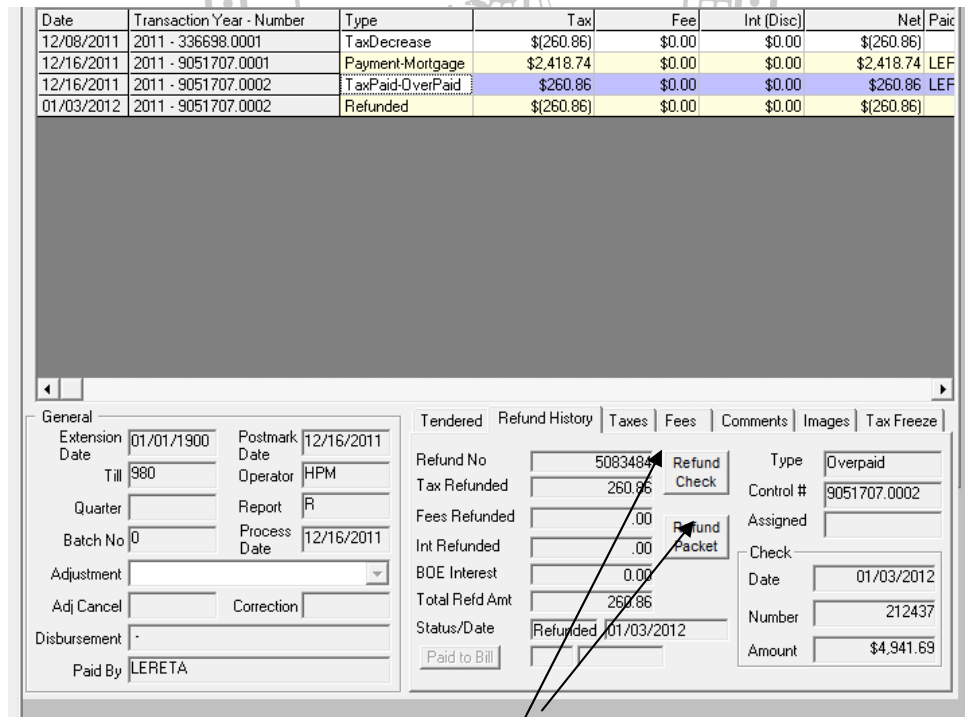


Figure 5 Toggle Buttons from STAR to RAS

After a refund is approved, the packet information is displayed with all the details as listed below.

The screenshot displays the 'Refunds Approval System' interface. At the top, it shows the version number '4.0.0.2' and the user 'Butler, Linda' logged in as 'Approver'. The main workflow area shows a sequence of steps: 'Johnson, Vicki' (Author, Staff Accounting) saved a draft on 12/29/2009 at 2:31:08 PM; 'Johnson, Vicki' (Author, Staff Accounting) submitted it for approval on 12/30/2009 at 2:26:19 PM; 'Ruppel, John' (Approver Level 1, Manager Accounting) approved it on 12/30/2009 at 2:28:44 PM; and 'Approve Request' (Approver Level 2, Man Dir Accounting) is the next step. A 'Print Check' button is also visible.

The central form displays the following details for a payment to 'Shelby County Trustee':

- Pay To: Shelby County Trustee
- Payee Num: 01
- Amount: \$599.99
- Tax: \$599.99
- Packet ID: 10a006
- Comments: Refund should be applied to parcel 07900500000370 2008 N
- Method of Pymt: Check
- Buttons: Cancel, Submit, Approve, Reject

Below the form, there are tabs for 'TransactionsDetail', 'Attachments/Comments', 'Other Owned Receivables/Properties', 'Owner', and 'Scanned'. The 'TransactionsDetail' tab is active, showing a table with columns: Transactions, Transactions Lookup, Flags, Balance, Remarks, and PayeeHis.

Figure 6 Refund details in RAS

For additional information on RAS, please see **Exhibit B3**.

Refund processing is documented with a Refund Update Check Register (see **Exhibit H19**). Refund checks are then issued and mailed to taxpayers along with an attachment describing all the refunds included in a particular check (see **Exhibit H20**). Please note that the Trustee uses the check image and the images of any incoming documentation associated with a payment to ensure that the refund is returned to the proper payee at the correct address.

D. DELINQUENT COLLECTIONS

The Delinquent Collection Division consists of four departments: the Collection department, the Tax Sale department, the Legal department and the Bankruptcy department. Though the division operates with an emphasis on delinquent collections, each one of the departments is instrumental in the collection and or disposition of over \$78,000,000 current and delinquent taxes for the Trustee. (This number represents Shelby County only; municipal taxes are additional).

In addition to **Diagrams A13, B20, C17**, listed below is a brief description of each department along with its primary functions within the Trustee organization.

1. COLLECTION DEPARTMENT

The Collection Department is assigned the task of mailing tax notices containing both current and delinquent tax information; over 1 million notices are mailed each year. Although the Tennessee State Constitution does not specifically require current year tax notices to be mailed, it is a common practice across the state to mail notices to expedite receipts and improve cash flows. However, county trustees are constitutionally required to mail delinquent tax notices annually which include current year tax information. In Shelby County, the Trustee receives both an electronic file and a letter of certification in April of each year (no later than May 20) from the Assessor of Property for the load of new assessment values. The electronic file is imported into STAR (see **Exhibit C4**, and **Diagrams A4, B3, and C10**), taxes are calculated, and totals are balanced -- balancing includes parcel counts, tax types, classifications, and total assessments between the Assessor and the Trustee (see **Exhibit H11**). The balancing process is applicable to Shelby County and the municipalities in which the Trustee bills and collects current year taxes. (It is important to note that the 12 digit parcel numbers from the Assessor must currently be converted to a fourteen character zero-filled format.) The Collection department often performs the load function many times in the TEST system to insure the data will load into the Production system correctly.

In conjunction with the information received from the Assessor, the Trustee must receive tax rates from the County Commission and other municipal entities for each new tax year. By statute, the County Commission may set the tax rate as early as the first Monday of July; municipalities may actually set their tax rates prior to July.

The Collections department uses extracts from STAR Production to get zip code counts for subsequent notice generation and tracking purposes. In addition, address information from the extracts used for billing are "scrubbed" with Satori Address Verification software to ensure US Postal Service compliance and to optimize postal discounts.

Historically, the counts from the extracts are used to verify the tax notices that should be printed and mailed to the "Current Only" property owners (the first group of taxpayers to receive notices). For quality control and tracking purposes, a digital scanner on the folding machine is used to capture a bar code located on the top of each tax notice. Employees from the Collection Division then come together to print, fold, "stuff" (insert three pieces of information into each envelope), and mail tax notices.

Beginning in 2013, the Trustee began investigating the outsourcing of mailings in hopes of reducing mail-related costs via Intelligent Mail Barcodes (see **Exhibit B1**), in-line printing, and the use of outside personnel. This change will allow existing resources to be allocated back to collection activities. In the event mailings are outsourced to a third-party vendor, the Trustee will furnish electronic files to outside vendors for print purposes.

Other activities performed by the Collection area include data exchange and data updates. The Trustee receives files with ownership changes from Chandler Reports (see **Exhibit C13**) along with name/address changes from the Assessor (see **Exhibit C12**). The Trustee also pushes files to credit bureaus via Lexus Nexus (see **Exhibit C6**). For parcel maintenance activities associated with address and ownership changes, see **Diagrams A2, B8, and C2**.

The Collection department itself is primarily required to collect taxes. In 2011, the Trustee purchased third-party software from FICO (FICO recently acquired CR Software, the Trustee product) to enhance collections processes with automated workflows and targeted activities. Through the use of customized SSIS packages from STAR (see **Exhibits B5 and C5**), CR Software is updated with current information, information current through the previous workday. Likewise, SSIS packages return information back to STAR in order for internal representatives to have the most current data possible as they respond to taxpayer inquiries.

As a channel for taxpayer contact, incoming phone calls to the Trustee are first routed to Collectors via Cisco VOIP technology with ACD capability. Collectors also make outgoing calls based on work queues within CR Software. In conjunction with these calls, the Collection department also initiates *automated* telephone calls to encourage payment activity.

2. LEGAL DEPARTMENT

The Collection department attempts to collect taxes via letters and phone calls for twelve (12) months. After that point, state statute requires the Trustee to file a lawsuit on unpaid parcels. This activity is performed by the Legal Department. Again, a file is prepared for all unpaid receivables that have not been previously sued (see **Exhibit C21**). Those excluded from lawsuit activities include:

- parcels under Bankruptcy protection
- parcels pending an appeal filed with the CBOE or SBOE
- parcels in the name of any governmental entity

The Legal Department prepares an ACCESS table for the Software department to programmatically flag each receivable and to load each receivable with a specific exhibit number (see **Exhibit C21**). From that point, a "COMPLAINT" (a legal document) is filed in Chancery Court which refers to the parcel dataset identified and held by the Trustee. Legal notifications are then placed in numerous papers throughout Shelby County warning of impending court activity in an effort to make contact once again with the property owners. Automated telephone calls are also used to inform property owners of the lawsuit scheduled for their properties. From that point, the Legal Department sends notification of the lawsuit to the property owners via Certified Mail. Once service has been rendered, the Post Office provides the Trustee with an electronic signature (see **Exhibit D48**) verifying that the taxpayer received a notice of the impending lawsuit. This digital record is stored on the Trustee network and the index pointer for that record is associated with the delinquent receivable within the STAR database.

The Legal Department also performs a variety of other collection activities including activities directed toward the collection of personalty taxes. Essentially, employees determine whether taxes are collectible or not. When personalty taxes are deemed uncollectible, they are placed on a resolution (a legal document – see **Exhibit E11**) and filed with the Circuit Court. A judge of the court then grants the Trustee the necessary authority to remove the uncollectible taxes from the official records. When the approval for the resolution is given, there is a separate process

with STAR (see **Exhibit E11 and Diagrams A12, B14, C13**) that removes any remaining balances.

Apart from resolutions, the Legal Department also serves citations (see **Exhibit D2**) to taxpayers, files wage and bank garnishments (see **Exhibit D3**), and schedules property seizures when necessary. Therefore, the ability of the system to collect and record bank routing numbers and account numbers in an accurate manner is essential.

Legal personnel also are assigned the tasks of researching properties and reviewing photographs or images of delinquent properties. Photos or images are retrieved using Google Earth and the Shelby County Register GIS system called "ArcGIS" (see **Diagrams B19 and C16**). Upon retrieval, photos are printed and included with a collection letter to the owner prior to tax sale. The Trustee is looking for methods to integrate with ESRI products for GIS purposes as part of the RFP for new Tax Processing software.

After a statutorily defined period of time, a legal judgment (see **Exhibit D4**) is taken against unpaid realty and personalty parcels. Again, notification is attempted via public media, printed tax notices, and automated phone calls to inform delinquent owners of the impending legal actions. After court judgment is obtained against real estate parcels, the property becomes eligible for sale and the Trustee begins a "tax sale" process.

3. TAX SALE DEPARTMENT

Tax sales are conducted by the Tax Sale Department--the area tasked with the recovery of revenue via the sale of real estate properties. The Tax Sale department uses the Chancery Court to hold four (4) tax sales per year. If all other attempts to obtain payments have proven futile, a tax sale mandated by state law becomes the only viable method of collecting unpaid taxes. After receiving the annual list of properties that have been sued and the properties that have subsequently had a final judgment rendered against them, the Tax Sale Department goes to work on a selected group of approx. 3,000 pieces of property for each sale. Every year, there are more parcels available for sale than can be processed based on the time and funds available.

The tax sale process requires an advertisement in a local paper as well as many letters to owners including property heirs, lienholders, and mortgage companies. The advertisements and letters show legal descriptions of the properties to be sold as well as their starting prices. There are also multiple court filings in Chancery Court at various times during the tax sale schedule and process.

At the advertised date and time, an auction or sale is held in County Commission Chambers. Bidders are registered and assigned bidder numbers. Each property in the sale, as of the morning of the sale, is presented for bid in order of the exhibit number. The Trustee attorney makes the first bid on each property for the tax balances actually owed to the county and/or municipality. After the attorney or the county bid, the auction is considered "live" and the bidding can occasionally go much higher than the amount actually owed to the taxing entities. However, the property can also have *no* bidders based on the property type, the amount of taxes owed, and the condition of the property being sold.

If a bidder is successful and awarded the bid, he is given 24 hours to pay the total bid amount to the Chancery Court Clerk. Once a winning bidder has paid the bid amount, the court receipts the payment and subsequently sends the payment to the Trustee; the Trustee applies the payment to the outstanding balances on record at the time of the sale. The former property

owner then has a one-year period in which the property may be “redeemed” from the new owner—payment must include the final sale price plus 10%. However, if no one bids on a parcel other than the opening attorney, then property ownership is transferred to the county. The redemption period of one year still applies to these county-owned properties.

After one year, taxes, interest and fees are removed from the tax receivable through a formal resolution submitted to a Chancery Court judge. The property is then placed into the name of Shelby County. After these two steps have occurred, the parcel is transferred to the Shelby County Land Bank and marketed for sale (the Shelby County Land Bank is not a part of the Trustee’s office. Rather, the Shelby County Land Bank has its own procedures which are not directed by the Trustee).

Once a property is sold or funds are paid to purchase a parcel, the money is deposited with the Trustee where it remains until the final payment is received for the total amount of the sale. After the parcel is paid in full, a new deed is prepared by a collector in the Tax Sale department. The necessary legal paperwork is prepared and a deed is filed electronically with the Register in order for the new purchaser to become the official owner of the property and for the property to once again become a revenue source for the county.

4. BANKRUPTCY DEPARTMENT

To prevent a property from going to a tax sale, a taxpayer may file for bankruptcy protection. The Bankruptcy Department of the Trustee’s office monitors approx. 1,000 cases for property owners who use the Federal Bankruptcy system to protect themselves from legal activities that could result in the loss of their properties or their personal assets. (Please see **Diagrams A1, B7, and C1.**) Presently, the bankruptcy courts allow for attorneys to file cases on a 24 hour/day basis via electronic filings. To that end, the Trustee Bankruptcy Department receives daily emails from the Chapter 13 Trustee. Upon receipt, the case numbers are researched and a document called a “Proof of Claim” is drafted and submitted electronically to the proper bankruptcy trustee via the PACER ECF system (not a Trustee system). In addition to the daily emails, the Bankruptcy Department also reviews files from The Daily News/Chandler to verify that all new bankruptcy cases are flagged and worked. As an extra step, the Bankruptcy Department attends the Meeting of Creditors held by the bankruptcy courts twice a week to ensure claims are processed at the appropriate interest rates.

Based on the activities of the Bankruptcy Department, the Trustee receives two monthly bankruptcy checks from the Chapter 13 Trustee office along with two electronic files (see **Exhibit C3**). The files are compared to existing claims on record and reviewed for payment accuracy. Afterward, the files are passed to the Remittance Department and uploaded into STAR via RTL software (see **Exhibit C22** for the Bankruptcy File after Correction).

In addition to the emails described above, the Bankruptcy Department also receives Chapter 11 bankruptcy notifications by direct mail. Upon receipt, cases are researched and claims are submitted if a property is owned in Shelby County. Generally, Chapter 11 cases involve a much higher dollar amount than Chapters 7 and 13. The amount of paperwork generated by the Bankruptcy Department is immense; however, the office has imaged all bankruptcy case folders and bankruptcy correspondence. These images are stored on the Trustee network and associated with receivables by year in STAR. Currently, the office employs a staff of six employees and one attorney with Bankruptcy expertise to handle this type of specialized collections.

E. SENIOR SERVICES

The primary source of information for both general inquiries and for the Senior Services representatives is STAR (Shelby County Trustee Accounts Receivable software). The “Parcel Inquiry” screen in STAR is the most frequently used tool used by the tax representatives to respond to incoming calls. From the Parcel Inquiry screen, agents can readily see the following types of information:

General Information:

- Owner Name
- Property Location
- Flags
- Quarterly Pay Installments
- Original & Adjusted Tax Due
- Last Payment Date & Amount
- Municipal Tax Information in addition to Shelby County information

Specific Information in Tabular Format:

- Value Data on Assessments & Appraisals
- Owner Name & Address, Owner History
- Property Description
- Notes from prior contacts
- Flag History
- Images -- Photographs, Correspondence, Other Documents
- Real Estate History – properties owned by the county
- Transaction History for each year
- Delinquent Tax Information
- Phone Number & Email Address

In addition to the display of data, the Parcel Inquiry screen allows a user to search for information by: Owner Name, Property Address, and Parcel Number. A “Search” tab reveals the results and allows the user to select other receivable data based on information from the initial search inquiry (i.e. If the initial search was for an owner named J Smith, the “Search” table would provide a listing of all names as “Smith J” such as John Smith, Joe Smith, Jimmy Smith).

Once the appropriate information has been retrieved, tax representatives may then print notices for one particular year or for multiple years; they can also print receipts (see **Exhibits D7-D8**) for individual transactions or view an audit history of a particular transaction. Representatives may also add an unlimited number of free-form notes to the Parcel Inquiry screen as they receive information from a taxpayer visit or phone call. Notes may also be added by selecting a “Remark Code” – a code denoting a particular type of action. In some instances, notes are added automatically based on flags or activities. With each incoming call or visit, agents must verify the mailing address, the email address and the phone number and update the STAR system accordingly.

1. TAX RELIEF

The Shelby County Trustee administers a state-funded Tax Relief Program to help eligible citizens pay their property taxes. For a qualifying applicant, the State will pay all or part of the property taxes due on a primary residence. Qualifying applicants receive vouchers or reimbursements for property tax payments. (See **Exhibits A4, A5, D21, D22, D26 – D37** and **Diagrams A8, B12, and C12** for additional information.)

The Shelby County Trustee administers the Tax Relief Program for the following entities:

- Shelby County
- City of Memphis
- Arlington
- Bartlett
- Lakeland
- Millington

Please note the following number of participants in the Tax Relief Program for 2011-2012.

2011-2012	Shelby County	Memphis	Arlington	Bartlett	Collierville	Germantown	Lakeland	Millington
Tax Freeze	8578	6205	22	328	145	N/A	N/A	95
Tax Relief	8959	7455	31	229	not available	not available	not available	109
Note: Lakeland will have approx. 60 people eligible for Tax Freeze for 2013-2014. Lakeland became an official municipality for the 2012-2013 tax year.								

Figure 7 Tax Relief participants 2011-2012

This number of recipients may vary slightly subject to the actions of the state legislature in revising the income criteria for program eligibility on an annual basis. The income limit for tax year 2012-2013 was \$26,830. Please note that income limits and benefit amounts vary by year and by type of applicant (i.e. "elderly", "disabled veteran", etc.)

The Tax Relief Credit is a grant from the State of Tennessee that *never* has to be repaid. For the 2012 tax year, the maximum Tax Relief benefits for each entity were as follows:

2012-2013	Elderly & Disabled	Disabled Veterans	Income Limit	Deadline
Shelby County (inside Memphis)	\$262.76	\$1,839.29	\$26,830.00	04/05/2013
Shelby County (outside Memphis)	\$265.37	\$1,857.58	\$26,830.00	04/05/2013
Memphis	\$203.28	\$1,422.93	\$26,830.00	10/05/2012
Arlington	\$75.17	\$526.18	\$26,830.00	04/05/2013
Bartlett	\$97.39	\$681.71	\$26,830.00	04/05/2013
Collierville	\$93.47	\$654.28	\$26,830.00	04/05/2013
Germantown	\$97.06	\$679.44	\$26,830.00	04/05/2013
Lakeland	\$55.56	\$388.89	\$26,830.00	04/05/2013
Millington	\$80.39	\$562.76	\$26,830.00	04/05/2013

Taxpayers may be eligible for Tax Relief on 2012 taxes if they are:

- Age 65 or older with combined annual income < \$26,830 in 2011; or
- Totally or permanently disabled with a combined annual income < \$26,830 in 2011; or
- Disabled veteran or widow(er) of a disabled veteran; or
- Spouse of a soldier killed in action; and
- Applicants must live on and use the property as a primary residence.

New applicants must sign a Disbursement Voucher (DV) or application and provide proof of age, income, and residency (see **Exhibit A4**). For applicants applying by person, the DV's are entered and generated by Taxpayer representatives from STAR.NET. For applicants who wish to apply electronically, applications can also be processed on the website. Regardless of the point of entry, some of the same data must be manually entered into STAR in order to monitor processing activities to completion and to generate letters (see **Exhibits D26 – D37**).

Taxpayers previously approved for Tax Relief must sign an Applied Credit Voucher (ACV) each year to re-certify their eligibility (see **Exhibit A4**). ACV data is received in an electronic file (see **Exhibit C16**) from the State on or around October for Shelby County (and on or around July for the City of Memphis). The data is placed into a table and uploaded into STAR where ACVs and special tax notices are generated (see **Exhibit B21**). The data from the State file is also used to create tables for tracking and reporting purposes.

Please note that Trustee passes data from completed Tax Relief applications and vouchers to the State of Tennessee for final approval and funding. The State, in turn, keeps a record of each submission and the eligibility of each applicant. There are situations where the State has not reviewed all submissions from the Trustee before the annual file is created. If an applicant is approved by the State after the annual file is sent to the Trustee, the State will issue a "supplemental" file (see **Exhibit C16**). Upon receipt, the Trustee will upload the information in the same manner as the annual Tax Relief Voucher File from the State.

Both new and current participants must return their Tax Relief documents and pay their portion of the outstanding tax due—the amount not covered by the Tax Relief program--by a specific deadline set by the State. The relief amount is applied to the remaining tax balance due. If approved, the State reimburses the Trustee for the amount of tax relief benefit. Unlike credit vouchers, new applicants generally pay their tax balance in full and the State sends a reimbursement check directly to the taxpayer. There are, however, a few instances in which a taxpayer may carry a balance until the State approves the application and forwards the money to the Trustee to pay the remaining tax.

Once the State approves the applications (DV's) or credit vouchers (ACV's), money is sent to the Trustee via ACH along with an electronic file (generated by the state – see **Exhibit C15**) containing the benefit data (for upload into STAR). After the benefit information is uploaded into STAR, notices or lists are generated and payments are credited to the outstanding tax balances--credits are applied to the tax receivable and to a subsidiary ledger within STAR. The subsidiary ledger is used to track the reimbursements due to the Trustee from the state. In the case of a DV payment for a new applicant, a credit is applied to the balance due and recorded in the ledger at the same time as both an open receivable and a paid receivable (in the subsidiary ledger) . If the State sends a payment after the tax deadline, interest and penalty must be manually waived via a Modify Receivable transaction (see **Exhibit E3**) before funds can be applied to any tax balance. If taxes are paid in full by the taxpayer, the State simply reimburses the applicant for the amount of Tax Relief benefit and the Trustee is merely notified.

City of Memphis Tax Relief recipients receive additional money for tax payments based on the City's "Matching" program. In conjunction with the relief amount from the State of Tennessee, the City of Memphis will allow an additional monetary benefit up to the amount of the State Tax Relief benefit. Here's how it works:

Scenario 1: Mrs. Smith has a *city* tax balance of \$1000.
The State of Tennessee will pay \$250 toward the outstanding tax.
The City of Memphis will also pay \$250 toward the outstanding tax.
Mrs. Smith will only owe \$500 for city taxes.

- Scenario 2: Mrs. Smith has a *city* tax balance of \$500.
The State of Tennessee will pay \$250 toward the outstanding tax.
The City of Memphis will also pay \$250 toward the outstanding tax.
Mrs. Smith will owe \$0 for city taxes.
- Scenario 3: Mrs. Smith has a *city* tax balance of \$400.
The State of Tennessee will pay \$250 toward the outstanding tax.
The City of Memphis will also pay \$150 toward the outstanding tax.
Mrs. Smith will owe \$0 for city taxes.
- Scenario 4: Mrs. Smith has a *city* tax balance of \$400.
The State of Tennessee will pay \$250 toward the outstanding tax.
Mrs. Smith makes a payment of \$150 for the remaining taxes owed.
The City of Memphis will reimburse Mrs. Smith for the \$150 payment.

Note: *County taxes may also receive Tax Relief benefits from the State; however, the County does not have a matching program.*

2. QUARTERLY PAY

Quarterly Pay is a program for taxpayers 65 or older living on a fixed income whereby taxes can be paid in four (4) installments without interest and penalty. The Quarterly Pay flag prohibits the calculation of interest and penalty on the receivable (see **Exhibits A2, D5 and D20** as well as **Diagrams A10, B16, and C15**).

For Shelby County taxes, the quarterly installment periods are:

- October 31
- January 31
- April 30
- July 31

For City of Memphis taxes, the quarterly installment periods are:

- August 31
- November 30
- Last day of February
- May 31

If a payment is not received by the last deadline—the last payment period, the parcel receivable is un-flagged for Quarterly Pay. With the removal of the QP flag, interest and penalty will accrue to the receivable based on the delinquency date of March 1 for the County (also Arlington, Millington, and Lakeland).

A taxpayer may receive Tax Freeze, Tax Relief and Quarterly Pay benefits at the same time (see **Exhibit D22**). In instances where a taxpayer qualifies for Tax Relief and Quarterly Pay, the Tax Relief benefit is subtracted from the base tax amount and the remaining balance is divided into three (3) installments. The last payment from the taxpayer is due by the end of the third payment period since the 4th and final payment will be tendered as the Tax Relief amount.

As a matter of process, new applicants to the Quarterly Pay program must sign an application form and provide proof of age (see **Exhibit A2**). Current participants must sign a similar

“Verification” form; proof of age is not required. (Both the application and the verification form are user-defined and generated in STAR.NET).

In order to participate in the program, applications and verification forms must be submitted with the 1st payment due. However, a taxpayer may be added to the program at later date at the discretion of the Trustee.

Tax receivables for new applicants are not flagged until the application forms are received. Current participants are already flagged based on the flags rolled from the prior year; flags are “rolled” from year to year.

3. TAX FREEZE

The Tax Freeze program was created in 2008 to help seniors by freezing the tax amount on their primary residence for future years. State law provides that the lesser amount of actual taxes or the “frozen base tax” value shall be paid. To qualify for the “tax freeze” benefit:

- Resident must be 65 years or older
- Resident must own and live in their home as a primary residence
- The combined 2011 income of all owners with spouse must be \$ 35,270 or less.

Please note the following number of participants in the Tax Freeze Program for 2011-2012.

2011-2012	Shelby County	Memphis	Arlington	Bartlett	Collierville	Germantown	Lakeland	Millington
Tax Freeze	8578	6205	22	328	145	N/A	N/A	95
Tax Relief	8959	7455	31	229	not available	not available	not available	109
Note:	Lakeland will have approx. 60 people eligible for Tax Freeze for 2013-2014. Lakeland became an official municipality for the 2012-2013 tax year.							

Figure 8 Tax Freeze participants 2011-2012

Unlike the Tax Relief program, applicants must apply for the tax freeze every year (see **Diagrams A9, B13, and C11**). The Trustee historically receives approximately 10,000 applications each year for review (see **Exhibits D38-46**). Once a tax freeze application is approved and a “base” year is established, a homeowner can expect taxes to remain at the “frozen” level until a property transfer occurs forcing a change in ownership. As an added consideration, the County Commission may also choose *not* to offer a tax freeze for a given tax year (i.e. the County Commission approved the Tax Freeze Program in 2008 and no action has taken been taken to discontinue its use).

Once a Tax Freeze application has been approved, the eligible amount of base tax will remain frozen and become a given property’s base tax amount for future tax determinations. Even though the tax amount is frozen, property values, assessments, or tax rates are not frozen. Consequently, improvements to the property will trigger a “proportional (percentage)” increase in the frozen base tax.

The **Trustee** administers the Tax Freeze program by:

- Accepting applications
- Determining eligibility in compliance with the state guidelines
- Providing a file of applicants to the Assessor in April of each year

- Calculating the initial frozen tax amounts based on the Assessor's market assessment values (property may have eligible & ineligible portions!) and the base years
- Issuing tax bills with customized messages
- Collecting reduced payments
- Calculating and issuing refunds based on changes to property tax values
- Calculating a new frozen tax amount based on a percentage from the Assessor as improvements are made to the parcel

The **Assessor** provides the following information via file (see **Exhibit C17**):

- Parcel ownership information (i.e. certified roll)
- The regular certified appraisal of a property
- The eligible and ineligible market assessments for the property
- Any improvement (if any) proportional increase (percentage) to be applied to the frozen base tax

The Trustee administers an application process whereby applications for the Tax Freeze are accepted over the phone, through the website, in the mail, or during an office visit. As information is received in the office, images of documents are captured and the pointers associated with the images are loaded in the STAR database; information is also updated in the STAR tables based on bar codes that are captured when the documents are processed on the scanners. Images of the documents are uploaded to the Trustee Network via an application in STAR.NET.

Additional tracking and verification has been developed with a stand-alone software application written in Windows Presentation Foundation (WPF) for incoming applications. This software (see **Exhibit B8**) was developed by a former MIS Manager for the Trustee, Chekib Kchouk, using Silverlight. It has 2 major components:

- It calculates and loads the Tax Freeze benefits associated with approx. 10,000 parcels. The benefit is loaded as a Tax Decrease (the Assessment is not impacted); and
- It provides reps with an automated verification checklist, online images, and a dashboard statistics to help direct workflow activities.



Figure 9 Dashboard denoting status of Tax Freeze applications

Property Owner/Applicant info

app Last Name: BETHEL app First Name: LOLA
 app MI: app SSN: 412426009
 app Birth Date: 03/04/1929 app Gender: Male Female
 app Phone: 9019488710 owner Type: Sole Owner Coowner
 app Life Estate: Yes No mobile Home: Yes No app On Prop: Yes No

Address

MailingAddress Property
 Mailing address defaults to current owner address.
 If different, please provide a reason in the remark section below.
 mail Address 1: mail Address 2:
 180 W MCKELLAR
 mail City: mail State: mail Zip 1: 38109 mail Zip 2: 2225
 MEMPHIS TN
 mail Country: mail Type: USA

CoOwner/Resident

CoOwner1 CoOwner2 CoOwner3
 co 1 Classification: No
 co 1 Last Name: co 1 First Name:
 co 1 MI: co 1 Birth Date: 01/01/1900
 co 1 SSN: co 1 Gender:

Income

Prior Year	Use last year income	Applicant	CoOwner1	CoOwner2	CoOwner3	GrandTotal
Current	Check for no income	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Social security benefits	\$0.00	\$0.00	\$0.00	\$0.00	
	SSI benefits	\$0.00	\$0.00	\$0.00	\$0.00	
	Retirement benefits	\$0.00	\$0.00	\$0.00	\$0.00	
	Veteran benefits	\$0.00	\$0.00	\$0.00	\$0.00	
	Worker's compensation	\$0.00	\$0.00	\$0.00	\$0.00	
	Salary and wages	\$0.00	\$0.00	\$0.00	\$0.00	
	Dividends and interest	\$0.00	\$0.00	\$0.00	\$0.00	
	Other income	\$0.00	\$0.00	\$0.00	\$0.00	
	Adjustments	\$0.00	\$0.00	\$0.00	\$0.00	
	Total Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Figure 10 Electronic Verification Checklist for a Tax Freeze applicant

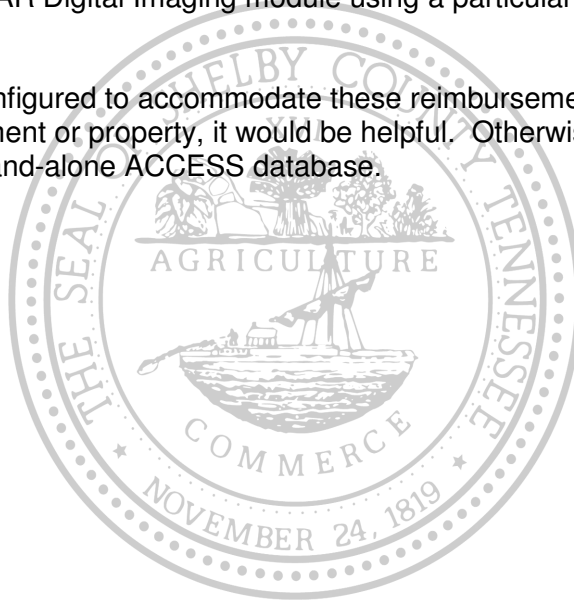
4. WHEEL TAX

The Wheel Tax Reimbursement Program is administered by the Trustee for Shelby County. The Wheel Tax Reimbursement Program is not associated with any parcel or property. The Trustee simply reviews an application (see **Exhibit A6**) from a person who has incurred a \$50 registration fee with the County Clerk at the time of vehicle registration renewal. For a qualifying senior or a disabled citizen, a rebate of the Wheel Tax paid is available on an annual basis.

Because many of these applicants are also applicants of other benefit programs administered by the Trustee, STAR is often used to verify information on the applications or information that is missing from the applications. Data from the applications is entered into an ACCESS database. Once a week, an electronic file is prepared and transferred to the Finance Department within Shelby County Government. The file is used to generate checks that are mailed to applicants as reimbursements for the Wheel Tax that has been paid. No data, apart from the images, is retained in STAR for these applicants.

Images of the Wheel Tax applications (see **Exhibit A6**) are stored on the network and referenced by the STAR Digital Imaging module using a particular document type (i.e. Wheel Tax App).

If software can be configured to accommodate these reimbursements that are not associated with a particular payment or property, it would be helpful. Otherwise, the Trustee will continue to operate using a stand-alone ACCESS database.



F. REMITTANCE

The Remittance Department includes the payment center at 157 Poplar Avenue, permanent branches at Millington City Hall and Arlington Town Hall, seasonal satellite offices in Bartlett City Hall, Collierville Town Hall, Germantown City Hall, and Regions Bank in Whitehaven along with eighteen payment kiosks scattered throughout the county.

The Remittance Department processes 420,000 +payments (City of Memphis not included in this figure) each year as:

- Over-the-Counter Transactions (cash, check, credit voucher)
- Files from Large Mortgage Companies / Real Estate Services
- Transactions from On-line Banking Service Companies (see **Exhibit B18**)
- Files from the State of Tennessee for Tax Relief reimbursements
- Website Transactions (e-check and credit card)
- Kiosk Transactions (e-check and credit card)
- Incoming Mail (ICL files are generated for check transactions)

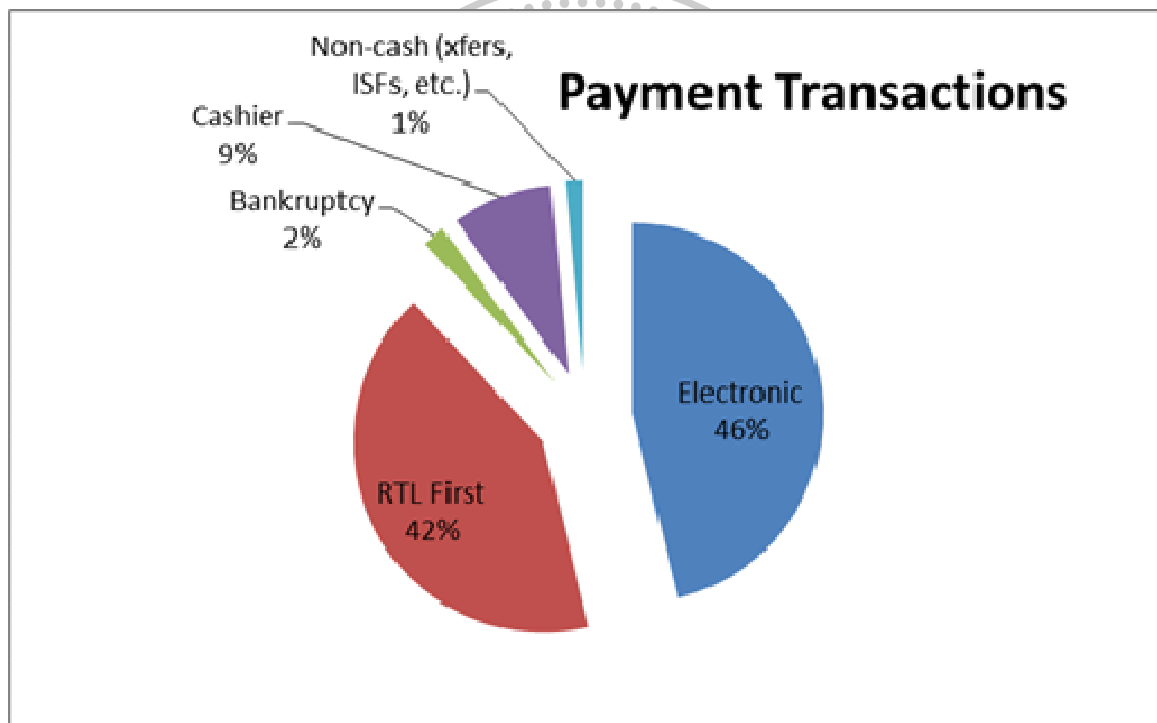


Figure 11 2011-2012 Payments processed by the Trustee (does not include City of Memphis payments)

1. PAYMENTS

Payments are processed both as on-line, real-time transactions and on-line, real-time batch updates to STAR. Transactions accepted over-the-counter provide an update to STAR on a transaction basis, while electronic files received from mortgage companies and RTL First generate batch files for on-line, real-time updates to STAR (see **Diagrams A3, B2, B9, and C3**). Payments are distributed based on the Payment Hierarchy described in **Exhibit B19**. Receipts are generated for cashier transactions, kiosk payments, and website interactions (see **Exhibits D6 – D9**). Please note that the Trustee generally does not send receipts for payments received via mail.

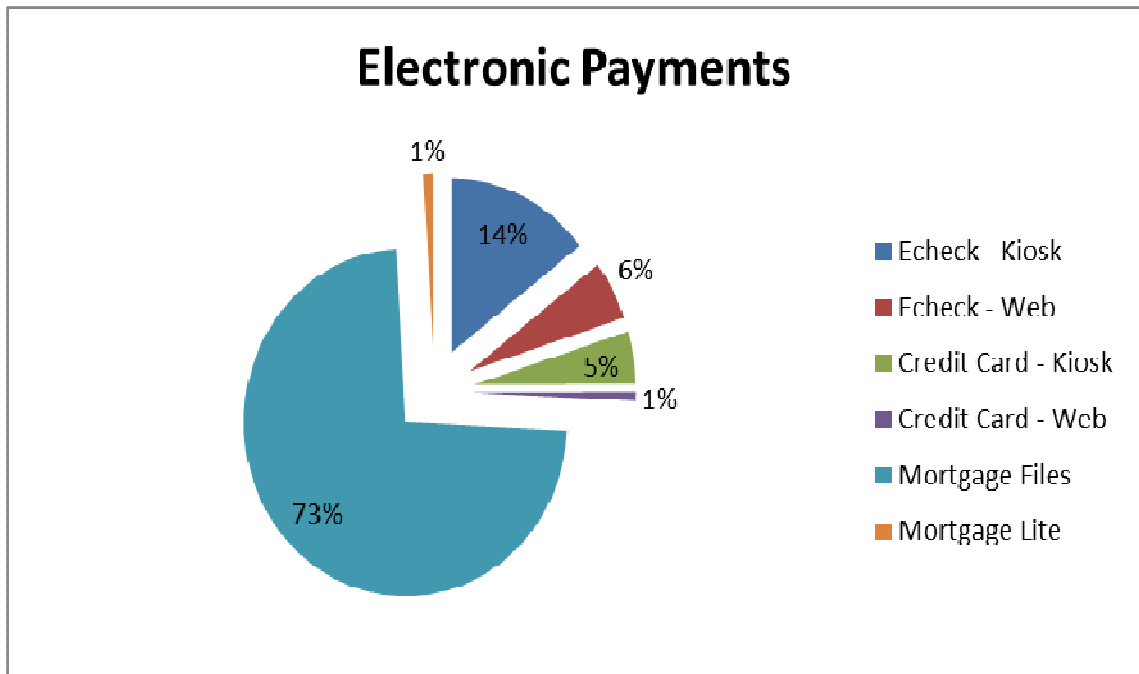


Figure 12 Breakdown of Electronic Payments for the Trustee (does not include City of Memphis payments)

2. CREDIT CARD TRANSACTIONS

Credit cards are accepted over the Internet via the Trustee website, www.shelbycountytrustee.com. (The Trustee hosts its own payment processing via its own credit card gateway from its website; however, effective June 13, 2014 the backend credit card processing by the Trustee will transition to a third-party vendor, Elavon using the Virtual Merchant product for kiosk transactions and the EBS product for website transactions).

Credit card transactions are assessed a nonrefundable processing fee of 2.60%. Payments from the website and from the kiosks are posted on an online, real time basis.

3. CHECK TRANSACTIONS

Checks are accepted at the counter, over the Internet, at the kiosks, and through the mail. Paper items received in the mail and through the kiosks are converted to electronic images and sent to the bank as ICL items (Image Cash Letter – see **Exhibit C7**). Electronic ACH debits are created for e-check transactions taken from the web and processed by Elavon. Transactions from the cashier, the web, and the kiosks are posted into STAR on a real-time basis. Transactions related to the mail are posted into STAR on a batch basis throughout the day (see **Exhibit C14** for file format).

Prior to June 2013, a separate funding process in STAR was used to generate an ACH file (see **Exhibit C1**) for a given day with regard to e-check transactions. Based on a midnight cutoff for the day, an ACH file was created the next morning and “ftp’d” to the bank. Beginning in June 2013, Elavon will be processing the ACH file and the STAR process will no longer be required.

With regard to checks submitted to the kiosk, images are captured throughout the day. After midnight, a nightly job (see **Exhibit G1**) creates the kiosk file containing the check images. The file is copied into the RTL software the next morning where images are reviewed and keyed for

accuracy (routing number, account number, and check number). Image quality edits are performed via the RTL software and an ICL file is created (see **Exhibit C7**). The ICL file is then “ftp’d” to the bank. Files are acknowledged to the Trustee by the bank (see **Exhibit H10**).

In a manner similar to the checks submitted through the kiosks, images of checks at the cashier counter are accumulated into a file via nightly job. The file is copied into the RTL software the next morning where images are keyed again (no MICR information is captured at the time of processing). Image quality checks are made via the RTL software and an ICL file is created. The ICL file is then “ftp’d” to the bank.

Electronic transactions are reflected on E-commerce reports for Credit Cards, E-checks processed via the website and the kiosks – see **Exhibits H3 – H5**.

4. CASHIER TRANSACTIONS

All cashiers are assigned tills. Each morning, cashiers declare the dollar amount of cash in their tills. Most cashiers declare \$100 in cash at the start of each day.

Payments are processed using the following tender types:

Cash

Checks

ACVs (credit voucher – See **Exhibit E9**)

DVs (first time Tax Relief amount)

Credit memos

Debit memos

Special Escrow

Mortgage

Cashiers are able to accept partial payments. However, credit cards are not accepted at the counter. Each cashier has a check / notice scanner. For each transaction, an image of the notice and the check(s) is captured and the pointers to these images are recorded along with the payment transaction in STAR for future reference. Each customer receives credit for a payment when the payment is made.

At the end of the day, all cashiers balance their tills and print a Daily Balancing Report (see **Exhibit H1**). The cashier totals the amount of checks, cash, and credit vouchers and inputs the dollar amount into the system. The system then compares that amount entered with the amount that has been receipted throughout the day. The Daily Balancing Report prints a total for each tender type accepted during the day and displays the difference between what was receipted and what was reported by the cashier. Any overpayments or underpayments are also displayed. For additional information see **Diagram B2**.

5. MAIL PAYMENTS

The Trustee has a policy of same-day receipting for payments received by 12:00 p.m. each day. Payments are opened and imaged by OPEX immediately to ensure adequate time for upload into STAR the same day. Mail received after 12:00 p.m. may be opened for same-day processing or forward-dated to the next business day. In either case, the date assigned by the OPEX extraction equipment corresponds to the processing date in STAR. All postmarks for the previous month or the first day of the current month are honored and recorded as the processing date for incoming payments. Postmarks are especially important to payment

processing at the end of a calendar year, the end of tax year, in the months following a receivable becoming delinquent and in those months where legal action is taken.

In accordance with T.C.A. § 67-1-107 “Any tax payment which is transmitted by U.S. Mail to the Trustee is deemed filed and received on the date on the postmark, or if the postmark is illegible, erroneous, or omitted, on the date the payment was mailed, as established by the sender by competent evidence. Also, if the payment is postmarked no more than twenty-four hours subsequent to the last date for timely payment of taxes, it shall be accepted as if timely filed.”

In addition, the OPEX Operator examines postmarks throughout the month. Payments that need to be “backdated” to the prior month are put into separate batches for processing via OPEX. The envelope is imaged for each transaction for postmark verification. Payments with unreadable postmarks are processed as current month payments, unless the taxpayer can produce a letter from the post office proving the payment was mailed with a particular postmark. Unreadable postmarks received the first day of the current month are processed as prior month payments.

In addition to payments, the Trustee receives the following different types of mail:

- Return mail
- Certified green cards
- Tax Relief mail (applications, documents, checks)
- Correspondence only
- Correspondence with checks

Payments received through the mail are sorted by the OPEX Operator and processed in accordance with established procedures.

6. OPEX MAIL EXTRACTION & IMAGING

The OPEX Mail Extractor opens the envelopes of payments received in the mail, counts each document that is processed on the track, images each document on the track, and records the processing speed of the operator. The images captured through the OPEX equipment are then compiled into batches. The batches are retrieved by the RT Lawrence software, RTL First; the software uses a “Data Base Lookup” function to process payments. The Opex equipment includes a high-speed color scanner integrated into a mail extractor. It combines mail extraction with image capture and is able to open, extract, identify, capture, sort, print an audit trail and output mail contents. Key features include in-line recognition of barcodes, optical character recognition (OCR), optical mark-sense recognition (OMR), magnetic ink character recognition (MICR) and document type classification.

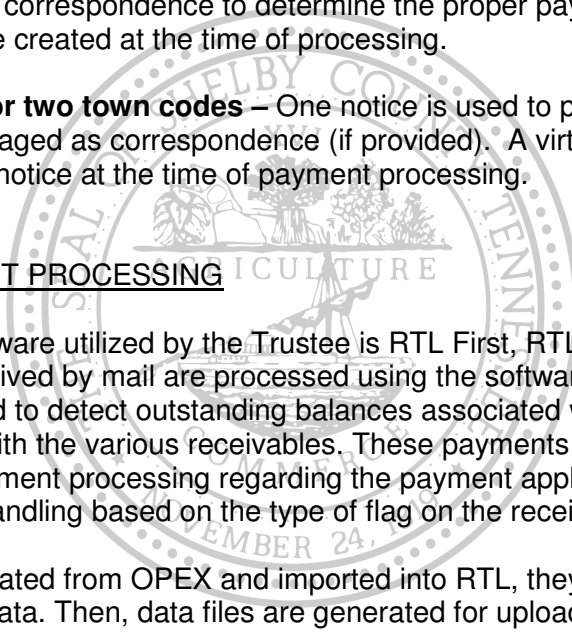
Mail is imaged as follows:

Two types of mail containing payments are received:

- a. **Clean mail** – notice contained in return envelope (check and notice may not equal). Payments requiring a backdate must be sorted into separate batches.
- b. **Prep mail** – not in a return envelope (may or may not contain check and notice).

Clean mail or Prep mail may include any of the transactions listed in **Exhibits E5 – E9**.

Processing multiples as described below enables the Operator to correctly apply payments using the Database Lookup (DBL) function in RTL First (see **Exhibit G2**):

- 
- a. **Multiple notices with multiple years for the same parcel**—
- Only one notice** is scanned for each parcel, not one notice for each year. Other notices or documents are scanned as correspondence for the transaction.
- b. **Multiple notices with one check for each notice** – These notices are treated as a single transaction with multiple items, along with the envelope and the check.
- c. **Multiple checks with no notices for different parcels** – Closing attorneys, title companies and mortgage companies often send correspondence in lieu of notices. Payment processors review the correspondence to determine the proper payment application. Virtual notices are created at the time of processing.
- d. **Multiple checks with no notices for the same parcel** – Virtual notices are created at the time of processing.
- e. **Check for two town codes on same parcel and no notice**—Payment processors review the correspondence to determine the proper payment application. Virtual notices are created at the time of processing.
- f. **Notices for two town codes** – One notice is used to process the check and the other is imaged as correspondence (if provided). A virtual notice can be created for a missing notice at the time of payment processing.

7. RTL PAYMENT PROCESSING

The current RPS software utilized by the Trustee is RTL First, RTL First View, and RTL Quick Clear. Payments received by mail are processed using the software. The database lookup (DBL) function is used to detect outstanding balances associated with a parcel number as well as flags associated with the various receivables. These payments require the operator to make a decision during payment processing regarding the payment application; payments can be rejected for special handling based on the type of flag on the receivable.

After batches are created from OPEX and imported into RTL, they are balanced by keying missing or incorrect data. Then, data files are generated for upload into STAR (see **Exhibit C14**) and for the Image Cash Letter (ICL) to the bank (see **Exhibits C7 and H10**). A Batch Receipt Report (see **Exhibit H2**) is generated for each RTL batch showing the beginning and ending receipt numbers, the batch amount, overages, and shortages.

Payment types include:

- Checks only
- Checks with correspondence
- Single checks with single stub – (see **Exhibit E5**)
- Single check with multiple stubs – (see **Exhibit E6**)
- Multiple checks with single stub – (see **Exhibit E7**)
- Multiple checks and multiple stubs – (see **Exhibit E8**).
- Payments from lists
- Online banking checks (see **Exhibit B18**)

Each payment type can be an exact match to notice (CAR kill), paid short within tolerance of \$5.00 or less, partial payment, or overpayment.

Paid short can result from:

- Intended partial payment
- Tax Relief participant pays their portion of the tax bill leaving an amount of tax due (to be covered by the Tax Relief credit)
- Stub is old but payment matches-- additional interest and penalty and even lawsuit fees may have been subsequently added.
- Taxpayer estimates payment incorrectly
- Appeals to local or State BOE (Board of Equalization) whereby pays what they believe to be the “undisputed” portion of the tax balance due

An overpayment can result from:

- Duplicate payments from mortgage companies, attorneys, taxpayers and others
- Assessment decreases processed after a payment has been made
- Incorrect payment application
- Projecting interest and penalty for additional months
- Paying with old stub after payments have been made

Rejects can occur if:

- The operator is unable to determine how to apply payment
- A restrictive flag exists on the receivable

A payment tolerance has been established - short payments of \$5.00 or less are considered paid in full and overpayments of \$7.50 or less are considered paid in full; these overpayments will not be refunded. A shortage appears as a separate payment tender in STAR and the balance on the delinquent screen reflects a zero balance. The overpayment (within the tolerance amount) currently appears in the Refund History on STAR as a canceled refund with a refund type of “Return”. The balance on the delinquent screen in STAR reflects a zero balance.

For transactions intended to pay multiple receivables (and no payment order is indicated), money is applied to the oldest year first and then to each subsequent year until all funds have been applied. The last year accepting payment will be short if there is not enough money and the receivable will reflect a refund if excess money is applied. Tolerances are not allowed for each receivable paid in this instance. Money is applied starting with the oldest year and a shortage will occur if there is not enough money to pay in full or within the tolerance on the last year accepting payment.

By policy, payments can be backdated to the previous month only. Postmarks for the first day of the month are honored for the previous month and backdated accordingly. The mail for the current month is separated from the prior month mail and processed using the correct processing date. In contrast, walk-in or counter payments will not be backdated to the prior month if they are cashiered on the first day of the new month.

The **ICL** file (see **Exhibit C7**) is generated by RTL and transmitted to the bank daily after the last batch of payments has been processed. The file must be sent before 6:00 p.m. CST for same-day credit at the bank; the file is sent to the bank using FTP software called “WS FTP Professional”. A confirmation is received from the bank (see **Exhibit H10**) containing the total item count and total dollar amount of the file. The actual paper checks of the items in the ICL file are kept in “date order” in the Trustee vault for 14 calendar days and then micro-shredded. The stubs are kept for five working days in the Remittance area and then sent to the warehouse for later destruction. All checks, notices, correspondence and envelopes are imaged by OPEX and imported into RTL First for payment processing purposes.

Occasionally ICL checks are returned by the bank due to unreadable account or routing numbers (see **Exhibit E13**). If the return item occurs before the scheduled check destruction, the check is pulled from the vault and sent to the bank for payment. If the return item occurs after the scheduled check destruction, the taxpayer is asked to send a replacement check. In either case, the taxpayer is not charged a return check fee for this type of return.

The **non-ICL** checks are sent to the bank via courier.

The RPS till (till 998) is updated into STAR after all payments have been uploaded and the Tax Master (daily report of all transactions) has been balanced. A particular menu function in STAR is used to update all cashier and RPS transactions – this “update” function prevents transactions from being reversed and requires that payments be formally “cancelled” at a later date if modification becomes necessary.

8. PAYMENT IMAGES

The images captured through OPEX are retrieved by RTL and used to process payments. The images are also permanently stored in RTL First View as well as in a Trustee Network Directory with the index pointer located inside the STAR table KOVISDOCS. Images can be retrieved through STAR or through RTL First View. Most employees use the convenient access of STAR for research purposes. The check image is available by double clicking the check icon under the Tendered tab (in STAR) under Transaction History. The stub is available by double clicking the transaction line for the payment. The correspondence and envelope related to the payment can be retrieved by selecting the “Images” tab (in STAR) under Transaction History. The images are stored in .tiff format. (See **Exhibit C14** for the indicators that link transaction items, including images, to a specific receivable and a specific payment.)

9. ADMINISTRATIVE RECEIPTS (AR's)

The Trustee's Office records payments of fees, interest, Tax Relief reimbursements from the State, and amounts dedicated to Shelby County Government as remitted by other county offices into Great Plains Dynamics accounting software via an Administrative Receipt (see **Exhibit D47**). The money for the AR is deposited in the bank the same day that the AR is created in Great Plains Dynamics. The check is sent by remote deposit to the bank. If the AR is applied in Great Plains and the corresponding funds are not deposited in the bank on the same day, the funds appear as “Deposits in Transit” on the Unapplied Deposits Report produced by Accounting. If the AR is not created and the funds are deposited, the receivables appear as a “Credit Memo” on the Unapplied Deposits Report.

The money collected through the AR process is monitored by the Investments Manager and considered part of portfolio management.

10. BANKRUPTCY PAYMENTS

Parcels that are under bankruptcy are flagged. They accrue interest at 1% monthly without penalty. Payments are remitted by case numbers from the bankruptcy courts. Case numbers are recorded in the Trustee software. Payments are processed by parcel, year and town code. There can be multiple receivables per case number and cases can last for years. Currently payments require balancing before processing by Remittance. (See **Exhibit C3** and **Exhibit C22**.)

The City of Memphis (unlike the Trustee) currently receives two files from the Bankruptcy court. One file is used to add interest to the receivable and the other file is used to pay the receivables after interest has been added.

11. KIOSK PAYMENTS

Beginning in November 2005, the Shelby County Trustee installed four payment kiosks throughout the County in an effort to meet the growing demand for convenient tax collection sites on a year-round basis. Now there are eighteen (18) payment kiosks that offer convenient payment options throughout the year. See www.shelbycountytustee.com for locations and availability.

The payment kiosks provide touch-screen services with audio instructions for tax inquiries and tax payments. A taxpayer may pay both county and municipal taxes simply by using a check or a credit card – no cash is accepted. If a taxpayer presents a check, it is converted to an electronic image and returned to the taxpayer. Once a payment transaction is complete, a receipt is printed for the taxpayer (see **Exhibit D6**). Payment kiosks use six web services (see **Exhibit B2**) for online, real-time updates to the STAR database.

These payment kiosks have proven to be a low-cost and efficient collection method for the County and taxpayer response has been enthusiastically positive. Unlike an ATM machine, there is no need for on-site reconciliation on a daily basis because all transactions are electronic. Transactions are uploaded on-line, real-time while the corresponding ICL files are processed each day from the Trustee's Main Office. Required maintenance is minimal and performed by Trustee personnel on a periodic basis.

12. PAYMENT MOVEOVERS

Payment Refund/Transfer Request forms called "Payment Moveovers" (see **Exhibit E4**) are used to transfer refunds from one receivable and to another receivable or to request a cancel payment.

Both RAS and STAR have a process to transfer refunds to open balances. The following information is required:

- Parcel, year, and town code where the money should be applied
- Control number of payment transaction that created the refund
- Tender type of the new payment must be recorded as a "cancel"

If an instance occurs whereby a payment should be deleted as if never existed (i.e. when Tax Relief Credit Voucher has been applied to a receivable and later denied funding by the State, then taxes must be reopened as if the payment never occurred), then the payment must be cancelled and no refund should be created.

Process to cancel payments:

- Enter parcel, year, and town code
- Choose control number for payment to be canceled.
- Choose appropriate action:
 - Cancel payment, cancel refund – used if Tax Relief Credit Voucher is denied by State, cancel payment and cancel the resulting refund to open up taxes
 - Cancel payment, apply to another receivable - If a payment is to be canceled and applied to the same receivable after an adjustment to taxes is made, a Trustee check must be requested in order to apply the money (limitation of the existing software)

- Cancel payment, create refund – used if a payment is made in error and should be refunded
- The Payment Moveover packet is logged for tracking purposes and imaged for retrieval in STAR (if the packet is not electronically created in RAS).

Payment reversals are used to remove transactions posted in error—those transactions are typically made at the cashier stations. Reversals can only be processed by the Remittance Manager (or above) and must be reversed the same day that they are posted. A screen print of the reversal is placed with the Daily Balancing Report for the till that was affected and the documentation becomes part of Tax Master for that day.

13. REFUNDS

Refunds are created from:

- Payments
 - Overpayments by mail
 - Duplicate online payments
 - Taxpayers and a second party pay the same receivable.
 - Taxpayer pays original notice plus an additional notice (i.e. the notice of assessment increase or decrease).
- Assessment decreases
 - BOE (Board of Equalization) interest is calculated and refunded if a payment is made before assessment decrease
- Posting errors
- Mortgage file payments
 - Programming is in place to prevent the posting of payments on a zero balance
 - One refund check will be issued to mortgage company for this type of overpayment

By policy, refunds are required to be processed within 20 business days. The Refund process may be described as follows (see **Exhibit B3, B10 along with Diagrams A11, B15, and C14**):

- Check for correctness of prior posted payments
- Check for other receivables that the taxpayer may have intended to pay
- Check for other receivables with taxes due
- Review images creating the overpayment
- Refund will go to party with the payment that created the refund
- Refund is reviewed by appropriate level
 - Supervisor only approval - \$500 or less
 - Supervisor and manager approval - \$5,000 and less
 - Supervisor, manager and director – above \$5,000
- Electronic refund packet is created or Refund package is imaged for STAR
- Check is issued by Accounting

Refunds created from e-check payments on the website are held until return items for the same date have been processed – usually five business days is sufficient. Refunds created from credit card payments require that the taxpayer file a dispute with his credit card company.

Note: STAR creates a stored refund amount. Newer software may create a negative A/R balance to be offset by the refund check written.

14. REMOTE DEPOSIT CAPTURE

Remote deposit capture is used to send images of checks from miscellaneous receipts to the bank via an ICL file. Checks are scanned on a Panini My Vision XAT. The images are captured and uploaded to the bank's website where they are retrieved. Same day credit is usually given by the bank for all checks sent in this manner. The checks are held by the Trustee for 14 calendar days in the vault and then micro-shredded.

In spite of the convenient technology of the remote deposit scanner, it often fails to read check amount correctly or checks can "piggyback" causing items to be returned. Therefore, some check items still require a courier delivery to the bank.

15. RETURNED ITEMS

Returned items are processed as *insufficient* items and assessed a service charge (see **Exhibit B12**). Digital items returned for invalid or unreadable account numbers are re-deposited using the paper check (if the check is still in the Trustee vault). If the paper check is not available, a replacement check is requested from the taxpayer.

At the end of ISF processing, STAR produces an ISF Report (see **Exhibit H6**). This report is helpful for the Tax Master process. Please note that insufficient items appear as non-cash transactions on the cash side of the Tax Master Control Report. They are deducted from the receivable total for the day.

16. SPECIAL ESCROW

Special Escrow is a general ledger account that contains payments that cannot be immediately processed and/or payments that are held for future tax years. Funds are receipted into Great Plains Dynamics via an Administrative Receipt and a Special Escrow Deposit Form (see **Exhibit E14**) by the head cashier as an administrative receipt after being approved by a manager or above. When funds are ready to be disbursed from Special Escrow, the Accounting department verifies that those funds are available (see **Exhibit E14**) and signs an approval form. A manager (or above) approves the Special Escrow deposit/disbursement form, giving permission to disburse the funds and apply them properly or to return them to the payer.

17. TAX RELIEF PAYMENTS

The parcels that are participating in the Tax Relief program are flagged. The Trustee receives a file of taxpayers eligible for Tax Relief and a credit represented by an ACV tender type is posted to the receivable after the taxpayer pays his portion of the tax balance. An ACV (see **Exhibit A4**) is a credit for the Tax Relief amount; the ACV is posted as a special tender type to the tax receivable itself. The Trustee is subsequently reimbursed by the State for payments tendered as ACV. A subsidiary ledger inside STAR is debited when the ACV is applied to the tax balance. When the funds are actually received from the state, the subsidiary ledger is credited.

When a Disbursement Voucher (DV)--see **Exhibit A5**--is completed for a new applicant, credit is not given for the Tax Relief benefit; rather, credit is given when Trustee is actually paid by the State. At that time, a credit is posted to the receivable as a "DV" tender type and two entries (credit and debit) are made to the Tax Relief Subsidiary Ledger for funds posted and received.

In recent years, the Trustee has adopted a practice of requiring the taxpayer to pay the entire tax balance with an understanding that the State will reimburse the taxpayer directly.

While flagged for Tax Relief, interest and penalty for a receivable is waived by manually adjusting the receivable balance with an MR form. If the taxpayer is denied Tax Relief, the taxpayer has sixty (60) days to pay the entire tax before being charged any interest and penalty. This part of the process is currently handled manually.

The City of Memphis Tax Relief program works the same way, except that the City will match all or part of the amount issued by the State. The City of Memphis effectively “writes-off” that portion of the tax balance due. Here’s how it works:

Scenario 1: Mrs. Smith has a city tax balance of \$1000.
The State of Tennessee will pay \$250 toward the outstanding tax.
The City of Memphis will also pay \$250 toward the outstanding tax.
Mrs. Smith will only owe \$500 for city taxes.

Scenario 2: Mrs. Smith has a city tax balance of \$500.
The State of Tennessee will pay \$250 toward the outstanding tax.
The City of Memphis will also pay \$250 toward the outstanding tax.
Mrs. Smith will owe \$0 for city taxes.

Scenario 3: Mrs. Smith has a city tax balance of \$400.
The State of Tennessee will pay \$250 toward the outstanding tax.
The City of Memphis will also pay \$150 toward the outstanding tax.
Mrs. Smith will owe \$0 for city taxes.

18. TAX SALE PAYMENTS

Four times a year the Trustee auctions property for unpaid delinquent taxes. When properties become at least three (3) years delinquent, they are eligible to be sold. In the system, all parcels that are identified for tax sale are flagged. Delinquent years must be paid in full to have the parcel removed from the tax sale. The taxes have to be paid by certified funds, cash or cashier's check according to a designated deadline. When the taxpayer pays the bill in full, the Tax Sale Department within the Trustee's office is notified so that the parcel can un-flagged from the upcoming tax sale. The Tax Sale flag restricts payment application at the cashier counter. For RTL processing, the operator is alerted to the flag and the Remittance Operator notifies the Tax Sale department to remove the flag prior to the upload of the batch into STAR. If the flag is not removed prior to upload, the payment will be rejected during the upload process. Please note that the Tax Sale department may not want to accept the payment at all and the Remittance Operator may reject the payment at the time of processing with the RTL software.

19. MORTGAGE PAYMENTS

Mortgage companies or bulk payers may request a file containing taxes due. The file is created in STAR as a Mortgage Full File (see **Exhibits C8 and C9**). In addition, nightly jobs create an Open Balance File with all positive balances (see **Exhibit C10**). Further, files for Autoagent are automated ftp'd to the Autoagent secure site on a nightly basis. Please note that approximately 1/3 of all payments are paid from electronic payment files (see **Exhibit C11**); these files are uploaded into STAR upon receipt.

Process to post mortgage payments (see **Exhibit B6**):

- Checks or wires are receipted as AR's
- File is opened & a comparison is made between the amount of AR and the file total
- File format is verified for accuracy and reasonableness
- File is uploaded for additional edits
- If tax balances are already zero, duplicates and overpayments are not uploaded
- All other payments are applied to outstanding tax balances
- Reports are printed
 - Payment Detail by receivable
 - Payments creating refunds
 - Duplicate or overpayments (already paid prior to posting)

Refunds for applied mortgage payments are processed immediately by creating a refund packet with RAS for each refund and cutting one check to the mortgage company. The Operations Manager/Director returns the refund check with a detailed report of the overpayments to the mortgage payer.

When a payment file is uploaded to STAR, an edit process is performed to identify and remove duplicate payments (i.e. payments to zero balances and where the payment amount on the file = tax amount). These duplicate payments for previously paid parcels are returned to the mortgage payer with a check in the amount of all the unapplied refunds along with a detail report of the payments that could not be applied.

In 2012, the Trustee began working with a company called Designtek1 to streamline bulk real estate tax processing with its largest mortgage payers. The service is currently used by thousands of lenders, tax services, title services, and mortgage companies to request property tax information and to make payments. To eliminate duplicate payments and provide the most current information possible, the Trustee transfers daily tax files (current and delinquent data) to a web-based system called Autoagent (see **Exhibit C10** for the file format). In Autoagent, companies may not duplicate or pay on the same receivables. For the most part, issues regarding duplicate payments and parcel disputes between mortgage companies are resolved prior to payment. As a result, refund processing has decreased dramatically for the Trustee.

G. TECHNOLOGY

To support an office of over 76+ users, the Trustee employs five (5) seasoned employees with extensive training in equipment installations, networking, data replication, and data storage. Using the latest technology, the department operates 24 / 7 and employs two (2) Computer Systems Technicians, two (2) Office System Technicians, and one (1) Senior Systems Analyst. The staff is responsible for all software installations and upgrades, equipment and hardware maintenance, networking for an elaborate server environment, overall system security, and disaster recovery. In addition, this team provides both remote and on-site service to seven (7) branches and eighteen (18) kiosk locations. The Trustee operating environment includes the following:

SAN	EMC VNX5300
Production Servers	HP Proliant DL580 clustered server
Virtual Servers	VMWare HP Proliant DL360
Database	STAR SQL 2008 R2 & Windows Server 2008 R2
Desktops	3.4 GHZ duo processors or above with minimum of 4 GB of RAM
Operating System	Windows XP SP3 or WIN 7
Office Software	Office 2007 /2010
Kiosks	DSL lines or cable to connect to Internet, operating System - Windows XP SP3; Kiosk Software – In house program. SSL to communicate to the STAR database via Web Services
Email	MS Exchange 2010
Mail Extractor	OPEX Model 51 (2 units) AS3600i and AS 3690i
Cashier Scanner	Panini My Vision XAT
Remittance	RTLawrence First, First View, and Quick Clear
Maintenance	All under maintenance contracts
Accounting	Microsoft Dynamic Great Plains 10.0
Reporting	SQL Reporting Services 2005; Crystal reports version 8.5 for tax notices and receipts
Budget Forecasting	FRX Forecaster 7.0 SP2
Document Imaging	Ascent Capture 7.50
Website	www.shelbycountytrustee.com hosted by Civic Plus; interfaces directly with STAR SQL database via iFrames back to www.sct.shelbycountytrustee.com
Website Payments	Elavon – EBS and Virtual Merchant

Note: For fiscal year beginning July 1, 2013, the Shelby County Trustee will begin migrating its hardware infrastructure and networking systems to Shelby County Information Technology. A separate infrastructure will no longer be needed.

Listed below are the specifications to function with **Shelby County Information Technology**:

- a. PCI-DSS Compliance
- b. Front-end / App Servers
 - VMware 5.1 / Intel multicore CPU / MS Server 2008R2
System components must function in a VMware 5.1, Intel multicore CPU, MS Server 2008R2 Std. environment, with no restrictions on V-Motion or V-Storage Motion.
 - Front-end & App Servers should be able to function in a distributed fashion behind an external load-balancer.
 - Server to server connectivity must utilize industry standard name resolution (DNS, JNDI, etc.) – no configured connections stored as IP addresses.

- Front-end should be compatible for hosting on IIS 7.5.
 - Any PCI-PAN, financial account, or other sensitive data must be stored in an encrypted or tokenized format.
- c. Database Servers
- DB Servers shall be MS-SQL 2008R2 or MS-SQL 2012
 - DB Servers shall be configured for high availability, preferably hosted in the County's VMware environment, or alternatively as physical servers in a clustered active/passive configuration.
 - Databases shall be configured for asynchronous replication to a warm-site.
 - Any PCI-PAN, financial account, or other sensitive data must be stored in an encrypted or tokenized format.
- d. Storage
- Proposal must include initial storage space requirements, segregated by storage type (DB, images / documents, temporary work space, etc.).
 - Proposal must include required minimum performance parameters, segregated by storage type.
 - Proposed system must integrate with the County's existing Hyland OnBase repository for storage and retrieval of relevant document and image files.
 - Proposals must include anticipated yearly growth.
- e. Telecomm / IVR Integration
- Proposed system must integrate with the County's Avaya Telecommunications IVR Solution. The outbound dialer is Avaya Aura Proactive outreach Manager (POM) version 2.5 with beta testing scheduled for August 2013 on version 3.0. The IVR is Avaya Aura Experience Portal (AAEP) version 5.1 with plans to upgrade to version 7 in August 2013. The Contact Center is Avaya Aura Contact Center (AACC) version 6 with Multi-media Messaging.
 - Proposed system call center functions must integrate with the County's Cisco Contact Center for screen pop of caller's relevant customer records, and auto dial-out functionality.

Technology and Application Standards for the **City of Memphis** include the following:

Database	Oracle v.10g and Informix and SQL
Application	Oracle application E-business suite, including CRM and HCM (commercial version) 12i
Methodology	Oracle API - encapsulation methodology
IVR Vendor	Paymentus
Web Payments	Paymentus
Document Imaging	Application Extender
Analytical Products	Oracle Balance Score Card
	Oracle Daily Business Intelligence
Reporting Tool	Oracle Reports 6i
	SQL

H. RECORDS RETENTION

Document images are captured by the Trustee with a third-party software product from Kofax called “Ascent Capture” version 7.5. Documents are captured using a four-part process of capture, recognition, validation, and release. During the capture portion, documents are scanned or imported electronically from TIFF images (i.e. USPS sends electronic signatures for returned mail items). The capture process is followed by a recognition step to identify key data fields on the document or image. Once the data has been recognized, it is validated (if necessary) against information from the STAR database to ensure data accuracy. After the data from the image is validated, three events occur: 1) the document is stored on the Trustee network; 2) a table within the STAR database is populated with index information pointing to where the image is actually stored on the network; and 3) an image icon is placed on the Parcel Inquiry screen in STAR to alert users of its existence. If the image is not associated with a particular tax receivable (i.e. an image of a monthly report), then it will simply be stored according to its particular document type for future retrieval via STAR. As a result, some document images can be retrieved using both the tax receivable and the document type. For additional information (see **Diagrams A5, B1, B4, B5, C5 – C8**).

Presented below is a screen showing all batch classes found in Ascent Capture. These batch classes are for the capture process only; they do not correspond directly to the document types found in STAR.

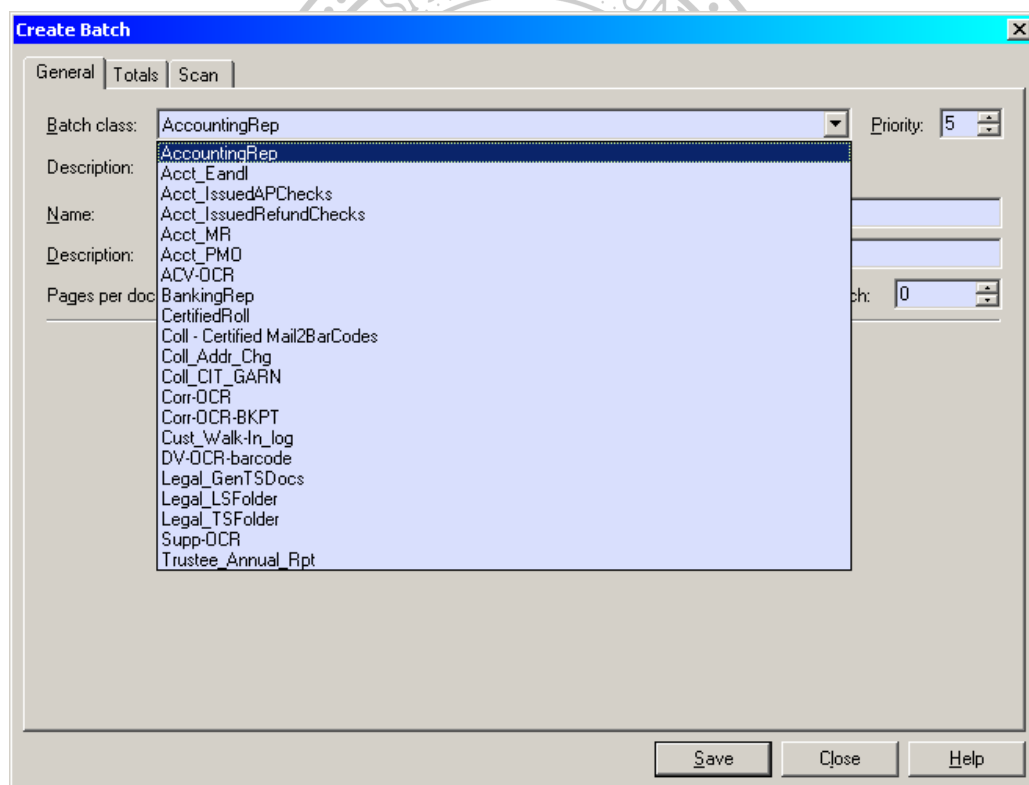


Figure 13 Batch Classes in Ascent Capture (Digital Imaging Software)

Presented below is the user screen for document retrievable using the STAR Digital Imaging module. (These documents may or may not be associated with a tax receivable). In this example, the user has retrieved an Accounting “Taxmaster” report, a multi-TIFF image / document. The user may simply click on the record presented in the middle window and the image of the document will be displayed. Please note that STAR uses the Microsoft Office Document Imaging Viewer 12.0.

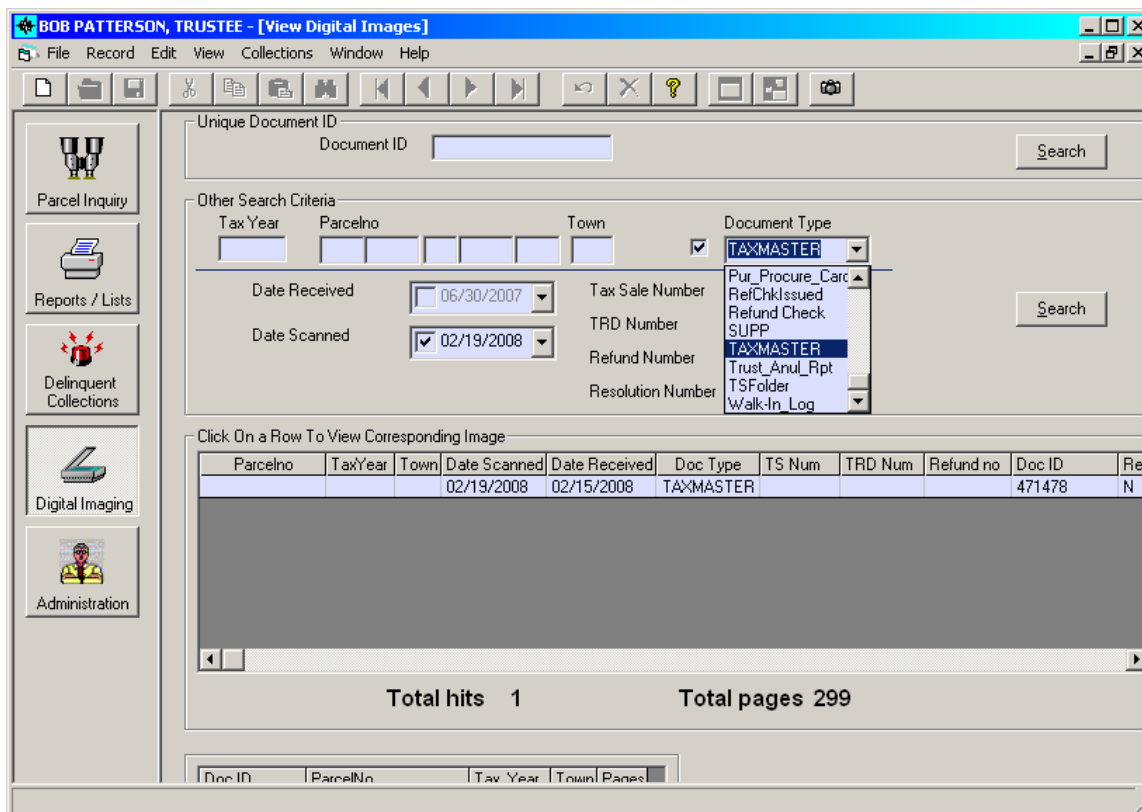


Figure 14 STAR Menu for selecting Digital Images

71 Document Types in STAR: (See Appendix C for a list)

Images are stored on the network by document type. Pointers for these document types are stored in the STAR *KOVISDOCS* table. Documents can be accessed within the STAR Digital Imaging module based on the search criteria described in Appendix C:

1. OTHER FEATURES

In addition to viewing images from the software, STAR provides the user with the ability to correct an image (see **Diagrams B4 and C6**), download an image (see **Diagrams B5 and C7**), and multi-index an image or link one image to many receivables (see **Diagrams B6 and C5**).

Other images may also be uploaded to STAR from capture at the Opex 3690 workstations. In this instance, STAR.NET is used to upload the pointers to the Kovisdoks table via an XML file (see **Exhibits B7 and C24**).

2. PAYMENT IMAGES

Images associated with payment transactions are handled separately using RTL First. Payment transactions include images of the tax bill(s), check(s) or other types of tender, correspondence, and an envelope. These images are uploaded into STAR from RTL First (third-party remittance software) and they are stored in a separate location on the Trustee network according to the processing date. Payment images are linked via transaction number in order to maintain the integrity of the transaction data.

I. **CITY OF MEMPHIS**

In January 2013, the Shelby County Government and the City of Memphis entered into an agreement whereby the Shelby County Trustee became the agent for property tax collections on behalf of the City. This agreement was pursued after the City issued an RFP for new tax software (see **Exhibit B23**). After analyzing various collection alternatives, both local governments took a cooperative step forward and the Trustee made plans to convert the City's outstanding balances to STAR.

With the goal of pursuing delinquent taxes first, test environments were established and extensive testing was conducted. In those environments, data was loaded multiple times to ensure accuracy. Functional issues were resolved early, followed by a focus on reporting and accounting.

However, knowing that Trustee had plans to purchase software as well, the City decided in April to delay its conversion to the Trustee system until 2014 – after a successful conversion and implementation for the county. Though the STAR conversion was delayed, the period from January to April 2013 did provide a valued learning opportunity for the Trustee regarding City tax collections. Listed below is a brief summary of the knowledge that was gained in that process.

<u>Item</u>	<u>County</u>	<u>City</u>
<u>Parcels:</u>		
Format (alpha numeric)	14 zero-filled	12 (non-zero-filled, spaces exist)
Unique Receivable	Requires Town Code & Year	Requires Bill Number
1 receivable may include other taxes or fees	No	Yes – Misc. Charges, PILOTS and CBID
Due dates may vary for items (invoices & other tax types) on receivable	No	Yes
Interest & Penalty rates on receivable items may vary	No	Yes
PILOT parcels	1 tax type in STAR = I	Can be both realty & personalty
Owner History	Yes	No--current year owner & prior year owner; up to 3 owners in a 1 year history.
CBID parcels	No	Yes

<u>Item</u>	<u>County</u>	<u>City</u>
<u>Increases & Decreases:</u>		
CBID value discount	N/A	\$10,000
Tax Freeze Benefit	Looks to Tax Amount for a given Base Year & adjusts current tax amount accordingly; Assessment Values remain untouched.	Looks to Assessment for a given base year and adjusts current assessment value (may not = Trustee adjustment)
PILOTS – consistent method of application upon underlying realty or personalty parcels consistent & uniform	Yes	No
Distinguish between supplements & increases in reports and in GL	No	Yes
Extension Dates on Increases trigger interest accrual	The next month-end after the allotted 60 days	60 actual days after the increase
<u>Interest:</u>		
Book interest	No	No
Apply BOE interest	Upon issuance of refund check	At time of flagging for BOE refund
<u>Refunds:</u>		
< or = \$7.50	Goes to Over & Under Account	Written off if under \$5
\$7.50 < or = \$50	Refund to taxpayer	Escrow for next tax year if over \$5
>\$50	Refund to taxpayer	Refund to taxpayer
Timing	20 days	6 weeks
Shorts	Yes	Yes-- Clean-up process
Indicator to refund to Legal Firms	Needed	Needed
Refund inside system	Yes	No—Refund sent to AP and processed through GL, then sent back to tax system.
Refund from Assessment Decrease allocated in GL	Yes	Yes
Refund from Overpayment allocated in GL	Yes	No
Overpayments recorded on tax receivable	Yes	No – a separate overpayment liability to the taxpayer is created for each refund (avoids issues with Factoring Agents).
<u>Payments:</u>		
Images of Counter Transactions	Yes	No
Refund Information Entered at Counter	No	Yes
Lockbox	In-house	Bank
Lockbox processes exact transactions only	No – Internal Trustee Lockbox handles all mail payments, exact & inexact.	Yes—City of Memphis manually handles inexact payments (i.e. written stub payment amount does not = bill amount)
Phone Payments	No	Yes—Bill number or parcel # used to pay. Payments are manually entered on the following business day.

<u>Item</u>	<u>County</u>	<u>City</u>
Payment Hierarchy for payment distribution	Differs from City	Differs from County
Insufficient Item “unwinds” payment & re-establishes the receivable with a fee	No—ISF unwinds payment & adds fee to the existing receivable. When the ISF is performed on the payment, no description changes are made.	Yes—ISF unwinds the original payment GL entry and “re-establishes” the open balance in the GL as a RTN CHK – they actually change the GL description and coding. As a result, that ISF transaction is a separately tracked receivable based on the GL description. Then, ISF charge is added to the receivable.
Insufficient Item “unallocates” the payment	Yes	Yes
<u>Tax Relief:</u>		
County or municipality matches the Tax Relief credit from the State	No—Only the State benefit is credited toward the tax due.	Yes – #1 City will allow a benefit up to the State Amount but never over the amount due; #2 --The City portion of the benefit toward tax due is “written off”.
Needs Tax Relief Revenue Report in Detail	No	Yes
State benefit is considered deferred revenue	No	Yes
Tax Relief Flag impacts the accrual of Interest & Penalty	No- Interest accrual begins on delinquency date	No—Interest & penalty begins on delinquency date
<u>Quarterly Pay:</u>		
Interest charged if installment payment is missed	Only after the Quarterly Pay period is ended and the flag is removed	Only after the delinquency date of 8/31. If 2 payments are missed, the due date is changed to 8/31.
Quarterly Pay Flag affects the accrual of Interest and Penalty	Yes	No—due date affects interest and penalty.
Payment deadlines vary	See “Quarterly Pay” section in Overview	See “Quarterly Pay” section in Overview
<u>Legal:</u>		
Suit for Misc. Charges	N/A	Yes
Trustee attorney fees will pay the Chancery commissions for the City lawsuits	N/A	Yes
<u>Misc. Charges:</u>		
Misc. Charges create separate invoices or receivables associated with a particular parcel.	N/A—at one time, county had Fire Fee receivables (approx. 2007).	Yes
Misc. Charges are assessed according to calendar year, not tax year.	N/A	Yes
Misc. Charges are created for 5 categories: weed-cutting, demolition, sidewalks, sanitation, and anti-neglect instances.	N/A	Yes

<u>Item</u>	<u>County</u>	<u>City</u>
There may be multiple invoices for these misc. charges for a single parcel in a given year with multiple charge segments on 1 invoice.	N/A	Yes
Misc. Charges can be sued and lawsuit charges are added per category, not by invoice.	N/A	Yes
Misc. Charges may be added to a parcel with or without a tax balance due.	N/A	Yes
Misc. Charges may create multiple invoices with varying due dates separate from the tax due date.	N/A	Yes
Misc. Charges may have variable interest and penalty structures (i.e. % or pre-set daily amount).	N/A	Yes
Misc. Charges may be entered manually or electronically.	N/A	Yes
<u>Bankruptcy:</u>		
Bankruptcy Flag stops interest accrual at the date of the flagging.	Interest & Penalty accrual reduced to 1%	Yes
Receives 2 files from the Bankruptcy Court—1 to add interest & penalty and one to pay all components (taxes, interest & penalty, etc.)	No – 1 file	Yes – 2 files
Books City-earned I & P to the Advertising Account then re-classes it.	No	Yes
<u>Notices:</u>		
1 notice contains all receivables due	No	Yes
Grid on all tax bills	No—just annual billing	Yes
<u>Factored Receivables:</u>		
Sells receivables immediately after delinquency date	N/A	Yes – 1 to 3 months after due date.
Sells Tax Relief receivables	N/A	No
Sells only realty receivables	N/A	Yes
Sells bankruptcy receivables	N/A	No – but, bankruptcies may occur <i>after</i> sale of receivables. At time of sale, bankruptcy interest goes to the Factor; otherwise, all interest due to bankruptcy goes to the city.

<u>Item</u>	<u>County</u>	<u>City</u>
What year did Factoring of receivables begin?	N/A	2010 (for tax years 2008 – 2010)
Can be multiple Factoring Agents over the years	N/A	Yes
Booked on the GL as deferred revenue at the time of sale	N/A	Yes – City offsets the receivable and deferred revenue at the point of sale. The City then records the revenue with an offset to the allowance for uncollectible accounts. At the same time, the City setups up a new receivable and a new deferral under a separate fund. The City, in effect, becomes the collector for the Factoring Agent.
Different reporting requirements	N/A	Yes – weekly and monthly by Factoring Agent
What is factored?	N/A	Tax with I & P; fees are not included
Separate flag required	N/A	Yes
Name of Factor & Date of Sale must be stored	N/A	Yes
Bankruptcy Included?	N/A	If filed after a sale
<u>General Ledger:</u>		
Commission only allocated at point of collection	No	Yes—i.e. School Commission and School Commission Denormalized
Length of normal Journal Entry	15 to 20 Lines	16 to 20 Lines
Need to allocate within tax system by year	No—Uses only tax allocations for 1 prior year	Yes—Done in accordance with tax allocations for each year
Different years can have different rates & different funds	Yes	Yes
Cash or Accrual Accounting Method	Modified Cash	Modified Accrual
Report by Allocations	Yes	Yes
Journal entries have different structures based on accounting method	No	Yes—One time allocation to accommodate school lawsuit
Use of service centers	No	Yes
Journal Entries vary for Current and Delinquent Collections	Yes	Yes
Journal Entries needed for Factoring Agents	N/A	Yes—i.e. TOWER
CBID tax collections allocated?	N/A	All go to 1 fund, a stand-alone fund for development
Factored payments allocated?	N/A	No
Allocation for TIFS	Allocations are done daily and a monthly adjustment is made for the TIF Agency	Allocations are done daily with an annual reallocation to the TIF Agency
Accounting software	MS Great Plains Dynamics	Oracle ERP
<u>Reporting:</u>		
Need city or county-owned receivable report	Yes	Yes
Need factored receivable report	N/A	Yes
Reports may not include a prior period change in data	Agree	Agree

<u>Item</u>	<u>County</u>	<u>City</u>
Reports included a beginning balance for a point in time	Yes	Yes
Taxes are rolled and booked	Yes	Yes
I & P is rolled & booked	Not currently	Rolled, Not Booked
Fees are rolled & booked	Not currently	Rolled, Not Booked
Need reports by allocations	Not currently in System –get from Dynamics	Yes
Need cash reports by municipality (differs from cash receipts reports i.e. a credit voucher is not considered cash)	Yes	Yes
Need to load a Budget and compare by fund	Yes	Yes
Need reporting for “write-offs” that includes the name of the person originating the write-off and the reason for the write-off	N/A	Yes
Need a Waived Fees Report for Misc. Charges	N/A	Yes
Reports include:	Breakdown by Taxing Entity	Breakdown by the following: City Owned Receivables Factored Receivables All Receivables Rolled I & P (not booked) Rolled Fees (not booked)

For additional information on City business practices, see **Exhibit B23**.

As described above, the County and the City of Memphis have fundamental differences in data storage and accounting methods while executing many of the same functions.

Though requested in the requirements of the RFP, please note that one the Trustee begins actual receipting of incoming payments, funds must be wired to the city within 1 business day of receipt. Therefore, it is imperative that the new software accurately records, journalizes, allocates, and reports tax activity from all payment and refund channels so as to meet the mandated wire requirement. The Trustee must know the amount to disburse to the City by 8:30 a.m. each morning (CST).

Similar Functions

- Annual billing, adjustment, refund and collection of realty and personalty property taxes.
- Annual billing, adjustment, refund and collection of contract-based PILOT (or In Lieu Of) taxes (Realty or Personalty)
- Annual billing, adjustment, refund and collection of special tax zones (Tax Incremental Financing – TIFs such as Uptown Redevelopment and Highland Row) – Currently both County and City generate reports at month end and make manual GL reclassifications to TIF Fund accounts
- Annual billing, adjustment, refund and collection of TPSC (or “SAP” State Assessed Property)
- Annual billing, adjustment, refund and collection of special class (i.e. Greenbelt) property taxes
- Both utilize a sub-ledger to track Tax Relief reimbursements from the State of TN
- Both post tax and fee receipts into their GL systems and allocate to various funds and entities on a daily basis. However, differences in data structures and accounting methods exist.
- Both entities require daily, weekly, monthly, quarterly, and yearly outputs that include reports/files by:
 - parcel type
 - tax year
 - fund type
 - flags type
 - municipalities
 - cash vs. receipts (cash/non-cash)
 - revenue to budget comparisons
 - user-defined parameters and date ranges

Note: *Neither entity is currently booking I&P or Fees to their General Ledgers.*

1. Different Functions & Processes

- Different tax billing cycles
- Different payment hierarchies—see **Exhibit B19**
- City due dates can vary based on the type of tax or charge
- Differences regarding supplemental parcels
 - Trustee makes no distinction between increases in value due to an assessment change or a supplement (new parcel).
 - City of Memphis books supplements separately in their GL.
- Extension dates for tax increases:
 - City uses the actual extension date of 60 days after the date of change. Therefore, interest accrual could start at any day in the month.
 - Trustee system can only calculate interest on the first of each month. Therefore, the Trustee projects 60 days and then uses the end of the month following that sixty-day period as the due date.
- Interest accrual for tax increases is based on different balances:
 - City continues to calculate interest and penalty on the portion of the balances not affected by the tax increase.
 - Trustee system must suspend interest accrual on the entire balance, not just the portion affected by the tax increase.
- Miscellaneous fee collections:
 - At one time the County billed and collected a “fire fee” on undeveloped property (location specific). Historic data will reflect the collection of these fire fees.
 - The City bills and collects five (5) different “Miscellaneous Charges” (i.e. Weeds, Demolition, Anti-Neglect, Sidewalks, and Sanitation). The Charges are billed on behalf of various City Departments, such as Code Enforcement, Fire Dept., or General Services

(some departments include a bill number while others do not). These charges can be repetitive, contain multiple charge segments, require different interest rates, contain daily flat fee penalties, require different interest accrual streams based on “anniversary dates”, and be assessed additional legal fees. Unlike taxes, the City does not book accruals for “Miscellaneous Charges”--they are recorded in the GL only when paid. Since the City does not have separate town codes, the unique identifier for Misc. Charges is the tax year and an assigned bill number. Charges are calendar-year based, and could be added to a parcel prior to the load of a new property tax receivable. Charges do not require Court or Assessor documents in order to be decreased or waived. When “Miscellaneous Charges” are sued, a 10% attorney fee is added to each type of charge. For more information, see **Exhibit B24**.

- Different “tax” type:
 - City of Memphis has a CBID special assessment (Central Business Improvement District) that does not get allocated and is specifically for downtown business development efforts. This special assessment is billed at its own tax rate, and is given a \$10,000 break on the taxable assessment value. CBID also has a different interest and penalty rate from delinquent tax.
- Interest rates:
 - As a single taxing entity, City of Memphis interest rates can fluctuate between 1% - 2% depending on whether a receivable or a parcel is flagged for bankruptcy, in a special tax zone, or subject to a “Miscellaneous charge”.
 - Currently, interest rates for the Trustee vary by town code and by a bankruptcy flag on a receivable. These rate structures are very inflexible.
 - Monthly values for I&P, Fees, and Charges are rolled by the City; they are not tracked by the County.
 - For the City, the interest rate is different if under BOE appeal and fair tax is paid by the delinquency date. BOE interest is calculated at Prime-2% with a 30-day grace period. After the grace period, interest returns to 1.5%.
- Factored Receivables:
 - The County does not factor receivables.
 - The City of Memphis began factoring realty taxes in 2010. A factored sale involves tax and interest. Fees are retained by the City. This selling of delinquent receivables creates a series of weekly and monthly reporting responsibilities to the purchasing factor agent on the part of the City. There can be multiple factoring agents and different dates of sale. The taxes are allocated at the time they are purchased. The City offsets the receivable and deferred revenue at the point of sale. The City then records the revenue with an offset along with an allowance for uncollectible accounts. In conjunction, the City establishes up a new receivable and a new deferral under a separate “agency” fund. In doing so, the City becomes the collector for the Factoring Agent. A further note -- Since the owners of the property are not party to the selling of the tax debt, they can still file bankruptcy, which creates additional accounting requirements since the City will retain the bankruptcy interest that is outside of the “factored tax and interest” that makes up the bankruptcy claim. Also, taxpayers are still eligible to apply for Tax Freeze and Tax Relief programs, which (if approved) could trigger decreases in the tax owed. This situation could result in the Factoring Agent being overpaid and create a situation in which the Factoring Agent will owe the City a refund.
- Tax Freeze:
 - The City adjusts the assessment value of a tax freeze property to arrive at the tax freeze billable tax.
 - The County leaves the assessment untouched and works with the tax amount. Based on the size of acreage or a “post freeze” property improvement, parcels can have an eligible and ineligible portion subject to Tax Freeze.

- Tax Relief:
 - City will provide matching funds (to the amount of credit from the State of TN) in the form of a credit to an eligible taxpayer. This “matching” is handled as a tax write off. The State portion and City match are deducted on the City bill, but the match is not booked until both taxpayer and state portions have been received.
 - For the City, a “TR” flag stops interest from calculating.
 - Currently, the Trustee will charge interest on any unpaid balance and waive interest and penalty (see **Exhibit E3**) after state funds or reimbursements are received.
- Inexact payments:
 - Refunds are made to taxpayers for amounts over \$50 by the City. Amounts greater than \$5 but less than \$50 are held in escrow and applied to taxes for the next tax year. Amounts less than \$5 are written-off. With regard to these shortages, the City periodically writes them off.
 - The County has different tolerance levels. Shortages start at \$5.00 or less. Overages less than or = to \$ 7.50 are identified “returns”. Payments are considered “paid-in-full” if payments fall within these tolerances.
 - While the City writes off small shortages and credits future tax years with small balances, the County maintains an Over/Short Account in the GL.
 - The City does not handle all refunds uniformly (refunds generated from an assessment decrease vs. overpayments). An overpayment does not get allocated, so the refund does not “reverse” an allocation – the refunds are considered taxpayer liabilities. In contrast, there is one instance that triggers a reverse allocation --when a refund generated by a tax decrease.
 - Insufficient funds transactions (ISF-Bad Checks) reverse payments in the Trustee AR system and the taxes are reopened. Fees are added as a result of the ISF transaction.
 - The City does not reopen the taxes for ISF transactions; it actually “re-establishes” the receivable for the ISF as a separately tracked ISF receivable in a different GL account and adds the additional charge.
- Bankruptcy:
 - When a receivable is flagged bankruptcy, the County recalculates interest at 1% and gets a single payment file from the Bankruptcy Court.
 - By contrast, a BK flag for the City stops all interest calculations; the Bankruptcy Courts send the City two payment files -- one file for the interest and one for the payment toward the claim amount.
- Quarterly Pay:
 - The County currently waits until the expiration of the final quarterly payment date before unflagging receivables – the unflagging processes triggers the calculation of interest and penalty from the original delinquency date.
 - After a taxpayer misses two quarterly payments at the City, the receivable is un-flagged and interest accrual begins.
- Attorney fees:
 - Due to agreement between the City and the County, the County will add a 10% attorney fee to City of Memphis receivables (only applies realty receivables prior to 2011 and personalty receivables prior to 2012). That 10% fee will be used to pay the City’s portion of the Chancery Court commission. This will create a special scenario which will need to be accommodated by the Software (i.e. a unique fee code may need to be established “City of Memphis Chancery Commission”). This amount will be paid directly to Chancery Court on behalf of the City.
 - For Shelby County receivables, the Trustee adds and retains 10% attorney fees. For City of Memphis receivables, the Trustee will not be retaining the 10% attorney fees on those particular receivables.

- For a parcel that has both delinquent Shelby County and City of Memphis taxes, the 10% attorney fee attributable to the County would be received by the County and retained. Since the County would be retaining the 10% attorney fee on the City parcel and passing it to Chancery, a special GL entry may be needed.
- The “10% attorney fee” on the Memphis parcel would be debited twice, as Chancery fee, and Cash. Then in the same entry, both accounts would be credited. This creates a “grossed up” Chancery Court expense record for the City.
- On the Trustee’s side, the 10% City based Attorney fee generated on the system will be reclassified to Chancery fees.
- As an alternative, the process may be streamlined by creating a debit to Chancery fee expense (for City of Memphis receivables) and a credit to Chancery Fee Revenue.
- Accounting Method:
 - The Trustee operates using a Cash basis accounting method. The output from the Trustee system is strictly a payment or refund and is booked into the GL system.
 - In contrast, the City of Memphis books taxes on a Modified Accrual basis using asset and deferred revenue accounts. The modified accrual basis used by the City increases the size of the GL entry. A single “straight” tax, when created, is allocated over 4 funds. At the time of payment, the money is allocated over 5 funds; with the accruals, the JE requires 20 rows to balance. The City allocates taxes individually at the point of creation and payment. There is no deferral set up for the City’s commission on School funds. That percentage is included in the School fund account until payment. At that point, the school commission is booked separately.
 - The County currently runs a simpler daily process via Great Plains to allocate taxes in total.
- Tax Classifications:
 - Depending on the time of the year, the Trustee allocates revenue under one of three following conditions:
 - Current,
 - Current-Delinquent
 - Delinquent

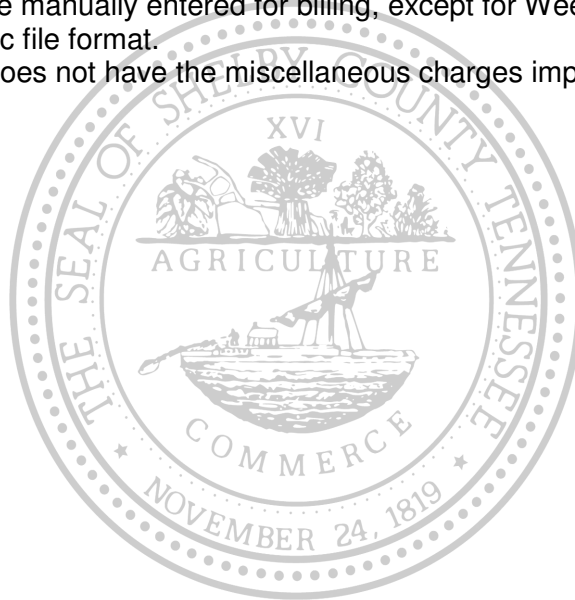
The County only goes back to the last delinquent year for allocation percentages.
 - In contrast, the City of Memphis allocates each year by the specific allocations for that tax year. If a payment is received for a 2007 tax in 2013, it is allocated based on the 2007 allocation table values. Whereas, the County would default to the most recent delinquent year to determine the allocation values.
- Special Assessments:
 - In 2011 the City created a special one-time assessment as a funding source for school payments. For this 2011 tax year, the format of the GL entries for the City “structurally changed” as a tax code and a new account had to be added to the ledgers.

2. Different Data Layouts and GL Software

- Primary Keys:
 - The City parcel data records do not have precise and separate primary keys. The City can have multiple billing transaction types recorded on the same parcel number. For example, the City could bill a Realty Tax, a Pilot tax, a CBID special assessment, and a Weeds Charge (Miscellaneous Charges) on the same parcel number, distinguished only by a bill number and a single field describing the transactional charge. Please note that the Trustee detected this discrepancy during a test data conversion when Realty and PILOT parcels failed to load due to primary key violations.
 - By contrast, the Trustee uses a hybrid parcel number and a separate class type to designate PILOT billings from their underlying Realty or Personalty parcels. Having a

unique PILOT parcel number avoids any “random” or inconsistent allocations of contract values on the underlying parcels. In the case of the CBID “special assessment”, the Trustee created a separate town code to isolate the special tax rate and tax billings.

- Parcel Identification:
 - The Trustee uses a 14 character parcel number (comprised of 5 separate fields that are zero-filled).
 - The City uses the Assessor’s 12 digit format (includes spaces).
- Refund Processing:
 - The Trustee has developed in-house software (RAS), designed to electronically build a refund packet, move it through the approval process and generate a tax refund through the Trustee’s A/R system (i.e. electronic workflow).
 - The City issues refunds from their A/P system; the City does not have ready access to check images -- they rely on the bank’s imaging system.
- Input to the GL:
 - The Trustee uses a CSV file as input into Great Plains Dynamics.
 - The City of Memphis has an Oracle based ERP system and uses a DAT file for input.
- Miscellaneous Charges:
 - All charges are manually entered for billing, except for Weeds-cutting, which is received in an electronic file format.
 - The Trustee does not have the miscellaneous charges imposed by the City.



J. MINIMUM BUSINESS REQUIREMENTS

(Must be completed)

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	Solution provides a configurable, out-of-the-box, comprehensive tax management solution that supports on-demand changes (including variable tax rates, multiple property valuations, fees, dates, calculations, allocations, new tax types, accounting methods, GL funds, etc.) for multiple taxing entities as outlined in the following specifications. The Trustee has a preference for minimal customization so that business rules can be implemented without undue delay.			
2	Solution is scalable and can accommodate 10+ taxing entities, 12 tax years per entity, multiple receivables per tax year, and multiple transactions per receivable.			
3	Vendor can convert, load, bill, and process Shelby County tax data by 3/31/2014 (including 12 yrs. transactional data). Conversion requires migration from Trustee SQL system.			
4	Vendor can convert, load, bill, and process City of Memphis data by 12/31/2014 (including 12 yrs. transactional data). Conversion requires migration from City's Informix, SQL, & Oracle databases.			
5	Vendor can attest to PCI compliance if solution incorporates credit card processing. Please note that PCI requirements apply if vendor accepts, processes, transmits, stores, or interfaces with cardholder data. Consult PCI Security Standards at www.pcisecuritystandards.org for additional information.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
6	Solution can perform with SQL 2008 R2 Enterprise Edition or SQL 2012 Enterprise, Database, & Report Servers using IIS 7.5 or higher.			
7	Application development occurs in 4 th generation languages, such as .NET Framework 3.0 or higher or JAVA 6.0 or higher.			
8	Solution can integrate efficiently with other software applications, such as RTL First, Kiosks, Website, etc. (i.e. using WEB Services or stored procedures).			
9	Solution can operate on workstations with IE 8 or higher, MS Office 2010, Windows XP or 2007, HP 3400 GHz (or higher) 4GB (or higher) RAM.			
10	Solution can provide browser-centric interfaces for end-users.			
11	Solution can provide a Document Imaging Viewer for single and multi .TIFF images stored in network directories.			
12	System complies with SAS70 and SSAE 16 auditing /attesting standards.			
13	Solution can calculate and report according to the cash method of accounting used by the Trustee.			
14	Solution can calculate and report according to the modified accrual method of accounting used by the City of Memphis (i.e. city accrues taxes but not fees, I&P, or misc. charges).			
15	Currently the Trustee uses an Excel Macro to allocate taxes and format data for Great Plains Dynamics. Will the proposed solution allocate taxes within its own software?			
16	If taxes can be allocated within the software, can the vendor integrate the allocation information with Great Plains MS Dynamics accounting			

	software used by the Trustee?			
17	If #16 is possible, can the solution generate a corresponding journal entry for review and posting?			
18	Solution can identify every transaction uniquely.			
19	System can operate in a multi-threading capacity for simultaneous functionality.			



K. SYSTEM SOFTWARE & SERVICES REQUIREMENTS

1. GENERAL REQUIREMENTS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	Solution can provide unlimited owner history.			
2	Solution can provide unlimited address history.			
3	Solution can accept a batch update to owner history using Exhibit C13.			
4	Solution can accept a batch update to address history using Exhibit B12.			
5	Solution can provide an unlimited phone number history.			
6	Solution can provide an unlimited email address history.			
7	Solution can accept multiple phone numbers per parcel ID.			
8	Solution can accept multiple email addresses per parcel ID.			
9	Solution must provide audit trails for tracking parcel splits, consolidations, transfers, and special assessments.			
10	Solution provides parcel data selection by parcel number, owner name, property location, a system account ID, etc. Please specify options.			
11	Solution provides a navigation method to allow a user to go from any screen to another screen without re-entry of the parcel ID.			
12	Solution provides for multiple owner names, legal parties, heirs, addresses, phone numbers, and email addresses for one parcel ID. Specify how relationships are identified among multiple parties.			
13	Solution provides one place for taxpayer account maintenance across multiple modules or interfaces (i.e. a change can be made in 1 place that will update multiple screens.)			
14	Solution can be configured with multiple sets of payment distribution rules (i.e. entity 1			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	may want fees paid before taxes and entity 2 may want taxes paid before fees). See Exhibit B19.			
15	Solution provides an unlimited number of flags for each receivable.			
16	Solution provides an unlimited number of flags (see Exhibit B16) that can be user defined and attached to a parcel ID and/or to specific receivables, legal parties. Etc. Please specify options.			
17	Solution provides a method to enter an effective date for interest accrual on delinquent taxes or invoices associated with misc. charges at an administrative level.			
18	Solution can accrue interest on the first of each month, an anniversary date, or a user-defined date (i.e. on delinquent taxes, after a pre-set installment period). Specify limitations.			
19	Solution allows the Trustee the ability to enter specific business rules for each flag type (i.e. prevent payment application, prevent interest accrual, etc.) See Exhibit B16.			
20	Solution can accommodate the following tax types: realty, personalty, in-lieu of tax (PILOT) & rents associated with PILOTS, public utility, CBID, and special assessments. Specify restrictions.			
21	Solution provides the ability to enter unlimited comments or remarks on a parcel, owner, receivable, or payment record. Specify restrictions.			
22	Solution must process user updates and batch uploads in real-time and make them immediately available to the system. Specify any deviations.			
23	Solution can provide an audit trail satisfactory to the Trustee for all changes made in the system.			
24	Solution must be capable of simultaneous multi-user updates for real-time processing. Specify restrictions.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
25	Solution must be capable of simultaneous batch updates. Specify restrictions.			
26	Solution will perform edit and calculation verifications on data elements during the on-line entry and update process.			
27	Solution will provide an on-line message denoting "UPDATE IN PROGRESS" to communicate changes/progress to users.			
28	Solution provides on-line user help screens, instructions, prompts, and messages to guide input.			
29	Solution provides the ability to void, reverse or cancel transactions. Please specify restrictions or time limitations associated with this feature.			
30	Solution can alert users actively or passively when prior year taxes are due (i.e. at the time of initial inquiry or at the time a payment is processed through the cashier counter). Please describe.			
31	Solution allows the printing of notices and receipts at user workstations or at designated printers.			
32	Solution affords the end user the capability to customize search criteria.			
33	Specify the standard search criteria for end users (i.e. name, property location, mailing address, parcel ID, etc.)			
34	System can generate a bill number for a parcel and/or a receivable associated with a parcel. Specify any limitations.			
35	System has the ability to write-off interest and penalties under specified conditions (user-defined) with an audit trail.			
36	System can allow unlimited owners for a single parcel.			
37	System allows the addition/edit/deletion of new fields to the database.			
38	System can provide a linking mechanism to monitor parcel number changes for splits and consolidations (parent/child relationship).			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
39	System can provide a linking mechanism to monitor parcel number changes related to annexations (i.e. county parcel annexed to a municipality). Please describe how system deals with property annexations and the integrity of parcel identification.			
40	System can add an unlimited number of miscellaneous fees to a receivable (no separate invoice). Fees may include returned check fees, title search fees, publication costs, court costs, etc.			
41	System can assign unique transaction numbers for all monetary and non-monetary transactions for control purposes.			
42	Solution can provide general query and search capability. Please describe.			
43	Solution allows phone number, and email address changes with lower level user permissions (whereas, owner and address permissions require a higher level user permission.)			
44	With regard to changes in ownership at the time of the load of a certified roll, solution can compare Trustee owner to the owner on the certified roll. If the owner differs, the solution can assume a date for the certified roll owner name of "Jan 1" (or use an actual date provided by the Assessor) and compare that date to the Trustee ownership record. If the Trustee owner date is "newer" than the date of the Certified Roll, then the owner information should not be "overwritten" at the time the Certified Roll is loaded. The solution can provide an audit trail of that comparison and the result of that comparison.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
45	<p>With regard to ongoing ownership changes as described in Exhibit C13, the solution can compare Trustee owner to the owner on the file. If the owner differs, the solution can look at the date on the Trustee ownership record vs. the date associated with the new owner update file. If the Trustee owner date is “newer” than the date of the update file, then the owner information should not be “overwritten” at the time the file is loaded. The solution can provide an audit trail of that comparison and the result of that comparison.</p>			
46	<p>With regard to changes in address at the time of the load of the Certified Roll, solution can compare Trustee owner to the owner on the Certified Roll. <i>If the owner differs</i>, the solution can assume a date for the certified roll owner name of “Jan 1” (or use an actual date provided by the Assessor) and compare that date to the Trustee ownership record. If the Trustee owner date is “newer” than the date of the Certified Roll, then the address information should not be “overwritten” at the time the Certified Roll is loaded. The solution can provide an audit trail of that comparison and the result of that comparison. <i>If the owner is the same</i>, the solution can assume a date for the certified roll owner name of “Jan 1” (or use an actual date provided by the Assessor) and compare that date to the Trustee owner/address history record. If the Trustee owner/address history date is “newer” than the date of the Certified Roll, then the address information should not be “overwritten” at the time the Certified Roll is loaded. The solution can provide an audit trail of that comparison and the result of that comparison.</p>			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
47	<p>With regard to ongoing address changes as described in Exhibit C12, solution can compare Trustee owner to the owner on the Update File. <i>If the owner differs</i>, the solution can use the date on the update file and compare that date to the Trustee owner/address history record. If the Trustee owner/address history record date is “newer” than the date of the update file, then the address information should not be “overwritten” at the time the file is loaded. The solution can provide an audit trail of that comparison and the result of that comparison. <i>If the owner is the same</i>, the solution can compare the date of the update file to the date of the Trustee owner/address history record. If the Trustee owner/address history date is “newer” than the date of the file, then the address information should not be “overwritten” at the time the file is loaded. The solution can provide an audit trail of that comparison and the result of that comparison.</p>			

2. ASSESSMENTS

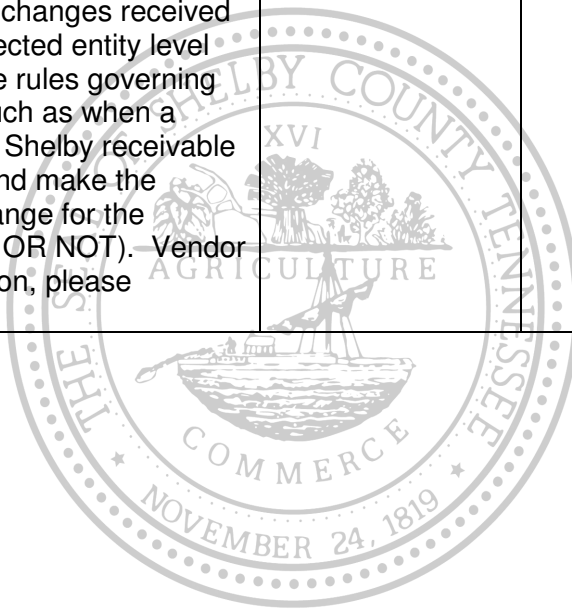
ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can automatically recalculate tax due when an assessment decrease is processed.			
2	System can automatically recalculate the 10% attorney fee when an assessment decrease is processed.			
3	System can create a refund at the receivable level after an assessment decrease is processed and a prior payment has been made wherein the total payments> the receivable adjusted balance. (Refunds may include I & P as well as fees as a result of the decrease.)			
4	System can generate an extension date for interest accrual = 60 days on an assessment increase.			
5	In #5, system can continue to accrue interest on the tax amount apart from the increase amount during the 60-day extension period.			
6	System can provide a method to automatically roll the adjusted TPSC (also called SAP by City of Memphis) tax information, including the appraisal, the assessed value, and the tax, from the prior year to the current tax year for billing & collection purposes in July of each year.			
7	System can accept a file as described in Exhibit C18 to adjust TPSC values and taxes (usually occurs in January or February of each year).			
8	System can generate a report or file related to #8 above to identify changes in value and tax as well as those receivables that no longer have a TPSC assessment.			
9	System should automatically create a new parcel record and load the receivable for TPSC parcels that are new.			
10	System can provide a batch billing specific to TPSC receivables based on the process described in #7, #8, and #10 above.			
11	System can load and balance Assessor Yearly Certified Roll using Exhibit C4 to			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	create county receivables for a given parcel.			
12	System can load and balance Assessor Yearly Certified Roll using Exhibit C4 to create municipal receivables for a given parcel (i.e. the Trustee gets 1 file from the Assessor and creates 2 receivables –1 for the county & 1 for the municipality).			
13	System can process Assessment Changes and subsequent tax changes via manual input based on Exhibits E1 and E2.			
14	System can provide proper validation controls and process Assessment Changes via file upload based on Exhibit C2 (System should have the ability to change all fields in that exhibit).			
15	System can reflect the source of an Assessment or Tax Change in the Transaction Record (i.e. Assessor, BOE, Tax Freeze, etc.)			
16	System can update the market appraisal, the assessment value, the adjustment date, the adjustment type, and recalculate the amount due for a receivable.			
17	System can generate tax notices for Assessment Increases as shown on Exhibit 24.			
18	System can generate tax notices for Assessment Decreases as shown on Exhibit D25.			
19	System can generate tax notices in batch after upload of Exhibit C2 with a user-defined message regarding the assessment change.			
20	If a receivable is flagged for BOE and an assessment is received from the State or County Board of Equalization, the system can reduce the previous certified assessment of a property where taxes have already been paid and calculate taxes and interest due to the taxpayer (if any) on the value received from the Board of Equalization.			
21	Please describe how the solution tracks the progress of appeals (if any).			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
22	Solution can allow user defined interest rates for BOE (at an administrative level) for receivables flagged BOE so as to comply with state statutes for reduced interest pending an appeal.			
23	The system can designate a "class code" for a parcel to identify it as having "greenbelt" land.			
24	For a parcel identified with a class code of "greenbelt", the System can store both market and greenbelt appraisals and assessments.			
25	For parcels located in a "greenbelt", the System can reflect changes made to greenbelt appraisals and assessments without impacting the market appraisals or assessments.			
26	For parcels located in a "greenbelt", the System can reflect changes made to market appraisals and assessments without impacting the greenbelt appraisals or assessments.			
27	For parcels located in a "greenbelt", the System can reflect changes made to market appraisals and assessments without impacting the taxes due based on greenbelt assessments.			
28	The system can accommodate other user-defined class codes of parcels based on land use (i.e. residential, commercial, multi-use, industrial, forest land, open space, agricultural).			
30	The system can accommodate changes in class codes for land use (i.e. parcel with greenbelt land later becomes a parcel classified as commercial property).			
31	If the Assessor notifies the Trustee of a change in land use as described in #30, the System can allow the user to create a transaction for the new assessment and the "rollback taxes" to reclaim the amount of taxes saved for the 3 preceding years on agricultural or forest land and the preceding 5 years on open space land. Please specify how the solution identifies a			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	"rollback" tax.			
32	The system can direct the rollback tax to the person who received the benefit of the Greenbelt status (i.e. the prior owner and other legal parties as identified as being liable for the tax).			
33	First, for parcels classified as a CBID tax type by the City of Memphis, the system can receive manual or electronic data each year in May from the Downtown Memphis Commission, <i>formerly known as the Center City Commission</i> (see Exhibit C27) to create a unique tax receivable on a realty parcel using the standard Shelby County appraisal and assessed value. Second, the solution can compare the CBID assessed value in Exhibit 27 to the value to the Shelby County assessed value and produce a report of any differences not equal to \$10,000 for review and reconciliation. Third, once reconciled, the system can create a tax adjustment transaction for any assessed value differences. Please describe alternate solutions if available.			
34	Please describe how the solution can balance Assessment Changes and Tax Changes by Parcel, Parcel Classification, by Year and Class, Increase & Decrease, automated changes, manual changes (i.e. resolutions, Tax Freeze, corrections, PILOT, etc.) to the original source documents or files.			
35	Solution can provide an administrative function that allows the Trustee to govern simultaneous changes in value between county and municipal receivables for manual processing (i.e. a change in value on a Shelby county receivable for Millington would automatically change the value on Millington city receivable). Vendor may have another solution, please describe.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
36	Solution can provide an administrative function that allows the Trustee to make separate changes in value between county and municipal receivables for manual processing (i.e. a change in the value of a Shelby County receivable in Bartlett should not automatically change the value on a Bartlett city receivable). Vendor may have another solution, please describe.			
37	Solution can provide automated processing of electronic changes received via Exhibit C2 at the selected entity level (i.e. User can specify the rules governing changes for 2 entities such as when a change is received for a Shelby receivable in Arlington, go ahead and make the corresponding value change for the Arlington city receivable OR NOT). Vendor may have another solution, please describe.			



3. BILLING & NOTIFICATIONS - GENERAL

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can print a tax bill in a user-defined format (see Exhibits D10-D25).			
2	System can produce a notice from any screen upon demand.			
3	System can produce notices for multiple bill types.			
4	System can produce a notice from any screen upon demand with minimal keystrokes.			
5	System can produce a notice for all receivables on a parcel or 1 receivable on a parcel.			
6	System can print multiple receivables for 1 parcel on 1 notice (i.e. Shelby County & City of Memphis) where due dates are the same.			
7	System can associate and print CBID, and Misc. Charges for 1 City of Memphis parcel. Please explain how the solution can accommodate different due dates on 1 tax bill.			
8	System has the ability not to create bills less than a user-defined amount (i.e. \$1).			
9	System can automatically create a new tax bill with a change in assessment value or classification.			
10	System can automatically create a new tax bill when change in address or a change in ownership occurs on parcels with balances due.			
11	System can project interest, penalties, and fees and print on tax bills. Specify any limitations on future timeframes.			
12	System provides a mechanism to show interest, penalties and fees from prior periods on tax bills.			
13	System can print, store, and re-use variable length and special character messages for a tax bill. Please specify how the system will allow the user to retain an unlimited number of messages easily for reuse within the application.			
14	System can print an OCR-A scan line that			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	can be read by mail extraction and/or remittance processing software.			
15	System can provide other identifying information (i.e. smart codes) on the bill to expedite payment processing.			
16	System can provide a bill with a 2D barcode and/or an Intelligent Mail Barcode that contains identifiable information.			
17	System can provide an EXCEL or ACCESS file for an outside vendor to perform bill production.			
18	System can generate multiple-page bills and create consolidated bills if the owner has multiple properties.			
19	System can print a message on the first page, if a bill includes multiple pages.			
20	System can generate sample bills for review pertaining to each type of bill prior to production.			
21	System can print applications for Senior Programs as described on Exhibits A2-A6.			
22	System uses address abbreviations that comply with US Postal standards.			
23	System can produce user-defined letters as described in Exhibits D26-D46.			
24	System can generate multi-page letters.			
25	System can produce bills in batch.			
26	System can produce letters in batch.			
27	System can manage, deploy and print notices/letters/forms on a large scale to network printers.			
28	System allows the management of large scale printing by user-defined criteria (i.e. zip codes, target zones, messages, delinquent, etc.).			
29	System has a method of tracking mailings to a particular parcel or receivable. Please describe.			
30	System has the ability to "save" images of the actual notices or letters that have been printed in batch for future reference.			
31	System can generate a new tax bill automatically for splits and consolidations.			
32	Solution can show tax allocation grids on			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	<p>notices along with prior year tax allocation grids so that taxpayers can see the difference in allocations from year to year.</p> <p>Note: Rounding on tax allocations should be user-defined at the muni level up to four digits.</p>			
33	Solution has the ability to uniquely identify receivables such as multi-part primary key (parcel number, town code, year, tax zone, tax type, and service center) when printing tax bills. If solution provides another method, please specify.			
34	Solution can assign, save, and print a certified mail number from the Post Office as well as TRD # from the Court on a tax notice.			
35	Solution provides a real-time address scrub for address changes to ensure acceptance by the US Post Office.			
36	Solution provides adequate field size for international address information and phone numbers.			

4. BILLING & NOTIFICATIONS - ELECTRONIC

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	The proposed solution can offer paperless billing for taxpayers.			
2	If not, the proposed solution uses third-party resources (i.e. Fiserv) to offer paperless billing for taxpayers. Please specify third-party partners.			
3	The proposed solution incorporates the use of Business Intelligence or some other mechanism to analyze electronic payment trends and customer behaviors within the Memphis/Shelby County area. Please specify sources of information.			
4	The proposed solution affords the Trustee an opportunity to target electronic promotional materials for Senior Programs, Financial Literacy, Delinquent taxes, etc.			
5	The proposed solution can boost self-service options for taxpayers via e-billing over the web, IVR, phone apps, or kiosk. Please describe.			
6	The proposed solution can interface with other distribution channels such as banks, financial institutions, Memphis Light Gas & Water, etc. for the distribution of e-billing and e-payments.			
7	Please describe how the Trustee might market the solution's e-billing options to provide a multi-prong billing & collection opportunity to the taxpayers in Shelby County.			
8	Does the solution require a taxpayer to be "enrolled" to receive e-bills or receipts? If so, please describe the enrollment process.			
9	Does the solution require that a taxpayer adopt an e-billing solution <u>and</u> suppress the paper billing option?			
10	Once a taxpayer is on-boarded for an e-billing solution, please specify the type of information stored to help the Trustee target future notifications.			
11	The proposed solution can present an			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	electronic bill to the taxpayer similar to the bills described in Exhibits D10 – D25.			
12	The proposed solution can generate electronic receipts similar to the receipts described in Exhibits D6 – D9			
13	The proposed solution can generate both paper and electronic bills to taxpayers for a multi-prong distribution approach.			
14	The solution can send e-bills to email addresses, smart phones, tablets, etc. in a format that they can be easily read and stored. Please specify any restrictions.			
15	The solution can send electronic receipts of payment transactions to email addresses.			
16	The solution can send an electronic notification for refund issuance and give the taxpayer an option for an electronic deposit instead of a paper check.			
17	Electronic billing information can be stored in the system in such a way as to alert users of taxpayer preferences.			
18	Please describe how the system alerts the Trustee of erroneous contact information.			
19	If electronic billing or notifications cannot be delivered electronically, what measures are in place to ensure the delivery of taxpayer information in the form of paper or some other media?			
20	Does the electronic solution require that a taxpayer updates contact information? If so, how and when?			
21	Does the solution keep an unlimited history of electronic billing attempts, changes, etc.? Please describe.			
22	Does the solution provide confirmation that billing via email or phone has been received? Please describe.			

5. CALCULATIONS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can calculate property taxes for each tax year based on an assessment/100 *property tax rate (rate varies by taxing entity from year to year).			
2	System can re-calculate interest and penalty due on a receivable if an assessment decrease is processed after the delinquency date with 0 payments, 1 payment, or multiple payments with interest and fees being properly layered. Please describe.			
3	System will allow the user to define tax rates each year for each taxing entity at an administrative level.			
4	System can automatically "age" receivables on a routine basis based on user-defined criteria (i.e. first day of each month, on an anniversary date, 60 days from extension date, etc.) Please specify any restrictions.			
5	System can project interest and penalty calculations for the next future month.			
6	System can project interest and penalty calculations for three future months.			
7	System can project fee calculations for the next future month.			
8	System can project fee calculations for the next three future months.			
9	System can vary interest and penalty percentages for various types of receivables (i.e. CBID accounts accrue 1% interest & 1% penalty whereas Real Estate, Personal Property, In Lieu Of, and TPSC accrue interest at 1% and penalty at .5%).			
10	System can allow a flat fee penalty for various types of receivables (i.e. Anti-Neglect misc. fees accrue a daily penalty of \$10 in some instances). Can the user-define the period of flat fee accrual (i.e. start and stop date, till balance is paid in full, etc.)?			
11	System can vary interest and penalty amounts/percentages for receivables associated with the same parcel number (i.e.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	Misc. Fees are attached to a realty parcel and age separately from the realty receivable for a given year). Specify any restrictions.			
12	System can perform calculations to compute discounts on current year taxes. Discounts can be computed and applied as "paid-in-full" payment transactions based on the month taxes are paid; different discount percentages are designated for each month in the discount period.			
13	System can calculate 10% attorney fees = 10% * base tax due at the time of calculation for a receivable flagged for lawsuit.			
14	If an assessment change is received to lower taxes in item #13 above, the system can re-compute the amount of attorney fees due.			
15	System can add user-defined court costs and service costs to receivables that have been flagged for lawsuit.			
16	System can generate a unique bill number for each receivable.			
17	System can generate a unique account number for each parcel.			
18	System can calculate check digits for scan lines on tax bills (see Exhibit B4).			
19	System can calculate check digits on certain segments of the OCR (i.e. bill number and total scan line).			
20	System can calculate the amount of each monthly payment in a payment plan based on a down payment and user input of total amount due and the number of months to pay.			
21	System can calculate future interest and penalty for the balances due each month on the payment plan.			
22	System can calculate an amortization schedule for bankruptcy receivables based on user-defined criteria. Specify restrictions.			
23	System can calculate an amortization schedule for PILOT receivables based on user-defined criteria. Specify restrictions.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
24	System can re-compute taxes, discounts, interest and penalty, and attorney's fees after an assessment change or other adjusting transaction has been made.			
25	System can perform calculations associated with partial payment transactions.			
26	System can track original tax and adjusted tax for each receivable.			
27	System can calculate quarterly payments with or without the deduction for a Tax Relief credit from the State of TN.			
28	System can calculate quarterly payments with or without the deductions for Tax Relief credits from the State of TN and the City of Memphis.			
29	System can identify receivables flagged as "Deferred Tax" and suspend interest accrual for an un-determined amount of time.			
30	System can identify receivables classified as ACV or DV and use a pre-determined Tax Relief credit amount to calculate the tax due as follows: Base Tax –ACV amount = Balance Due.			
31	System can alert a cashier when a payment of Base Tax – ACV is more than the Balance Due (i.e. application of the Credit Voucher creates a refund).			
32	System can perform calculations consistent with the present level of functionality as described throughout the RFP.			
33	System can calculate a return check fee in accordance with Exhibit B12.			
34	System can calculate both current taxes and frozen taxes for a receivable identified for Tax Freeze approval (approval is based on the application submitted in the prior tax year).			
35	System can calculate Tax Freeze Savings for display on notices as follows: Tax Freeze Savings = Current Tax – Billable Frozen Tax			
36	System can calculate and store the Billable Frozen Tax for a Tax Freeze receivable.			
37	System can determine the annual Tax Freeze benefit for a receivable by comparing			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	the actual taxes due to the frozen base tax amount calculation and adjusting taxes accordingly (i.e. Taxes for 2013 = \$1,000 and the Tax Freeze Frozen Amount = \$800.00, then the system can make a \$200.00 tax decrease to reflect the benefit of the program.)			
38	System can calculate a Tax Freeze benefit for a receivable based on the eligible assessment portion of the property as identified on Exhibit C17 (Annual Tax Freeze File from the Assessor).			
39	System can calculate Total Tax Due for a Tax Freeze receivable by calculating the Tax Freeze benefit on the eligible portion of the property + the tax due on the ineligible portion of the property.			
40	For #37 above, the solution must be able to process future assessment adjustments (up or down) and calculate taxes due.			
41	For misc. charges, system will allow the user to define the grace period for adding interest (i.e. 30 days, 60 days, 1 st of the month, anniversary date, 30 days after 60 days from an invoice date).			
42	The system will allow the input of multiple interest rates for calculating interest on receivables with a BOE refund (i.e. The City of Memphis rate would be determined on September 1 of each year while all other taxing entities would have a rate determined on March 1 of each year).			
43	For refunds resulting from a decision by the Board of Equalization where taxes have already been paid on a receivable flagged as BOE, the system can pay interest at 2% below the composite prime rate as published by the Federal Reserve Board as of the delinquency date on any excess taxes paid. The calculation of interest paid for BOE interest refunds should begin with the delinquency date and continue till the date of check issuance.			
44	System can reduce or suspend interest accrual on receivables flagged as BOE			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	based on a user-defined condition (i.e. if a payment is received = the prior year tax due). Vendor can specify options for ensuring BOE recipients receive reduced interest.			
45	System can resume the original interest accrual on receivables flagged as BOE 30 days after the decision from the BOE until the time the tax is paid.			
46	For commercial receivables classified with a CBID tax type, assessments are calculated at .0065 of the assessed value – the first \$25,000 of appraised value. The proposed system can calculate taxes for the City of Memphis based on information (manual or electronic) from the Downtown Memphis Commission <i>formerly known as the Center City Commission</i> ; the assessment values to be used in the calculation of taxes are included in the information provided by the Downtown Memphis Commission.			
47	Solution can calculate and store total incomes for Tax Relief and Tax Freeze applicants.			
48	Solution can provide a method to verify calculated interest, re-calculated interest, bankruptcy interest, BOE interest. Please specify restrictions.			
49	Solution can calculate and track Trustee commissions to be retained for taxing entities, courts, or other agencies.			
50	Solution can calculate bankruptcy interest based on variable interest rates (user defined).			
51	Solution can “roll” tax, I & P, fees, and misc. charges from the ending of the month to the beginning of the next and store the values so that backdating of transactions does not affect the generation of historical reports.			
52	Solution will allow the calculation of interest using simple interest.			
53	Solution will allow the calculation of interest using periodic interest that requires a periodic frequency and a periodic rate.			
54	Solution can allow the calculation of compounded interest.			

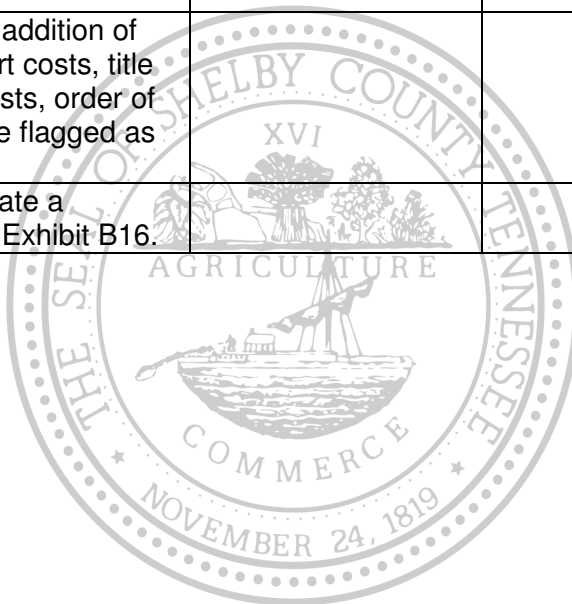
ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
55	Solution can compound interest nightly or a user-defined frequency (i.e. monthly).			



6. FLAGS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can provide flagging alerts to users (i.e. delinquent taxes, tax relief, bankruptcy, etc.) Please describe.			
2	System can furnish users with the capability to update flags.			
3	System can provide flags on a parcel level.			
4	System can provide flags on a receivable level.			
5	System can use flags to prohibit or modify the accrual of interest and penalty on a receivable.			
6	System can provide multiple flagging capabilities to flag multiple parcels or receivables at one time.			
7	System can provide a file upload flagging capability in order flag multiple parcels or receivables at one time.			
8	System can provide unflagging capability in order to un-flag multiple parcels or receivables at one time.			
9	System can provide a file upload unflagging capability in order un-flag multiple parcels or receivables at one time.			
10	System can display a status of "Update complete" once a receivable has been flagged or un-flagged.			
11	System can display all flags associated with a parcel or receivable upon a successful user-defined search.			
12	For every flag change, the system can record the change, the date of the change, the time of the change, and the user who made the change.			
13	The system can provide an unlimited flagging/unflagging history for a parcel or a receivable.			
14	The system will not remove flagging history once a receivable is un-flagged.			
15	System can automatically remove a			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	user-defined flag whenever a receivable = 0.			
16	System can accommodate an unlimited number of flags including those describe on Exhibit B16.			
17	The system can alert users concerning the removal of a BOE flag based on assessment change with a reason code = BOE.			
18	System can restrict payment processing on a receivable based on a user defined flag.			
19	System can prevent the addition of delinquent fees (i.e. court costs, title searches, publication costs, order of sale, etc.) to a receivable flagged as bankruptcy.			
20	Solution can accommodate a hierarchy of flags – See Exhibit B16.			



7. GENERAL LEDGER INTERFACE

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	Solution provides interface to the Trustee General Ledger using the Trustee Chart of Accounts—Exhibit B28-- to record transaction activities for tax entities not related to the City of Memphis.			
2	Solution provides interface to the City of Memphis General Ledger using the City of Memphis Chart of Accounts to record transaction activities (see Exhibits B20, B21, B22, and B27).			
3	Solution can load tax allocations by year for taxing entities.			
4	Solution can load tax allocations out to 4 decimal places (not just 2) for multiple taxing entities. Taxing entities will have a preference between 4 or 2 decimal places.			
5	Solution can reflect a one-time unique tax allocation in addition to the normal tax allocation rate (i.e. such a school bond tax allocation rate).			
6	Solution can create a daily repository (or record) of all cash receipts, payment cancellations, and payment allocations (i.e. Tax Master – see Exhibit H18 and Diagrams A6, B10, and C4),			
7	Solution has the ability to interface with Accounts Payable for the posting of refund related transactions with an interface back to the tax software with related check number information			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	and cleared date.			
8	Solution has the ability to process a write-off as a non-cash item for a City of Memphis receivable where the City of Memphis has "matched" the State of TN Tax Relief benefit.			
9	Solution has the ability to correct transaction errors before posting to the General Ledger.			
10	Solution can provide a user-friendly interface to create new account numbers and new journal entries.			
11	Solution can isolate different revenue streams attached to the same receivable to assist with reporting for factored receivables.			
12	Solution offers forecasting models for budget and revenue based on user-defined criteria.			
13	Solution provides the ability to track Tax Relief payment activities and reimbursements in a sub-ledger for the Trustee.			
14	Solution provides the ability to track Tax Relief payment activities and reimbursements in a sub-ledger for the City of Memphis and other municipalities.			
15	Solution provides a method of Cash reconciliation between the Cash Ledger and Bank Deposits with breakdowns by taxing entity and payment type (i.e. cash, non-cash, check, credit card, voucher, etc.).			
16	Solution provides the ability			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	to issue a refund check for a receivable or a group of receivables paid by the same payee.			
17	Solution can allocate based on a status of current, current-delinquent, and delinquent using only prior year tax allocations for the Trustee.			
18	Solution can allocate based on a status of current, current-delinquent, and delinquent using all prior year tax allocations percentages for the City of Memphis.			
19	Solution can accommodate the reallocation of school revenue based on a user-defined average daily attendance rate and a user-defined period per taxing entity.			
20	Solution can create a single journal entry for CBID collections – all entries go to 1 fund, a stand-alone fund for development.			
21	Solution can process, track and report on receivables that have been factored.			
22	Solution can journalize the receipt of the original sale of the receivables and the corresponding establishment of a liability to the factoring agent. Payments by taxpayers are journalized as an offset to the factored revenue liability account.			
23	Solution can journalize the receipt of misc. charges in accordance with Exhibit B26.			
24	Solution can incorporate the use of service centers for			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	misc. charges for journal entries and reports (i.e. reports of revenue for the City of Memphis Code Enforcement department).			
25	Solution can disburse and journalize taxes and fees at an entity and year level as needed (i.e. court commissions from the City are paid from attorney fees vs. the County nets court commissions from tax).			
26	For factored receivables, the solution can segregate interest due at the time of bankruptcy while making the appropriate journal entries as required by the factoring agent, then make a separate and unique journal entry for interest earned after the bankruptcy filing date to be retained by the City of Memphis.			
27	Solution can allocate non-property tax revenue (i.e. adm. Receipts from various county & state offices with revenue for the county's general fund or other funds).			
28	Solution can provide a unique code to reflect the write-offs associated with small over & short balances.			
29	Currently, the Trustee creates 2 transactions when cancelling a payment – the cancel and the subsequent refund. This approach presents a problem in making journal entries because it results in double-counting the transaction (i.e. refund & cancel). Please describe how the solution would allow the Trustee to			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	avoid the double-counting of "cancel pay, create a refund" activities.			



8. INTEGRATIONS

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
	CR Software (Collections):			
1	What: System can provide “near real-time integration” (i.e. every 5 minutes) from Titanium Ore – the Trustee Collection software—to the solution proposed in this RFP. Integration includes the addition of Remarks or Notes from TORE to the primary AR system.			
2	What: System can also provide “near real-time integration from the solution proposed in the RFP to Titanium Ore (i.e. appending, updating, and deleting data such as payments, flags, notes, owner changes, address changes, bank account information). Solution can provide reconciling reports between the systems. See Exhibit B5 and G1.			
3	Current Trustee Method: SSIS packages, .bat files			
4	Frequency: Updates for remarks is every 5 minutes. Updates for other types of data occur nightly.			
5	Language: SQL and VB.NET			
6	Interruptions: Solution can alert Trustee regarding failed updates between the two systems. Please describe.			
7	Reconcilement: Please specify methods to ensure data integrity & balancing between the systems.			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
	<u>GIS</u>			
8	What: Solution can link to ESRI products to display geographical information for the parcel. Note: Other county offices may use ESRI products and parcel formats may vary from Trustee.			
9	Method: Web Services			
10	Frequency: Real-time			
11	Language: VB.NET			
	Interruptions: Not Applicable			
	<u>General Ledger (Trustee)</u>			
12	What: System can provide integration" from the proposed solution to Great Plains MS Dynamics v.10 accounting software.			
13	Method: CSV file described in Exhibit C20. Nightly Jobs as described in Exhibit F2 and G1.			
14	Frequency: Nightly			
15	Language: SQL			
16	Interruptions: Solution can alert Trustee regarding failed updates between the two systems. Please describe.			
17	Reconciliation: Please specify methods to ensure data integrity & balancing between the systems			
	<u>General Ledger (City of Memphis)</u>			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
18	What: System can provide integration” from the proposed solution to the City of Memphis General Ledger accounting software.			
19	Method: SSIS package to create two Flat files (.DAT) and ftp to City of Memphis – See Exhibits C28-C29.			
20	Frequency: Nightly			
21	Language: SQL			
22	Interruptions: Solution can alert Trustee regarding failed updates between the two systems. Please describe.			
23	Reconciliation: Please specify methods to ensure data integrity & balancing between the systems			
	KIOSK			
24	What: Solution can provide for integration between the Kiosk application, the software proposed in this RFP, and Elavon as the Trustee Credit Card Processor.			
25	Method: Web Services			
26	Frequency: On-line, real-time			
27	Language: WPF (C#)/Silverlight, SQL			
28	Interruptions: Solution can generate a report of failed updates. Please describe.			
29	Reconciliation: Please specify methods to ensure data integrity			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
	& balancing between the systems.			
	Chandler			
30	What: Solution can receive a file from Chandler reports as described in Exhibit C13 and update the proposed software solution with ownership changes			
31	Method: electronic file transfer			
32	Frequency: Weekly			
33	Language: EXCEL			
34	Interruptions: Solution can notify user of failed update.			
35	Reconciliation: Please specify methods to ensure data integrity & balancing between the systems.			
	Digital Imaging & Document Management			
36	What #1: Solution can save image pointers for documents not associated with a property receivable and provide an interface for viewing images by document type and the index information described in in Appendix C.			
37	Method: Ascent Capture Software inserts pointers directly into a SQL table (currently).			
38	What #2: Solution can save image pointers for documents associated with a receivable (non-payment related) and provide an interface for viewing images linked to a particular			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
	receivable. See documentation in Exhibit B7 for current upload processes.			
39	Method: Ascent Capture Software inserts pointers directly into a SQL table (currently). In addition, the Trustee uses an .oxi file (XML format – see Exhibit C24) from the Opex Software to upload image pointers to specific receivables. Further, as these pointers are detected, other fields are also updated to alert users of document receipt (i.e. the process updates fields such as “date received” and/or the amounts for Tax Relief).			
40	What #3: Solution can store pointers to specific receivables for PDF images generated from the Trustee website.			
41	Method: Solution can save a PDF generated from an interactive website application (see Exhibits A2, A3, and A5) to the Trustee network and utilize the data from the interactive input process to update tables and alert users of the receipt of the website documents.			
42	What #4: Solution can save pointers for digital certified mail signatures (see Exhibit C48) to specific receivables as uploaded via Ascent Capture.			
43	Method: Solution can place pointers for these images in accordance with #1 above.			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
44	Frequency: Repetitive batch uploads during the day for the Ascent Capture and Opex processes. Images from the Website occur on a real-time basis.			
45	Language: SQL, XML, PDF			
46	Interruptions: Solution can generate a report of failed updates. Please describe.			
47	Reconciliation: Please specify methods to ensure data integrity & balancing between the systems			
48	Other: Please describe how the proposed solution could integrate with Hyland OnBase for electronic content storage and management. Include previous experience with this product or products of a similar nature.			
	<u>Address Scrubbing Software</u>			
49	What: Please specify if the software solution provides address verification or “clean up” software to ensure mailing accuracy and postal discounts.			
50	Method: Please describe detection and correction processes. Indicate user options for review prior to upload.			
51	Frequency: Please describe if the process can be triggered according to user-defined criteria or if the process runs automatically.			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
	Language: N/A			
52	Interruptions: Please describe how the Trustee will be alerted to changes and software failures associated with this process.			
	<u>Civic Plus/Trustee Website</u>			
53	What: Solution can interact with the database to validate and update data (in the database) associated with the following processes: Parcel & Receivable Balance Inquiries Receipt & Notice Production Electronic Form Input (i.e. Applications) Tax Sale Schedules Tax Sale Property Listings			
54	Method: Web Services			
55	Frequency: On-line, Real-Time			
56	Language: VB.NET and SQL			
57	Interruptions: Solution can generate a report or an alert of failed updates or transactions. Please describe.			
	<u>RTL Payment Processing Software</u>			
58	What #1: Solution can accept payments files as described in Exhibit C14 and upload to the database.			
59	What #2: Solution can interface with RTL Quick Clear API to verify Image Quality during the cashier process for checks; the API provides the tax software			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
	with a Pass or Fail Indicator.			
60	Method: API for Cashiering, DBL Stored Procedures as described in Exhibit G2.			
61	Frequency: Batch Uploads throughout the day + Online, real-time verifications from the cashiers.			
	Language: N/A			
62	Interruptions: In the event an error occurs during the upload of RTL batches from the network folder, the system can support the capability to restart the upload without duplicating or omitting information.			
63	Other: Solution can detect and prevent the duplication of batches loaded into the software. Please specify any restrictions.			
64	Reconciliation: Please specify methods to ensure data integrity & balancing between the systems			
	<u>RAS Refund Automation Software</u>			
65	What: If the solution does not provide workflow automation for refund processing, it can integrate with the Trustee RAS software for expedited processing (see Exhibit B3).			
66	Method: With the designation of a particular "user", the proposed solution can allow the update/deletion/selection and insertion of data into database tables.			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
67	Frequency: On-line, real-time			
68	Language: SQL, C#.NET/Silverlight			
69	Interruptions: Solution can generate a report or an alert of failed updates or transactions. Please describe.			
70	Reconciliation: Please specify methods to ensure data integrity & balancing between the systems			
	Nightly Jobs			
71	What: Solution can provide detailed transactional and financial data as produced by the nightly/monthly jobs in Exhibit G1 (if needed).			
72	Method: Scheduled Stored Procedures – see Exhibit F2			
73	Frequency: Daily, Monthly			
74	Language: SQL			
75	Interruptions: Solution can generate a report or an alert of failed updates or transactions. Please describe.			
	BOE (Board of Equalization)			
76	What: Solution can accept a file from the BOE for future integration purposes containing appeals that have been filed by parcel number and tax year, the date of each filing, the date of each settlement, and the status of each appeal (increase, decrease, no change, etc.).			
77	Method: File would be used to			

ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
	ensure integrity of BOE flags and the accuracy of interest accrued and paid.			
78	Frequency: Ongoing activity			
79	Language: Text file – Format pending			
80	Interruptions: Solution can generate a report or an alert of failed updates or transactions. Please describe.			
81	Reconciliation: Please specify methods to ensure data integrity & balancing between the systems			
	Tax Freeze Software			
82	What: If the solution does not provide workflow automation for Tax Freeze, it can integrate with the Trustee TF software for initial load of TF benefits and provide for efficient application approval processes on an annual basis (see Exhibit B8).			
83	Method: With the designation of a particular “user”, the proposed solution would allow the update/delete/select/and insert to database tables.			
84	Frequency: On-line, real-time			
85	Language: C#.NET, SQL			
86	Interruptions: Solution can generate a report or an alert of failed updates or transactions. Please describe.			
	New Treasury Management Software			

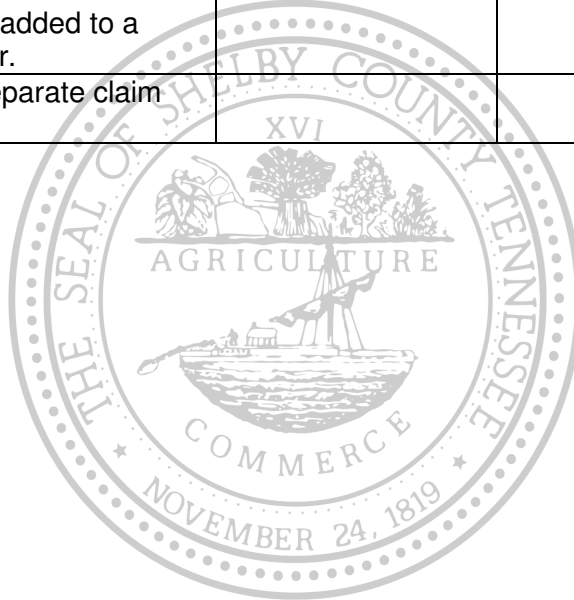
ID	Description of Existing Integrations for the Trustee	Vendor Response: Describe how the proposed solution could integrate with or provide for the exchange of data required by the Trustee. Note: Alternate solutions may be proposed & solutions may be inherent to the software being proposed--please specify.	Vendor Requirements: Time Required to Design, Configure, Test, Implement & Verify Proposed Solution, Vendor Resources Required, Trustee Resources Required, Etc.	Additional Costs
87	What: Solution can provide daily cash receipts based on payment activities to be used in cash forecasting for various taxing entities; this is a future integration to assist the Trustee in wiring money to the City of Memphis on a daily basis based on prior day cash receipts.			
88	Method: text file, CSV, Excel, etc.			
89	Frequency: daily			
90	Language: SQL			
91	Interruptions: Solution can generate a report or an alert of failed updates or transactions. Please describe.			

9. LEGAL - BANKRUPTCY

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System has the capability to identify receivables that are under Bankruptcy protection.			
2	System has the capability to identify receivables by bankruptcy type.			
3	System can identify bankruptcy receivables by types: 7, 11, or 13.			
4	System can group bankruptcy receivables by owner name.			
5	System allows for a bankruptcy case number established by the court to be assigned to multiple receivables.			
6	System allows a user to query using the bankruptcy case number.			
7	System allows flagging of multiple bankruptcy receivables in 1 session. Please specify limitations.			
8	System can adjust interest accrual on a bankruptcy receivable to a variable rate using a bankruptcy flag and the date of the bankruptcy filing.			
9	System can maintain previous interest accrual of 1.5% on the receivable prior to the addition of the bankruptcy flag.			
10	System can resume interest accrual at 1.5% after a bankruptcy flag has been removed.			
11	System can track the responsible Trustee attorney by name with contact information for each bankruptcy receivable.			
12	Attorney names and contact information can be selected from a menu to avoid repetitive manual entry.			
13	For each bankruptcy receivable, System allows the input of a meeting date for creditors.			
14	For each bankruptcy receivable, Systems allows tracking of credit meetings attended.			
15	System can allow user to select and print the 4 types of consent orders listed in Exhibit D1.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
16	System can display owner information for each bankruptcy receivable in the bankruptcy module and designate the responsible party filing for bankruptcy protection.			
17	System can generate ad hoc forms (such as a coversheet for document imaging, a fax coversheet, or an amendment to a proof of claim) within the bankruptcy module.			
18	System can generate productivity reports showing the number of cases filed, the number of parcels affected, the number of payments collected, and the \$ amount of payments collected within a user-defined date range.			
19	Report in #18 can be generated upon demand.			
20	System can generate an audit trail for each bankruptcy change (i.e. flagging, unflagging, etc.).			
21	If a receivable is flagged, the System can automatically reflect the court filing date, the case number, the flag date, and the person who set the flag.			
22	If a receivable is un-flagged, the System can automatically reflect the date of unflagging, the reason for unflagging, and the person who did the unflagging.			
23	If a receivable is flagged for bankruptcy, then the system can automatically un-flag the receivable for Tax Sale. Please specify if the solution can send an email alert to a particular user.			
24	If necessary, the system can automatically make a pre-set note of instruction regarding any future actions needed for the receivable.			
25	System can create an amortization schedule for expected bankruptcy payments to match the court documents.			
26	System can monitor adherence to amortization schedule.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
27	System provides a method of creating and storing user-defined forms. Templates should allow the user to save the form to the particular receivable.			
28	System can reflect that an image of a bankruptcy document exists using image doc type = CORR_BKPT.			
29	System can prevent lawsuit flags and delinquent fees on receivables flagged for bankruptcy.			
30	Solution allows for additional receivables to be easily added to a bankruptcy case number.			
31	Solution can create a separate claim for each parcel.			



10. LEGAL - LAWSUIT

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can identify receivables for lawsuit with a lawsuit flag – See Exhibit B16.			
2	System can flag receivables for lawsuit via an electronic file – See Exhibit C21.			
3	System can calculate a 10% attorney fee on receivables flagged for lawsuit.			
4	System can add preset fees such as \$44 court costs and \$20 service costs to receivables flagged for lawsuit.			
5	System allows the user to determine the type of fees to be added to a lawsuit (i.e. court costs, service costs, etc.).			
6	System allows the user to set the fee amount based as a flat fee, a %, or a calculation for a particular fee type.			
7	Systems allows for lawsuits to be segregated by tax type.			
8	System allows for a parcel with two (or more) town code receivables (county & municipality) to incur two separate sets of lawsuit fees.			
9	System can generate a listing and a file of all receivables included in a particular lawsuit.			
10	System can identify lawsuit receivables with a court indicator – Chancery or Circuit—that shows the particular court where a lawsuit was filed.			
11	Solution can identify lawsuit-eligible receivables based on the tax year, tax type, flag conditions, and amount due.			
12	Solution can assign a static TRD# for every receivable in a lawsuit as well as an incremental exhibit number.			
13	Solution can assign, save, and print a certified mail number that meets postal specifications in order to create a legal notification to the taxpayer (i.e. tax notice).			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
14	Solution can link the certified mail number assigned by the Post Office to a receivable.			
15	Solution can create custom templates for court filings & mailings in summary and in detail related to a lawsuit based upon user-defined criteria (i.e. pre-defined messages. Exhibit book for default judgment).			
16	Solution should allow the end user to flag the receivable as being served or not served based upon the certified mail response. Please describe.			
17	Solution can store and utilize dates, location, court name, judge, and other relevant information associated with legal action.			
18	Solution can provide lawsuit tickler system to alert users of legal timelines.			
19	Solution can provide a history of lawsuit activity for 12 years.			
20	Solution can un-flag based on a receivable basis with proper administrative permissions.			
21	Solution can store the reason for unflagging a lawsuit to be user-defined (i.e. defendant response).			

11. LEGAL – TAX SALE

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System allows a parcel to be manually flagged for tax sale.			
2	System allows parcels to be flagged en mass for tax sale via user-defined criteria (i.e. those who owe 2009 taxes).			
3	System can create a tax sale flag that contains the governing year and the sale number (i.e. 09 01 for year = 2009 and sale #1).			
4	System allows for the creation of a tax sale using a TRD# from the court (may be separate from the TRD# used in the annual lawsuit), the tax sale date, and the attorney in charge of the sale at the time of flagging, and other demographic data.			
5	Solution can provide edit capability for exhibit number.			
6	The attorney in charge of the sale along with contact information can be selected from a menu option.			
7	System can generate an audit trail each time a tax sale receivable is flagged or un-flagged.			
8	If a receivable is flagged for a tax sale, the System can display and utilize the static data input during the tax sale creation (i.e. the tax sale number, the TRD#, the sale date, and the person who set the flag).			
9	Solution can allow the creation of a minimum bid amount for each parcel in a tax sale.			
10	When a receivable is flagged or un-flagged for Tax Sale, the system can use the flag to trigger a real-time update to a particular tax sale number listed on the website. (See Information>Tax Sale>Tax Sale Schedule).			
11	If a receivable is un-flagged, the System can automatically reflect the date of unflagging, the reason for unflagging, and the person who did the unflagging.			
12	System can reflect the reasons for unflagging for tax sale in accordance with Exhibit B15.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
13	If a tax sale flag is changed to UR (Under Redemption), the system can generate a table upon user demand of all receivables flagged "UR" in a particular sale so that the receivables can be moved from "Available for Sale" on the website to "Under Redemption" on the website.			
14	Solution can calculate redemption interest for a receivable based upon a specific future date.			
15	Solution can store and utilize a user-defined interest rate to calculate the final redemption amount for a property in tax sale that is in process of being redeemed.			
16	If a tax sale flag is changed to OR (Out of Redemption), the system can generate a table upon user demand of all receivables flagged "OR" in a particular sale so that the receivables can be moved from "Under Redemption" on the website to the Shelby County Land Bank. The website must know the date of the OR flag.			
17	Solution can provide data (i.e. tax sale number, date of sale, ending date of the redemption period, the amount of taxes owed, sale price, etc.) for the Shelby County Land Bank of properties flagged "OR".			
18	System can generate a user-defined letters & forms to create court filings and to notify a property owner of stages within the tax sale process based on flags or balances (i.e. when a property is redeemed (flag = RD) from a tax sale).			
19	System allows the addition of fees to tax sale receivables.			
20	System allows for manual input of fees.			
21	System allows for fees to be added to multiple receivables at one time. Please describe method.			
22	System allows a minimum bid to created and edited.			
23	System allows creation and storage of the final purchase price as well as information including addresses and phone numbers			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	for multiple bidders.			
24	System allows for the selection of Tax Sale properties based on a benchmark percentage of taxes due to market value.			
25	System provides other criteria to be used in the tax sale selection process. Please specify.			
26	System can generate a "date" specific Redemption amount for an Attorney's Redemption Petition.			
27	Solution can provide the ability to change ownership names en mass to the county based upon the expiration of a redemption period and the "OR" (Shelby County Land Bank) flag.			
28	Solution can provide the ability to dismiss tax on parcels based upon the expiration of a redemption period and the "OR" flag.			
29	System can provide a solution for the sale of county-owned property and the proper allocation of taxes based upon the sale price from the Shelby County Land Bank.			
30	System can store the legal description, Heirs, Lienholders, Legal Parties, etc. in such a way as it can be used multiple times.			

12. LEGAL – RESOLUTION

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can automatically assign a resolution number.			
2	System can allow the user to establish a resolution number (i.e. Town Code, Tax Type, Calendar Year, Sequential Number = SP2013-001)			
3	System can flag receivables for resolution with a resolution number, a resolution date, a motion date, an order date, and the person setting the flag, etc. Please describe.			
4	System can attach an image of a resolution document using an image doc type = Coll_Dismiss1.			
5	System can reflect the reasons for resolution in accordance with Exhibit B15.			
6	System can allow multiple receivables to be flagged for resolution at one time (i.e. all receivables out of statute).			
7	System can perform a unique transaction (see Exhibit E11) to remove taxes and fee balances from a receivable based on the resolution flag.			
8	System can provide the ability to resolute partial amounts, as well as full receivable amounts.			
9	System can allow user to select and print a form (i.e. Referral for Dismissal Form) upon demand.			
10	System can generate an audit trail each time a Resolution receivable is flagged or un-flagged. Please specify if the reason code on Exhibit B15 can be noted as well.			
11	System can generate a report of all receivables that have been or are to be subject to resolution or dismissal on user-defined criteria as shown in Exhibit B15.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
12	System can create a unique non-cash journal entry for a write-off transaction based on the reason codes in Exhibit B15.			



13. MISCELLANEOUS CHARGES

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can allow misc. charges (does not refer to misc. fees) to be added to the system manually – see samples in Exhibit B25.			
2	System can allow misc. charges to be added to the system from a file – See Exhibit C19 (routine upload) and C26 (initial load)—and add a new invoice number dynamically.			
3	System allows misc. charges to be associated to the property billing for a parcel.			
4	System allows misc. charges that are not associated with a parcel. Please describe.			
5	System allows multiple invoices to be added to a single parcel for a given year (i.e. grass-cutting, sanitation, etc.).			
6	System can age invoices according to a user-defined date, an anniversary date, 1 st of the month, etc. Please specify any restrictions.			
7	System can accept payments toward invoices for misc. charges on a receivable.			
8	System can distribute payments for a single invoice according to the payment hierarchies described in Exhibit B19.			
9	System can accommodate instances where an invoice for misc. charges has multiple “base” components (i.e. A Demolition invoice may have 3 base components – a demolition charge, a recorder fee, and a title fee – see Exhibit C19).			
10	System can calculate interest charges on the base components described in #9.			
11	System can calculate penalty charges on the base components described in #9.			
12	System can calculate penalties at a user-defined percentage or a flat fee amount. Please specify other options.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
13	System can calculate attorney fees (i.e. 10% of base charges) on the base components described in #9.			
14	System can calculate and apply an ISF fee to a misc. charge invoice for a returned check.			
15	System can also apply the return check fee to the corresponding realty receivable if one exists.			
16	System can report balances and activities on parcels with invoices for misc. charges.			
17	System can report balances and activities on invoices for misc. charges that are not associated with a parcel.			
18	System can accommodate different due dates associated with invoices for misc. charges.			
19	System can accommodate instances where the City of Memphis imposes a misc. charge on a calendar year basis, not the tax year (i.e. a parcel may have an invoice for grass-cutting in 2013 prior to the 2013 taxes being billed).			
20	System can create invoices for misc. charges separate from tax invoices.			
21	System can relate misc. charges to a particular agency as described in Exhibit C19.			
22	System can allow a grace period by fee type (i.e. 60 days after an anniversary date).			
23	System will allow the editing of fee principal amounts by creating a transaction before the calculation of interest and penalty.			
24	System will allow the creation of refunds from payments on receivables associated with misc. charges.			
25	System will create a transaction to reflect decreases and increases to the principal portions of misc. charges.			
26	System will allow the user to "freeze" or stop interest & penalty accrual to a receivable with a misc. charge. Please note that some Anti-Neglect receivables			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	have an "F" flag associated with them to stop interest & penalty accrual.			
27	System will allow a reversal or a cancellation of a payment made to a misc. charge receivable.			
28	System can handle the transfer of a payment from one misc. charge receivable to another.			
29	Solution will allow lawsuit fees and flags on receivables with misc. charges.			
30	Solution will prevent an invoice being added to a prior year receivable once the calendar year has passed.			
31	Solution will allow an invoice to be added to a prior year receivable once the calendar year as passed based upon administrative permissions.			
32	Solution can alert users concerning the oldest invoice due related to misc. charges.			
33	Solution can provide the ability to bill and track location-based fees (i.e. fire fees on vacant land or the new City of Memphis vacant property registry). Like other misc. charges, these fees may also be subject to interest or penalties.			

14. NOTES

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System allows the user to enter notes on parcels by Remark Codes as described on Exhibit B17.			
2	System can provide a user-defined note based on a particular Remark Code selected (see Exhibit B17).			
3	System has the capability to make a remark based upon the addition or deletion of a flag.			
4	System can prevent modification or deletion of notes once the note is saved.			
5	For each note, the system records the user name, time, and date.			
6	System can display every note for a designated parcel.			
7	System can issue a report or Notes History for a designated parcel or receivable.			
8	System can record non-monetary transactions (i.e. name & address changes) in the notes on a real-time basis.			
9	System allows an unlimited amount of text per note.			
10	System allows for an electronic document to be attached to a note. Please describe.			
11	Solution provides a filter to search notes by remark code, date, user id, etc. Please describe.			

15. OUTPUTS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System provides a full range of comprehensive management reports including regularly scheduled reports, on-demand reports, and ad-hoc reports.			
2	System provides summary or statistical reports daily, weekly, monthly, quarterly, annually and by fiscal year-to-date for transaction volumes and dollar amounts.			
3	System provides business activity reports detailing cashier work volume by a user-defined period.			
4	System can produce customized forms as described in Exhibit A1 – A6, D1 – D5.			
5	System can produce notices as described in Exhibits D10-25.			
6	System can produce letters as described in Exhibits D26-D46 and D49.			
7	System can produce receipts as described in Exhibits D6 – D9.			
8	System provides the capability to print a notice upon user demand from a user workstation.			
9	System provides the capability to print a notice or a batch of notice to a designated printer.			
10	System provides the capability to print a receipt as each payment posts at the cashier station.			
11	System provides the capability to print a duplicate receipt at the time of payment posting at the cashier counter.			
12	System provides the capability to print a duplicate receipt upon demand from any workstation.			
13	System allows an option to not print a receipt on a transaction by transaction basis at the cashier counter.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
14	System allows the option to email a receipt from the cashier counter.			
15	System allows the name of the payer(s) to be printed on the receipt at the time of payment. Payer information can be stored in the database.			
16	System captures bank routing numbers and account numbers and stores them so that they can be shared with CR Software for collection activities.			
17	System provides the capability to print a batch of receipts (i.e. print the receipts associated with a particular RTL batch number).			
18	System can print a Trustee notice with an OCRA.TFF scan line with font size 12.			
19	System can produce reports describing user permissions and entitlements.			
20	System can provide daily cashier reports that reflect the beginning balance in the cashier drawer, all transaction details including reversals and cancellations, and end-of-day cash balances.			
21	Users can easily modify or request additional reports.			
22	System can provide electronic file to report information to the Credit Bureaus as described in Exhibit C7,			
23	System provide nightly electronic file as described in Exhibit C10 for the ftp process to Autoagent.			
24	System can provide Tax Freeze file for the Assessor on or around April 20 of each year showing : Trustee parcel number, Assessor parcel number, Base Year, Street number of Property Location, and Street Name of Property Location.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
25	System can provide reports as described in Exhibit H1-H9, H11-H16, H18-H20. Please describe exceptions.			
26	System can produce nightly jobs as described in Exhibits F2 and G1 (if needed).			
27	System can produce ICL files as described in Exhibit C7 for check payments taken at the counter.			
28	System can produce ICL files as described in Exhibit C7 for check payments taken via the kiosk.			
29	System can produce a daily CSV file as described in Exhibit C20 for upload to Great Plains (MS Dynamics) accounting software. The purpose of the file is to provide in detail and in summary that balances transaction activity (cash and non-cash) to the actual payment receipts (cash and non-cash).			
30	Please describe how user-defined messages can be printed for notices.			
31	Solution can pass the City a Daily GL .dat text file to uploaded into the City's GL system for tax activities – see Exhibit C29 for a sample. Exhibit C29 is the grouped and summarized version of the journal entries and this file is loaded to their system; however, they also need the detail of the items with parcel numbers that comprise that summary.			
32	Solution can provide a detail test file/spreadsheet with parcel number and town code to be used in analysis the City GL file. Trustee needs a “scrollable” report (PDF) of the detail file sorted by parcel, year, taxing entity, and GL account number with totals on cash and the debit/credit column.			
33	Solution can print a list of all payments made on a tax receivable including the date and amount of each payment.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
34	Solution can provide report information from Accounting to Shelby Co. Finance of items they need to book (such as Commission & Fees, Revenue).			
35	Solution can generate Tax Freeze audit reports that will show the applicants approved by someone other than the assigned representative.			
36	Solution can generate Tax Freeze audit reports that will show where income changes from year to year exceed 25% (or some user-defined percentage).			
37	Solution can generate Tax Freeze audit reports that will show changes in types of income from year to year.			
38	Solution can generate Tax Freeze audit reports that show change in owners (both name and number) from year to year.			
39	Solution can generate a Top 10 or Top 50 Taxpayer Report. Please describe how the solution can group owner-related accounts for accurate reporting (i.e. realty + INL + personalty + CBID, etc.).			
40	System can provide a report/file containing a payment breakdown to alert users of payments receive for special programs such as Tax Relief, Tax Freeze, Quarterly Pay, Tax Sale, and taxpayers with citations or garnishments.			
41	Solution offers a report writer to generate reports to generate custom reports. Please specify the types of report writers available.			
42	Solution can provide a report writer with a menu-drive system and a GUI interface.			
43	User may specify data elements, formatting, and sorts for reports.			
44	Solution can provide a report writer with logical and arithmetical functions to generate subtotals and grand totals.			
45	Reports may be displayed, printed, saved or exported via menu option as electronic files for EXCEL, PDF, HTML, TIFF, ACCESS, OXI, FRX, WORD and CSV.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
46	Report writer provides the option to store queries and functions for repetitive use.			
47	Solution can integrate with GIS solutions and the GL to report data according to distinct boundaries (i.e. zip code, "zone", etc.) Please describe.			
48	Solution can provide MS WORD processing templates to create FORMS for repetitive use and with ease of insertion of data elements from the database. Please specify if version control exists to manage the templates offered by the solution.			
49	Solution can generate separate invoices for misc. charges according to a user-defined format for billing purposes.			
50	Solution can pass the City a Daily GL .dat text file to uploaded into the City's GL system for misc. charge activities—see Exhibit C28 as a sample. Exhibit C28 is the grouped and summarized version of the journal entries and this file is loaded to their system; however, they also need the detail of the items with parcel numbers that comprise that summary.			
51	Solution can provide roll-forward reports for misc. charges that reflect the following: beginning receivable, adjustments, payments, non-cash payments, refunds, ending receivable balances.			
52	System can isolate bankruptcy interest paid on misc. charges.			
53	Solution can provide reports for misc. charges showing the detail by year on all parcels with activity.			
54	Solution can generate reports by factoring agent and date of sale.			
55	Solution can provide cash reconciliation report showing cash activity vs. non-cash activity for each taxing entity that ties to total payment activity.			
56	Solution provides a method to generate and use Crystal Reports easily. Please describe version and method.			
57	Solution can provide a detail test file/spreadsheet with parcel number and			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	town code to be used in analysis the County GL file. Trustee needs a "scrollable" report (PDF) of the detail file sorted by parcel, year, taxing entity, and GL account number with totals on cash and the debit/credit column.			
58	Solution can generate a report for each court, Chancery and Circuit, as well as a corresponding journal entry to book the commissions and court fees at the end of each month for payments that include court costs.			



16. PAYMENTS - MANUAL

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can accommodate payments tendered as cash.			
2	System can accommodate payments tendered as checks.			
3	System can accommodate payments tendered with money orders			
4	System can accommodate payments tendered with credit cards.			
5	System can accommodate payments tendered with credit vouchers.			
6	System can accommodate payments tendered as the City Match associated with Tax Relief. If the City Match is a tender, it may need to be a non-monetary transaction as the solution must "write it off" the balance paid under the City Match program. System can process City Match transactions in batch or on a one-on-one basis at a cashier counter. Please describe.			
7	System can accommodate payments with any combination of the tender items listed in #1 - # 6.			
8	System allows a user-defined tolerance for payments that are "short" (i.e. Payment of \$97 on a bill of \$100 would be considered Paid in Full if the tolerance allowed up to \$ 5 shortages.			
9	System allows a user-defined tolerance for payments that are "over" (i.e. Payment of \$103 on a bill of \$100 would be considered Paid in Full if the tolerance allowed up to \$7.50 overage).			
10	System allows for an overage up to a user-defined amount to be held as a credit toward a future tax receivable. Please explain how the money is classified in the GL and made available for future tax payments. Please specify if different taxing entities can have different rules for handling overages and/or overpayments.			
11	System allows the cashier to make 1 payment transaction for multiple receivables with multiple tender types.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
12	System allows for a payment to be backdated (which may reduce interest & penalty accrual); system can create a transaction for the backdated interest. Please specify limitations on backdate timeframe.			
13	System allows cashier to tender cash transactions by denominations.			
14	System can calculate and record the change due to a taxpayer with a cash transaction. System can store this information as a transaction journal.			
15	System can print a receipt as specified in Exhibit D7 & D8 immediately following the completion of a transaction. Please describe any restrictions on the printing of receipts at the cashier counter.			
16	Payments can be distributed according to the Trustee payment hierarchy in Exhibit B19.			
17	Payments can also be distributed according to the City payment hierarchy in Exhibit B19.			
18	System can accommodate two different payment hierarchies for a single transaction where 1 portion goes to a county receivable & 1 portion goes to a city receivable).			
19	System can accommodate more than two different payment hierarchies for a single transaction.			
20	System allows cashier to enter notes for payment transactions.			
21	System can prevent an overpayment on a cash transaction.			
22	System allows a payment to be reversed.			
23	System will prevent a reversal on a date other than the processing date.			
24	System allows a payment to be cancelled.			
25	System requires an action to be taken as a result of a cancelled payment so as to indicate where the money must go (i.e. refund, pay to another bill, etc.). Please specify the actions that are required when a payment is cancelled.			
26	System allows the on-line retrieval of			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	taxpayer information (i.e. to print a bill) without an interruption to the cashing session.			
27	System can identify the point of payment processing (i.e. cashier, kiosks, mortgage, web, etc.)			
28	System can identify the remitter on payment files from large mortgage companies, online banking, bulk payers, etc.			
29	System provides the ability to enter a postmark date which serves as the basis for backdating interest and penalties, applying payment discounts, etc.			
30	System can be configured to allow a discount on a payment (i.e. a 1% discount for taxes paid in the first month, a 2% discount for taxes paid in the second month, etc.). Please indicate any restrictions.			
31	System can accept a partial payment.			
32	System can calculate interest and penalty on the remaining balance after a payment is backdated.			
33	System can display an error message if the amount field is blank when trying to apply a payment.			
34	System can display an error message for inconsistent data entry on payment methods. For example: If cashier accepts cash and inputs check information, an error message should be displayed.			
35	System can prevent the tender of a credit voucher as a payment if the receivable is not flagged for Tax Relief.			
36	System provides override functionality if a receivable is flagged in such a way as to prevent a payment (i.e. Tax Sale).			
37	System can allow a future date to be entered that will prevent the processing of a payment at a future time based on a particular receivable flag (i.e. Tax Sale).			
38	System can restrict functionality associated with reversals and cancels to particular users with dual controls (i.e. requires 2 people).			
39	System can provide a report or file on a			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	daily basis showing transactions that have been reversed or cancelled. Report can indicate who processed the original payment and who processed the reversal or cancellation.			
40	System can integrate with RTL Quick Clear and Panini MyVisionXAT for image capture of stubs and checks at the cashier counter.			
41	Otherwise, system offers a Point-of-Sale application for cashiering and image capture at the cashier counter. Please describe.			
42	System can retrieve a receivable for payment processing using an OCRA scan line on a tax bill presented at the cashier window (via a peripheral scanner such as the Panini MyVision XAT). Please specify if the proposed system cannot interface with the Panini MyVision XAT.			
43	Images captured at the cashier counter can be stored with the transaction details for future reference.			
44	System can create an ICL (Image cash letter – see Exhibit C7) for check images captured at the cashier counter.			
45	System can interface with RTL Quick Clear API at the cashier station (if needed) to retrieve the image of the check from a network folder and verify image quality so that the image of the check can be included in the ICL file generated by RTL.			
46	Otherwise, System can scan a check, store the check, perform Image Quality verification, and place the image of the check in an ICL file from the cashier counter. See Exhibit C7 for details related to the ICL file required by the Trustee.			
47	System can scan a stub, retrieve the appropriate receivable, and store the image of the stub on the Trustee network, and associate the stub with a particular transaction for future research purposes.			
48	Images of items processed at the counter can be viewed from the Transaction History on a receivable.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
49	System can subtotal multiple transactions associated with a single payment; the system can display to the cashier the total amount due prior to the posting of payments.			
50	System can provide support for online cashier balancing on an intermittent basis throughout the day without closing for the day. Please specify methodology.			
51	System can display the total amount of any tender type receipted to the cashier upon demand.			
52	Please describe any capability for a cashier supervisory to monitor daily receipts for a cashier within a given day.			
53	Software can generate consecutive transaction numbers for payments processed by a cashier that includes both the transaction number and the individual items within the transaction (i.e. 1 payment may contain 4 checks and be distributed to multiple receivables). Trustee needs the ability to ISF one item within a single transaction and the ability to identify each tendered item in the tables that store payment and refund activity. Please describe.			
54	Software can generate audit trails for all items processed at the cashier counter.			
55	Software can generate endorsements, including virtual endorsements, for all checks processed at the cashier counter.			
56	System can generate audit information on the back of checks that includes: <ul style="list-style-type: none"> • Cashier ID • Amount Paid • Process Date • Postmark Date • Parcel ID or Bill # • Tax Year 			
57	System can display and report cumulative totals at the end of the day to the cashier that includes: <ul style="list-style-type: none"> • Taxes paid 			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	<ul style="list-style-type: none"> • Discounts paid • Interest paid • Penalty paid • Court Costs paid • Attorney Fees paid • Misc. Fees paid • Services Costs paid • Any type of fee paid • Over/Under Amount 			
58	System can display and report cumulative totals at the end of the day to the cashier that includes: *Total Cash *Total Checks *Total Credit Vouchers *Total of any tender type *Total of Over/Under amounts *Total of Refunds Created & Applied *Grand Total of all Receipts			
59	System can provide a means to reconcile processed payments with the actual payments received by the cashier. Please explain.			
60	System can display and report cashier balancing information at any time during the day upon demand.			
61	System can support an unlimited number of cashier workstations.			
62	If two or more checks are tendered for a payment transaction and one check is returned, the system will allow the cashier to select the appropriate check for the calculation of the returned check fee –see Exhibit B12; the System will not calculate a fee on all checks processed at the time of the original transaction. Please specify how the system will know where to place the returned check fee amount.			
63	If cash and a check are tendered for a payment transaction and the check is returned, the system will allow the cashier to select the check for the calculation of the returned check fee –see Exhibit B12; the System will not require cancellation of the			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	cash portion of the payment. Interest will accrue on the check portion of the payment if the return check is processed after a delinquency date.			
64	Please clarify how the process would work in #60 if multiple checks were tendered with the cash and 1 or more checks were returned.			
65	For e-check transactions with multiple receivables, will the solution allow a user to process the return item and only charge 1 ISF fee?			
66	For each ISF transaction, can the solution generate a letter automatically at the time of the transaction where the return reason can be specified?			
67	Can the solution be configured with return reasons defined by the user for return items?			
68	The system will allow a payment correction transaction—see Exhibit E4—that will move a payment from one receivable to another. This transaction can cancel the payment on one receivable, adjust interest and penalty + all fees as if the payment was never made. It can also apply the payment to another receivable, adjusting interest and penalty +all fees as if the payment had been applied correctly to the receivable on the actual date of receipt. The system will record the changes in these transactions and show the receivable of origination (i.e. when payments are transferred, the Trustee needs to know where it originated). Please specify any deviations.			
69	System can apply payments to receivables flagged for bankruptcy using the bankruptcy case number. Payments made on a case number can be applied to the oldest receivable first.			
70	Solution can apply payments to receivables flagged for bankruptcy on a receivable basis.			
71	System can provide a method to cancel a payment and cancel its corresponding			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	refund as if the payment never existed (i.e. a payment is processed for Tax Relief to a receivable with a credit voucher and the voucher is voided by the State of TN at a later date. Trustee would need to remove the voucher payment and allow the taxpayer to make a payment with a different tender type.) Such a transaction would create a negative impact to cash for Accounting purposes.			
72	Solution provides the ability to process a credit card transaction at the cashier counter. Please describe how credit card information is received, stored, and uploaded within the software and remains PCI compliant.			
73	Solution accommodates the use of a "credit memo" from the bank as a tender type.			
74	Solution can accommodate the use of a "special escrow" tender type for the application of "advance" payments or items requiring corrective actions.			
75	Solution can distribute payment transactions to receivables for misc. charges according to a payment hierarchy described in Exhibit B19.			
76	Solution will allow payments on misc. charges at the invoice level.			
77	Solution can process reversals, cancels, partial payments, to misc. charges.			
78	Solution can accept a payment for taxes or fees not yet billed (i.e. "advance payments"). Please describe.			

17. PAYMENTS - ELECTRONIC

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	RTL:			
1	System provides a method to upload and post payments via file transfer from RTL first --see on Exhibit C14.			
2	System can upload "pointers" associated with images for payment stubs, correspondence, and envelopes so that images can be easily viewed from network directories on a transaction basis.			
3	System provides an edit function to prevent the upload of corrupt payment files (i.e. special characters or blanks in the data file) from a remittance processing system.			
4	System provides an edit function to prevent the upload of a payment to a non-existent receivable.			
5	System can upload batch transactions of 300 or less for one batch in one process.			
6	System can upload multiple batches in 1 process. Please specify limitations.			
7	System can alert users if a batch fails to upload.			
8	System can ensure that all batches are uploaded for a given day. Please describe			
9	System can provide a count and \$ amount for each batch uploaded into the software.			
10	System can provide detailed information of items that fail to load to the software including: batch number, batch transaction number, parcel number, year, town code, and amount.			
11	System can assign a unique receipt number for each transaction uploaded from RTL.			
12	System can accept payment batches from the RTL software and apply them according to the payment hierarchies described in Exhibit B19.			
	Mortgage:			
13	System can upload payments to the main database from an electronic file as described			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	in Exhibit C11. If not, please provide file format used by the system.			
14	System can identify the mortgage company name as the remitter for the payment. This information can be displayed in the Transaction History of a particular receivable.			
15	System can generate detailed and summary reports of payments uploaded in #14 above.			
16	System can compare payment amounts from an electronic file to the actual balance due on the system prior to the actual posting of payments in order to verify that the amount on the file = money receipted.			
17	System can compare payment amounts from an electronic file to the actual balance due on the system prior to the actual posting of payments. If balance on system = 0, system can prohibit the upload of a payment and avoid duplicate payments.			
18	System can generate a report of all payments applied to the database that were < or > the balance due.			
19	For payment amounts < or > the balance due, system can compare the difference to the amounts of recent assessment changes and report separately.			
20	System can prevent the upload of a \$0.00 transaction from an electronic file.			
21	System has the ability to identify and report any payments that fail the upload process.			
22	System can generate an electronic file for the mortgage company containing the duplicate payments that were not uploaded and any refunds that were created during the upload process.			
23	System can accept current and delinquent tax payments from an electronic file upload as described on Exhibit C11.			
24	System can accept county and municipality tax payments on a combined file for upload into the system. Please specify any format variances from Exhibit C11.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
25	System can create and export a file for mortgage companies as described in Exhibit 8 and 10. Describe any restrictions.			
26	System can create and export a file for Designtek1 Autoagent as described on Exhibit C9. Describe any restrictions.			
27	System can create and export files by a particular taxing entity.			
28	System can create and export files by current or delinquent status (one year or multiple years).			
29	System can create and export files with any combination of current or delinquent taxes and any combination of taxing entities.			
30	System allows for mortgage file upload or export without interruption to the production environment. Please specify any restrictions or locking due caused by these processes. Please specify recommendations.			
31	System can provide a file format to allow the Trustee to notify a mortgage company of City of Memphis misc. charges attached to realty parcels.			
32	System allows tax types to be specified for file creation and export purposes (i.e. realty, INL or PILOT, CBID, etc.)			
33	Please describe other system capabilities that may facilitate payment processing from large mortgage companies or bulk payers.			
34	Please indicate if the solution has a means to expedite refunds due to large payers or mortgage companies. Please describe.			
35	Solution provides an audit trail or notes for payments not uploaded during the electronic payment process (i.e. duplicate payment) visible to the end user.			
	Kiosk:			
36	Solution can integrate with the Kiosk application described in Exhibit B2.			
37	If solution cannot integrate with the Trustee Kiosk application describe in Exhibit B2, can the proposed solution process kiosk payments & update tables in the database?			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
38	System will allow real-time posting from Kiosk web services as described in Exhibit B2. If not, please describe how the solution might relay information to the credit card processor, update the database with the payment, and create the necessary ACH or ICL files for funding purposes.			
39	System can assign a unique identifier for each kiosk as a source of a transaction.			
40	System can identify transactions by kiosk name, payment type (check or credit card), card brand (if applicable) for easy reconciliation.			
41	If the solution does not have its own payment mechanism, system can link to Elavon Virtual Merchant for credit card processing. The Trustee will use Elavon's Virtual Merchant product and post the payment on a real-time basis.			
42	System can store "transaction numbers" from Elavon into the transaction history to help in the research payment discrepancies.			
43	If the solution cannot integrate with the Trustee kiosk application, then the solution can accept a paper check, convert it to an electronic image, store the image to a Trustee network directory, store the pointer to the image in the Transactional record, and add the image to an ICL file for the bank (see Exhibit C7). Please explain how Image Quality is verified for each item in the ICL file.			
44	System can store the name of the payer (from the credit card swipe) of a kiosk transaction.			
45	System can post payments to one or more receivables based on the web services described in Exhibit B2.			
46	System can assign unique identifier for each receivable payment processed via the kiosk.			
47	System can store a phone number or email address for each payment processed via the kiosk.			
48	Solution can accept banking information from its own kiosk application and store it for			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	such things as a transfer to CR software.			
49	Solution can calculate and notify the taxpayer of a user-defined convenience fee for the payment.			
50	Solution can associate the convenience fee with the payment transaction, even though it may be processed under with separate transaction ID from the credit card processor. Please describe.			
51	Solution can record the convenience fee as a separate transaction and user-define at an entity level (i.e. the Trustee may or may not retain the revenue from the convenience fees).			
52	Solution will allow a convenience fee to be reversed or cancelled.			
53	Solution can create a method to record the convenience fee in the General Ledger and offset it with another transaction.			
	Web:			
54	Solution has its own website or web link (separate from the current Trustee website application) to provide inquiry & payment options to taxpayers. Please describe.			
55	Solution can integrate with the Trustee website via iframe links to facilitate on-line, real-time inquiry and payment posting if Trustee so chooses.			
56	Solution can retrieve parcel information (or work with the Trustee website to retrieve information) by parcel number, owner name, or property location (street number and street name).			
57	Solution can display multiple receivables for a single parcel (i.e. solution would display balances for multiple years per each taxing entity, even if balance = 0. Codes allow taxpayers to select the receivable they wish to pay.			
58	Solution would allow a taxpayer to select a receivable for payment.			
59	Solution would allow a taxpayer to select multiple receivables for payment.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
60	Solution could link to Elavon's Electronic Billing Solution to process credit card and ACH transactions.			
61	Solution can receive a transaction reference identification number from Elavon and post payments on a real-time basis via https link.			
62	Solution can store payment details (including reference number, tender type, card type, date, time, phone number, email address) on a transaction basis.			
63	Solution can provide detail and summary reports showing website transactions on a daily basis along with parcel information, amounts, tender types, and card types.			
64	If solution does not integrate with Elavon payment processing, solution can provide a nightly settlement between 11:30 PM – 11:59 PM CST.			
65	If solution does not integrate with Elavon payment processing, solution can ensure that an ACH file is created nightly between 11:30 PM and 11:59 PM CST.			
66	If solution does not integrate with Elavon payment processing, solution can ensure that an ICL file is created nightly between 11:30 PM and 11:59 PM CST.			
	On-line Banking Files:			
67	Solution has an interface that can accept an electronic file from a consolidated bill payer (i.e. Bank of America—see Report under Exhibit B18), assist the user with online search capability & receivable identification, apply the payments, and generate a report of payments processed as well as payments that could not be processed.			
68	Solution can track information on prior payments to assist in the identifying receivables/payments from on-line banking vendors.			
69	Solution can assist the user in identifying receivables with a balance in order to apply the money from the file.			
	Mobile Cashiering:			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
70	Solution can provide options for field collections. Please specify.			
71	Solution can provide online, real time options for field collections.			
72	Solution can provide acceptance of credit card, cash, and checks related to field collections.			
73	Solution can generate a receipt or an email receipt for field collections.			
74	Solution can provide balancing functions for field collections. Please describe.			
75	Please describe required hardware and software for field collections.			
76	Please describe any electronic files created for field collections.			
77	Solution can retrieve taxpayer information and balances online-real time-for review prior to payment processing.			
78	Please describe edits within the solution that ensure the data integrity of data keyed by the end user.			
79	If ACH options are available, please describe how the solution assists the user in entering a valid ACH bank number.			

18. PAYMENT PLANS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	Solution can calculate a down payment for a payment plan based on user defined % or amount.			
2	Solution can calculate the incremental payments due over a designated period of time (i.e. 24 months).			
3	If a payment is missed, solution can add the missing payment to the next installment payment.			
4	If a payment is missed, solution can re-calculate a new installment payment amount for each the remaining period of the payment plan.			
5	Solution can forecast future interest and fees (i.e. lawsuit fees) on a payment plan.			
6	Solution can automatically provide a status indicator for "broken" or missed payment.			
7	Solution can automatically void a payment plan based on user-defined criteria (i.e. missing 2 consecutive payments).			
8	Solution can automatically generate a letter if a payment plan is broken or voided.			
9	Solution can allow one payment plan on multiple parcels.			
10	In the event of #9, solution can recognize the receipt of 1 payment on 1 receivable as meeting the requirement of the overall payment plan.			

19. PILOTS (IN LIEU OF TAXES)

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can bill based on an adjusted assessment from a contract (see examples in Exhibit B9).			
2	System can bill based on a fixed amount required by contract (see examples in Exhibit B9).			
3	System can bill based on a percentage of the adjusted assessment and/or the original assessed amount (see examples in Exhibit B9).			
4	System can allow for the input of a billing method for the life of the contract subject to the terms of the contract – method of billing is determined when the contract is established (i.e. depreciation for personalty, tax rate changes, assessed value changes, etc.).			
5	System can allow for misc. fees to be added to an INL receivable (i.e. lawsuit fees, return check fees, etc.)			
6	System will allow for a user-defined interest rate on INL receivables via administrative permissions.			
7	System can link to images associated with INL contracts that are stored on the Trustee network.			
8	System will permit INL images to link to multiple parcels associated with the INL primary parcel.			
9	System will allow multiple billing addresses, phone numbers, email addresses, etc. for legal parties associated with INL contracts.			
10	System can provide an indicator for an INL receivable that alerts users to other parcels associated with a particular INL.			
14	System can project tax revenue and deferred amounts over the life or the remaining life a PILOT contract.			
15	Solution can provide the Trustee with the ability to enter & link multiple underlying parcels associated with a PILOT contract			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	and related splits or consolidations for tracking and reconciliation purposes.			
16	Solution can track partial valuations related to personalty or realty values under a PILOT (i.e. a plant expansion: new equipment under PILOT 1 increases personalty value on the parcel ID for that plant location and should be billed accordingly; however, the original equipment is still billed under the original personalty parcel, not the PILOT).			
17	Solution can provide an unlimited history of PILOT values and amendments.			
18	Solution can provide an edit to ensure that an assessment value of underlying parcel of a PILOT is taken to zero when a PILOT is created so that a taxpayer will not incur a double-billing.			
19	Solution can provide an edit to ensure that an assessment value of an underlying parcel of a PILOT is re-established when a PILOT is terminated (may need a flag to denote the status) so that a taxpayer can be properly billed.			

20. QUARTERLY PAY

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can establish a flag to identify Quarterly Pay for the City of Memphis or the County receivables through manual input.			
2	System can produce a QP application as described in Exhibit A2.			
3	System can produce individual letter as described in Exhibit D5 upon user demand. Please describe this process and indicate if a separate system interface is required.			
4	System can produce individual letters as described in Exhibits D5 automatically as part of a workflow (i.e. Exhibit D5 is produced when new Quarterly Pay Application-- Exhibit A2-- is generated).			
5	System can produce Quarterly Pay letters for individual taxpayers in batch and sort them by parcel number. Specify other available sorts.			
6	System can produce Quarterly Pay notices as described in Exhibits D20 and D22.			
7	System can produce notices showing the correct tax amount due after Tax Freeze adjustments, Quarterly Pay plans, and Tax Relief credits are taken into consideration.			
8	When a receivable is un-flagged for Quarterly Pay, the System can identify the user as well as the date/time.			
9	If a receivable is un-flagged in error, the receivable can be reflagged as Quarterly Pay with the user ID and date/time.			
10	The system can provide an unlimited flagging history.			
11	System can provide a reason associated with flagging changes (i.e. Void due to Income, Void due to death, Un-flagged in Error, etc.)			
12	System can flag a receivable for Quarterly Pay based on the completion			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	of an application on the Trustee website via a connection string in the webconfig file.			
13	The system can generate Quarterly Pay notices with standard or ad hoc messages.			
14	Provide listing of standard reports for Quarterly Pay activity			
15	Describe ad hoc reporting capability (if any) for Quarterly Pay.			
16	Describe any automated workflow options associated with Tax Relief processing (i.e. can applications be routed to specific employees for processing?)			
17	Describe any analytical tools to help monitor trends in Quarterly Pay activities.			
18	System can accommodate a different quarterly cycle for each taxing entity.			
19	Quarterly Pay flag can stop the accrual of interest and penalty.			
20	System can accommodate a different interest accrual method for each taxing entity (i.e. interest accrual begins after flag is removed & after delinquency date or interest accrual begins after last installment deadline).			
21	System can calculate quarterly installment balances for a specified 12-month period as adjusted base tax / 4.			
22	System can place an edit to prevent a QP flag on a current year receivable if prior year taxes are due (i.e. for City of Memphis).			
23	System can place an edit to prevent a QP flag on a receivable after the 1 st installment period is passed.			
24	For receivables flagged with both TR & QP, System can accommodate City & County processing by allowing the TR credits to be the 4 th quarterly payment (i.e. the remaining balance would be divided by 3). Example: Base tax=\$150, Tax Relief amount = \$50. \$150 - \$50 = \$100. 1 st			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	quarter = \$33.33, 2 nd quarter = \$33.33, 3 rd quarter = \$33.34, and 4 th quarter = \$50 (Tax Relief amount)			
25	System can reflect the date of receipt for the QP application.			
26	System can restrict QP flagging to authorized users.			
27	Quarterly Pay flags can be restricted to the receivable level.			
28	System is capable of producing quarterly pay notices at least 45 prior to the due date			
29	System is capable of producing quarterly pay notices with future dates at one time (i.e. taxpayer may be given 4 notices at one time to be used over the next 12-month period).			
30	System has the ability to adjust quarterly payment amounts if installment balances are not paid in full by the installment deadline.			
31	System has the ability to adjust quarterly payment amounts if installment balances are overpaid by the installment deadline by applying the overpayment amount to the next installment period.			
32	System has the ability to automatically un-flag a receivable as QP if no payments are received by an installment deadline. Can grace periods be established (i.e. 10 days after a deadline)?			
33	System has the ability to backdate a payment received after an installment deadline.			
34	System has the ability to un-flag Quarterly Pay receivables en-mass (i.e. non-payment).			
35	System can generate a note to the parcel or receivable when the QP flag is added or removed.			
36	System can accept multiple payments within an installment period or quarterly pay period.			

21. REFUNDS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System must not allow the refund amount for a receivable to exceed the amount paid.			
2	System will maintain a refund record for all refunds containing the tax year, parcel number, transaction number, transaction date, refund type, payee name, payee mailing information, check request date, check issuance date, issued or voided status, re-issue date, interest paid, total refund.			
3	System can generate information to record the issuance of a refund check in the General Ledger for the Trustee.			
4	System can generate information to record the issuance of a refund check in the General Ledger for the City of Memphis.			
5	System can generate a refund check for one receivable or for multiple receivables on the same parcel.			
6	System can generate a refund check for one receivable or for multiple receivables on multiple parcels.			
7	System can generate a check register of checks issued on a particular day—see Exhibit H19.			
8	System can generate a check register of checks issued during a particular date range.			
9	System can allow a refund check to be voided. System can provide a reason for the void based on user-defined criteria.			
10	System can allow a voided check to be reissued to a different payee.			
11	System can record address information for the payee associated with a refund check, even if it's different from other owner or legal party information.			
12	System can document refund transactions in the Transaction History for a receivable. Refund information should			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	include check#, check date, payee, refund#, refund amount, and a link to the image stored on the Trustee network.			
13	System can allow refunds to be applied to other receivables or back to the same receivable.			
14	System can generate a Refund Aging report.			
15	System can generate allocation of refunds and reverse void checks which can be posted in Great Plains Dynamics accounting software.			
16	For amounts < or = \$ 7.50, the system can close the refund on a specific day and create a journal entry to remove it from the General Ledger.			
17	For amount > \$7.50 and less than \$50, the system can "hold" the amount for the next year's tax bill.			
18	Please describe the method used by the system to alert users that there are refunds to be processed.			
19	System can create a refund if a payment has been made that exceeds the receivable balance.			

22. TIFs (Tax Increment Financing)

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System has the ability to create and assign unlimited number of Tax Zones or TIFs per taxing entity.			
2	System can assign zones and/or TIFs for each taxing entity (i.e. both the City and the County have an Uptown TIF and a Highland TIF).			
3	System allows for a parcel to be included in more than 1 zone (i.e. part of the parcel could reside in zone 1 and the remaining portion could reside in zone 2).			
4	Solution allows for each zone to have a separate tax rate if so desired.			
5	Solution allows for each zone to have multiple tax rates due to multiple taxing authorities within a zone.			
6	System can calculate taxes based on the assessment and the tax rate for the zone. Please specify any restrictions.			
7	Solution can calculate taxes bases on the assessment and the tax rates for the zone if multiple rates for multiple taxing entities are required. Please specify any restrictions.			
8	System can allocate taxes for the TIF where a taxing entity (i.e. Shelby County) receives a designated amount and any increase goes to a particular entity receiving the money (i.e. Uptown).			
9	System can allocate base tax receipts for TIFs similar to all other property tax receipts and allocate the incremental amount received to a particular fund minus commissions minus debt service. The remaining amount is split as 95% to the TIF fund and 5% to the taxing entity (the 5% is allocated in accordance with the regular allocation percentages).			
10	Solution can accommodate a different split (something other than 95% to 5%) between the TIF fund and the taxing entity			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	as splits are approved at various times by different municipal and county legislative bodies. A different percentage split may apply to any future TIF programs. Please specify any restrictions.			
11	Solution can accommodate user-defined taxing calculations. For example, a taxing authority may decide to collect the base year tax revenue by parcel, groups of parcels of the TIF area in aggregate. After collecting the base year amount, THEN the percentage split, if any, may apply. Please specify any restrictions.			
12	Solution can accommodate tax calculations where different parcels within the TIF area begin having the TIF calculation in different years. Please specify any restrictions.			
13	Solution can accommodate tax calculations where the TIF agency is entitled to a pro rata share of any interest charged on delinquent payments (i.e. \$1500 tax, \$500 increment, 1/3 pro rata share of interest where 1/3 I & P goes to the TIF fund). Please specify any restrictions.			
14	Solution can accommodate different votes by different taxing entities as to how in incremental tax is calculated (i.e. the City Council may vote one way and the County Commission may vote another way). Please specify any restrictions.			
15	Solution can allocate only on the condition that the TIF is paid in full.			
16	Solution can allocate and disburse on partial payments.			
17	Solution can reclaim previously paid funds for reasons such as ISF, assessment changes, etc.			
18	Solution can provide for the input of user-defined base year and base year value (i.e. these values need to be stored in fields that are impacted by assessment changes).			
19	Solution can provide for the input of base			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	year and base year values to accommodate splits & consolidations in subsequent years.			
20	Solution can provide summary and parcel reports on a user-defined basis (i.e. monthly) for paid and unpaid amounts.			
21	Solution can provide summary and detailed reports for selected previous intervals (user defined).			
22	Solution can provide a TIF indicator on the receivable level.			
23	Solution allows for assessment change to the base year in a subsequent year. Please describe.			
24	Based on #23, solution can reclaim or recapture incremental revenue based on assessment changes to either base year or other years without changing prior year historical reports. Please describe.			
25	Solution allows for a consolidation of two parcels (1 in the TIF and 1 not in the TIF) triggering a reallocation between TIF & non-TIF revenue on the 1 consolidated parcel. Currently, the process requires manual calculations of base year based upon the % of TIF to non-TIF.			
26	Solution allows the calculation of an allowance for doubtful accounts on a user-defined year using the percentage of TIF tax unpaid. Then, the solution can compare the results to the Memphis and Shelby County % of tax unpaid for reference purposes.			
27	Solution allows a user-defined disbursal of funds (i.e. every 30 days, once a year, not at all, etc.). Please specify any restrictions			

23. TAX FREEZE

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can provide a field for a user to enter the Income Limit associated with Tax Freeze on an annual basis. (Note: This income limit is provided by the State of TN and applies to all taxing entities).			
2	System allows for the initial load or calculation of a Tax Freeze benefit for multiple entities (i.e. County, City, or other municipality).			
3	System assists with confirming applicant eligibility by completing a virtual "checklist" as described in Exhibit D50 for each applicant.			
4	System can create a virtual checklist for each tax year to confirm and store applicant data.			
5	The System can support the purpose of the Tax Freeze program to freeze the "eligible" tax amount, based on the assessments, tax rate, and year at the time of application.			
6	The system can trigger a proportional (percentage) increase in the frozen base tax amount when improvements are made to the property and processed as Assessment Increases. Please describe.			
7	System can record the date of application (could be by phone or web), the date mailed for signature, the date application is received in the office.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
8	System can provide status indicators used for processing such as pending, void, refer to audit, and approved.			
9	System can store a base tax year for each receivable flagged for Tax Freeze.			
10	System can provide an edit to prevent the processing of a Tax Freeze adjustment when an application is not received in the prior year.			
11	System can provide a reason for the removal of a Tax Freeze flag (i.e. exceeds income, application not returned, not primary residence, ownership change, erroneous flag, application withdrawn, etc.).			
12	System can generate a file/report of any receivable flagged for Tax Relief that is not also flagged for Tax Freeze.			
13	System can populate current year checklist information (see Exhibit D50) from prior year checklist information to reduce manual data entry requirement.			
14	System can allow edits to current checklist information.			
15	Taxpayers must apply 1 year prior to receiving a benefit. Taxpayers must submit a new application each year to remain on the program. System can alert a user if application is not on record for the prior year.			
16	System can accommodate changes to a base year if a break in consecutive application years occurs.			
17	System will allow Tax Freeze			

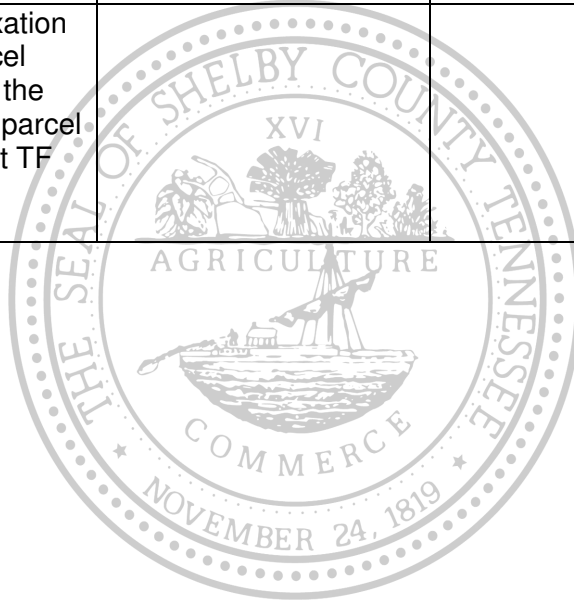
ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	benefits for multiple taxing entities with multiple base years.			
18	System can detect if Tax Freeze applicant is not the owner of record and alert the user.			
19	System can “disqualify” an applicant is the total income limit of all applicants exceeds the annual income amount approved for a particular year.			
20	System can “disqualify” an applicant is less than 65 years old by a particular user-defined date (i.e. 12/31 of the application year).			
21	System can alert user if the mailing address differs from property address.			
22	System can calculate income totals from multiple sources as indicated in Exhibit C25.			
23	System can detect if parcel acreage exceeds 5 acres.			
24	System can accept file from Assessor as described in Exhibit C17 and perform a series of edits prior to the calculation and upload of a Tax Freeze benefit (i.e. tax decrease).			
25	System can perform at least 6 edits during the upload process to ensure the accuracy and integrity of the Tax Freeze adjustments. The system can perform the following: 1) Valid parcel number 2) Trustee Base Year = Assessor Base Year 3) Trustee Base Assessment = Assessor Base Assessment 4) Trustee Owner Name = Assessor Owner Name			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	5) Trustee Assessment Value = Assessor Assessment Value 6) Verify that each parcel has an approved Tax Freeze application for the prior year See Exhibit B8.			
26	System can detect and report parcel splits and consolidations associated with Tax Freeze parcels.			
27	System can accept the "unfrozen" assessment amount from the Assessor file described in Exhibit C17 and store it as the ineligible portion of the Tax Freeze assessment. It is important to track Assessments and Increases to property values on properties as there are guidelines concerning eligible vs. ineligible portions of the property.			
28	System can record and store Assessor comments from the file described in Exhibit C17 related to TF information.			
29	System can reject and report parcels with an eligible and ineligible portion for review.			
30	System can produce a summary report after the initial load of TF benefits indicating the total number of parcels flagged for Tax Freeze per taxing entity, the total number of parcels with a TF benefit, the total amount of taxes before the benefit is applied, and the total amount of taxes after the benefit is applied.			
31	System can look at current tax year Tax Relief receivables classified as			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	elderly and automatically qualify them for Tax Freeze based on income for the next tax year. System can provide Tax Relief as a reason for the TF flag.			
32	System can offer an interface to assign specific TF parcels to particular representatives for processing.			
33	System can provide individual summary reports (or dashboards) to track productivity and processing status.			
34	System should re-calculate TF benefits each time an assessment change occurs that impacts the amount of Tax due. The Trustee currently automatically removes the tax freeze benefit, processes the new adjustment, and recalculates the new tax benefit.			
35	System can generate Exhibit D38 if any box in Section D2 of the virtual checklist is checked by the Trustee representative.			
36	System can generate Exhibit D39 when an "Approved" status on the virtual checklist is selected for the applicant.			
37	System can generate Exhibit D40 when an "Approved" status on the virtual checklist is selected due to applicant based on an approved Tax Relief application or voucher.			
38	System can generate Exhibit B41 when a "Void" status on the virtual checklist is selected for the applicant.			
39	System can accept one (1)			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	application from a taxpayer per year, create 1 virtual checklist, reference 1 checklist on county and municipal receivables, and calculate both county and municipal TF benefits.			
40	System can generate separate files to the Assessor containing the Trustee parcel number, the Assessor parcel number, the Base Line year, the street number of property location, and the street name of property location.			
41	System can link to images associated with a particular receivable (i.e. it would be helpful to see a Tax Relief or QP application when approving a TF application).			
42	System can refer the following item to a supervisor to audit and review: 1) Total Assessment Value > \$200,000 (or a user-defined amount).			
43	System can detect if property acreage exceeds 5 acres and notify the Trustee representative.			
44	System can allow for supplemental loads (i.e. a parcel was omitted in error from the initial load or Assessor sent incorrect information).			
45	In the event of an annexation (i.e. property in Cordova annexed into the City of Memphis), a new parcel number is assigned. Can the system look to a different parcel number (the old parcel number) to calculate the TF benefit? If not, please describe how the Trustee will			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	issue the TF benefit to the taxpayer.			
46	System can check for "Nulls" in the Assessor file that may prevent a smooth upload of TF benefits.			
47	System can calculate the TF benefit, compare it to the current year tax due, and adjusting current tax if the new TF amount is lower than the current year due.			
48	In the event of an annexation of a parcel where a parcel number change occurs, the solution can link the old parcel to the new parcel so that TF benefits will not be jeopardized.			



24. TAX RELIEF

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can establish a flag to identify Tax Relief receivables through manual input.			
2	System can establish codes to identify Tax Relief applicants as Elderly, Disabled, Widow of Veteran, or Veteran.			
3	System can establish benefit amounts based on the status of a Tax Relief applicant as Elderly, Disabled, Widow of Veteran, or Veteran – these amounts are determined by the State of TN and vary from year to year, from county to county, and from city to city. Please specify if a separate system interface is available to adjust these Tax Relief credits.			
4	System can establish codes to differentiate between first-time applicants and applicants receiving credit vouchers (recurring).			
5	System can establish codes to specify if the Tax Relief benefit is to be paid to the applicant or the county/municipality.			
6	System can produce credit voucher (ACV) with 2D barcode as described in Exhibit A4.			
7	System can produce Tax Relief application (DV) with 2D barcode as described in Exhibit A5.			
8	System can produce individual letters as described in Exhibits D26 – D37 upon user demand. Please describe this process and indicate if a separate system interface is required.			
9	System can produce individual letters as described in Exhibits D26 – D37 automatically as part of a workflow (i.e. Exhibit D26 is produced when new Tax Relief Application-- Exhibit A5--is generated).			
10	System can produce Tax Relief letters for individual taxpayers in batch and sort them by parcel number. Specify other available sorts.			
11	System can produce Tax Relief notices as described in Exhibits D21 and D22.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
12	System can produce notices showing the correct tax amount due after Tax Freeze adjustments, Quarterly Pay installments, and Tax Relief credits are taken into consideration.			
13	System can store the fields described on Exhibit A4 and A5.			
14	System can roll data on Tax Relief applicants from year to year and allow simple updates by Trustee reps (i.e. income fields, residence status, etc.).			
15	When a receivable is un-flagged for Tax Relief, the System can identify the user as well as the date/time.			
16	If a receivable is un-flagged in error, the receivable can be reflagged as Tax Relief with the user ID and date/time.			
17	The system can provide an unlimited flagging history.			
19	System can roll flags from one tax year to the next for each taxing entity (i.e. county and municipality).			
20	System can provide a reason associated with flagging changes (i.e. Void due to Income, Void due to death, Un-flagged in Error, etc.)			
21	System can flag a receivable for Tax Relief based on the completion of an application on the Trustee website via a connection string in the webconfig file.			
22	System can accept an initial load file from the State of Tennessee (see Exhibit C16) to establish the amount of tax relief credit for each Tax Relief receivable. Note: The initial load file will only contain ACV amounts (credit voucher amounts), not DV amounts. The initial load file is passed on applications and vouchers approved in the prior year.			
23	In relation to #20 above, when a credit voucher is tendered as a payment transaction, the system can create an entry to a Tax Relief Subsidiary Ledger indicating the Trustee is due money from the State of Tennessee.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
24	The system can accept an electronic reimbursement file from the State of Tennessee (see Exhibit C15) and load the reimbursement amount from the State to the Tax Relief subsidiary ledger and provide journal entries accordingly.			
25	The system can differentiate between reimbursements paid to the taxpayer and reimbursements paid to the county or municipality. Note: Reimbursements to the taxpayer are currently identified in the system with a special code; no entry is made to the Tax Relief subsidiary ledger.			
26	In the event, the Trustee submits a Tax Relief application (DV) to the State and instructs the State to reimburse the Trustee, the System is capable of accepting the DV as a payment tender, creating a receivable in the subsidiary ledger, recording the amount to the Tax Relief subsidiary ledger and provide journal entries accordingly.			
27	The system can generate Tax Relief notices with standard or ad hoc messages.			
28	System allows for the waiver of Interest & Penalty on Tax Relief receivables for the purpose of applying Tax Relief credits; Interest and penalty waivers for Tax Relief can be reported separately for audit purposes.			
29	Provide listing of standard reports for Tax Relief activity			
30	Describe ad hoc reporting capability (if any) for Tax Relief			
31	Describe any automated workflow options associated with Tax Relief processing (i.e. can applications be routed to specific employees for processing? Or completing Tax Relief information for one entity such as the County automatically updates the Tax Relief information for another entity such as the municipality?)			
32	Describe any analytical tools to help monitor trends in Tax Relief activities.			
33	The System can accommodate the City's			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	Tax Relief matching program by providing a Tax Relief to credit (in addition to the one from the State) = or < the State amount. If the remaining balance due is < than the full State amount, only the remaining balance will be eligible for the City match program.			
34	The System can provide a separate identifier and reporting for the City match transaction.			
35	The System can journalize the City matching portion of the transaction as a "write off". City of Memphis writes off the remaining portion of the balance.			
36	The System can journalize the matching portion (for any municipality) of the transaction as a "write off" in the event of future accommodations by a taxing entity.			
37	System can restrict TR flagging to authorized users.			
38	Tax Relief flags can be restricted to the receivable level.			
39	If a Tax Relief voucher or application is voided, the system can provide reason codes to indicate why the item was voided. Please specify any restrictions as to number.			
40	The Trustee currently generates vouchers and processes Tax Freeze and Tax Relief vouchers/applications for two municipalities (Bartlett & Collierville) where no current year receivables exist on the system. Will the system allow the Trustee to create or upload a file to be used for printing vouchers and or applications? Please describe tracking options available to monitor the processing of applications and vouchers for these two entities.			
41	For taxpayers receiving reimbursement directly from the State, the solution provides tracking of payments (i.e. status = paid to applicant, date paid, and amount paid). Currently, the Trustee receives payment information via Exhibit C15.			
42	The solution can display the amount to be paid by the taxpayer after benefits are taken into consideration.			

25. TECHNICAL REQUIREMENTS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can provide ODBC compliant relational database for easy interface to EXCEL and ACCESS.			
2	System allows for concurrent updates to the database by multiple users with appropriate database locking, prohibiting users overwriting other user's changes.			
3	System can restrict changes to field descriptions, field formats, etc. by user codes.			
4	System can display an "unauthorized user" message if restricted access is attempted.			
5	System can display an error message if an unauthorized function is attempted.			
6	Each user can be defined to the security functions of the system with a unique identification code and password.			
7	Passwords can be synchronized with Active Directory. If not, does solution request that passwords be changed every 30 to 45 days? Can the interval be user-defined?			
8	Passwords are encrypted.			
9	System does not limit the number of concurrent sessions for one user.			
10	Access can be prohibited to a user after a pre-determined, user defined number of invalid log-in attempts.			
11	Users can be automatically logged off after xx minutes/hours of inactivity; interval can be user-defined.			
12	System provides higher level access to control user passwords and to maintain system parameters.			
13	Security functions have the capability to define functionality that users can see but not update.			
14	System can limit a user to specific menu options or transactions.			
15	System can define which user can update or override another user's work.			
16	System provides date, time, and user			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	name stamp on updates and transactions, including notes.			
17	System can provide notification to administrators when the software application is interrupted for any reason. Please specify method of notification.			
18	System contains & supports a tool to import/export menu structures to share information across multiples systems including mainframes, PC networks, and individual computer workstations. Please describe.			
19	System can create a transaction for every imported change to the database (monetary or non-monetary). Example 1: As the Trustee receives a file from the Assessor—see Exhibit C2—with name and address changes, the new software must generate a transaction record for each change. Example 2: As the Trustee receives a file from a mortgage company with payment information, the new software must generate a transaction for each payment which can be successfully uploaded from that mortgage file.			
20	System allows a user to create shortcuts by entering data into a given field or fields with minimum number of keystrokes (i.e. entry of parcel number, to save a record, to open a record). Please describe efficient search capabilities offered by the system.			
21	System allows a user to customize a personal tool bar of frequently used functions. If not, please specify how the system will allow a user to streamline repetitive input.			
22	System can provide on-site data backup and recovery compatible with Symantec Backup Exec.			
23	System can prevent the locking of records or tables that impair production processing. Please describe how the solution will ensure the integrity of processing without undue interruptions.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
24	Identify programming languages used in the application development of the system. Specify approximate percentages of each language used.			
25	Solution includes unlimited site licenses.			
26	Solution supports the access and usage of the product in the following environments at the Trustee location: development, test, and production.			
27	Solution offers a replicated database to be utilized for reporting purposes in order to avoid the locking of production database by the reports and external user database connections.			
28	Solution can integrate with Microsoft to install patches without interruption of server and/or client performance.			
29	Solution can redact and/or restrict the display of data related to personal taxpayer information (i.e. tax returns, social security numbers, banking information, etc.) Please describe.			
30	Solution provides an administrative interface to easily assign, delete, copy, or modify user permissions.			
31	Solution provides a method to easily identify users (i.e. first initial and last name, not initials).			
32	Solution can provide a method to deactivate and hide users who are no longer employed by the Trustee.			
33	Solution can integrate with MS Outlook and MS Exchange 2010 for email notifications. Please specify any restrictions.			
34	Solution can operate on VMware 5.1 / Intel multicore CPU / MS Server 2008R2. System components can function in a VMware 5.1, Intel multicore CPU, MS Server 2008R2 Std. environment, with no restrictions on V-Motion or V-Storage Motion. Please specify any restrictions.			
35	Front-end & Application Servers can function in a distribution fashion behind an external load-balancer. Please specify any			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	restrictions.			
36	Server to server connectivity for the system utilizes industry standard name resolution (DNS, JNDI, etc.) – no configured connections stored as IP addresses. Please specify any restrictions.			
37	Front-end server is compatible for hosting on IIS 7.5. Please specify any restrictions.			
38	Solution stores any PCI-PAN, financial account information, or other sensitive data in an encrypted or tokenized format. Please describe.			
39	Database servers can be configured for high availability, preferably hosted in the County's VMware environment, or alternatively as physical servers in a clustered active/passive configuration.			
40	Databases can be configured for asynchronous replication to a warm-site.			
41	Please provide initial storage space requirements, segregated by storage type (DB, images / documents, temporary work space, etc.).			
42	Please describe minimum performance parameters segregated by storage type.			
43	Please project anticipated annual growth in storage requirements.			
44	Solution can integrate with the County's Avaya Aura Experience Portal (AAEP) v. 7 – IVR system.			
45	Solution can integrate with the Avaya Aura Contact Center (AACC) v6 with Multimedia Messaging for screen pops of caller's relevant customer records, payment processing, and auto dial-out functionality.			
46	Solution can integrate with Avaya Aura Proactive Outreach Manager (POM) v.3 for outbound predictive dialer calls.			

26. CONVERSION REQUIREMENTS

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can upload Remarks (Notes) History for each parcel in the Trustee system.			
2	System can upload 12 years transaction history for Shelby County & its related municipalities.			
3	Vendor can provide an option to view transactional history for the City of Memphis for a pre-defined number of years if the Trustee opts not to upload the City's transactional history.			
4	The Trustee recognizes that 12 or more years of transactional history may not be optimal for search efficiency. Please describe options available for storing and viewing data to reduce the amount of data ultimately converted.			
5	Solution can provide an archived database (balances & transactions) for historical record. Please describe available options and clarify user-defined parameters to view and use historical data.			
6	Vendor can upload image pointers for receivable images stored on the Trustee network so that historical documentation can be easily researched by each office user.			
7	Based on vendor experience with other organizations similar in size and complexity to Shelby County, estimate the number and type of personnel resources (user & data processing) from your office required to install the solution and later to maintain it.			
8	Based on vendor experience with other organizations similar in size and complexity to Shelby County, estimate the number and type of personnel resources (user & data processing) from the Trustee's office required to install and later to maintain the system.			
9	Please provide a project plan and installation schedule for the system proposed in this RFP. State how and when			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	fields, notes, transactional history, etc. will be moved for the Trustee.			
10	Please provide a project plan and installation schedule for the system proposed in this RFP. State how and when fields, notes, transactional history, etc. will be moved for the City of Memphis.			
11	Describe any third-party support that will be provided in the installation and setup of the new system. Please describe the third-party role in the installation, conversion and implementation process (include loading software, verification, testing, etc.) for both the Trustee and the City.			
12	Provide any additional information or special qualifications your firm and/or project team may possess pertaining to this installation, conversion, and implementation (i.e. familiarity with the software currently used, experience with tax receivables, a background with local government applications, etc.).			
13	Vendor can convert City of Memphis parcel numbers based on a table provided by the Shelby County Trustee. Parcel numbers will be zero-filled according to Trustee specifications. This table will need to be used throughout the project for electronic file generation, GIS integration, etc.			
14	Vendor can convert data from the City of Memphis that will not have specific primary keys. Please be advised that some parcel numbers repeat multiple times (i.e. the same parcel number may be used for Realty, In Lieu OF, CBID and Misc. Charges).			
15	Vendor can convert misc. fee charges from City of Memphis by assigning unique bill numbers for invoices. Please note that a particular year on parcel may have multiple invoices for the same number on a given year, multiple invoices with different numbers, spaces in the invoice numbers, or no invoice numbers at all. Some invoice numbers have leading zeros (no fixed			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	length) and some do not. Conversion must retain the number passed by the City of Memphis for future reference.			
16	With regard to converting transaction history for receivables at the County or City, please specify how the solution will accommodate the need to perform the following transactions on older receivables: 1) Transfer payments from 1 year to another on tax receivables; 2) Transfer payments from 1 year to another on misc. charge receivables; 3) Decrease or increase taxes on prior year tax receivables. 4) Decrease or increases misc. charges on prior year receivables. 5) Inquire about prior year receivables and misc. charges.			
17	With regard to the conversion of data from the Trustee and the City of Memphis, the Trustee prefers not to overwrite its data (i.e. demographic data) with City information. However, please describe options for the Trustee to review, analyze, and store City information.			
18	Solution can convert City's 12-digit parcel number to the Trustee 14-digit parcel number			
19	Solution can check Tax Freeze assessed values to Trustee assessed values as the City calculated TF adjustments differently than the Trustee. Please specify recommendations for handling the discrepancies in calculation methods going forward.			
20	Vendor can provide a turn-key data conversion for City and County.			

27. TRAINING

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	Solution can provide on-line HELP capability for the end user.			
2	Vendor has multiple training options including e-learning, webinars, one-site-training, classroom training at a vendor facility, technical training, etc. Please specify training options			
3	Specify how training method will be determined (by module, by function, by group of modules).			
4	Specify number of days or amount of time to allot for training with regard to Trustee trainers, Trustee technical staff, Trustee administrators, etc.			
5	Specify any third-party training need to ensure optimum solution functionality.			
6	Specify hardware or network infrastructure needed for a training environment.			
7	Specify how ongoing training will be conducted for upgrades, new releases, and special packages. Please indicate if this type of training is covered under a separate maintenance / support agreement.			

28. WORKFLOW AUTOMATION

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	System can provide an electronic workflow to expedite refund research, refund approval, and refund check issuance. Workflow could be used in place of RAS as described in Exhibit B3. See also diagrams A11, B15, B23, and C14.			
2	System can provide an electronic workflow to expedite Tax Freeze processing, including links to Tax Relief information, edits to ensure qualifications are met, and supervisory audits. See Exhibits A3 and B8. See Diagrams A9, B13, and C11.			
3	Specify workflow automations inherent in the proposed solution.			
4	Please describe any workflow automation available for the processing assessment changes. See Diagrams A2, B8, and C2.			
5	Please describe any workflow automation available for the processing PILOT contracts.			
6	Please describe any workflow automation available for the processing annual TIF tracking of splits and consolidations. See Diagrams A7, B11, and C9			
7	Please describe any workflow automation available for the processing new assessments or supplements. See Diagrams B8 and C2.			
8	Please describe any workflow automation available for the special programs such as Tax Relief, and Quarterly Pay. See Diagrams A8, A9, A10, B12, B13, B16, C11, C12, and C15.			
10	Please describe any workflow automation available for bankruptcy. See Diagrams A1, B7, and C1			
11	Please describe any workflow automation available for legal actions (i.e. annual lawsuits, tax sale,			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
	garnishments, etc.). See Diagrams A12 – A14, B14, B20, B7, C13, and C16-C18.			
12	Please describe any workflow automation available for linking website data to internal application and processing associated with senior programs. See Diagrams A8-A10, B12, B13, B16, C11, C12, and C15.			
13	Please describe workflow options that allow for multi-level processing or approvals. Inter-active VOIP inquiries using a unique number to automatically retrieve and populate information for the end user in the delivery of efficient customer service.			
14	Please describe any automation to provide efficiencies for outbound calls associated with senior programs and or collections.			
15	Please describe if the solution offers electronic content management for the use and retrieval of digital images, including the ones presently stored on the Trustee network. See Diagrams A5, B1, B21, B22, and C8.			
16	Vendor can provide a method for other enterprise systems to interface or interact with proposed solution functionality. Please describe.			
17	Solution can allow the underlying database to be easily used for reporting and data mining (i.e. for use with Crystal Reports or Business Intelligence software).			

29. MAINTENANCE & SUPPORT

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
1	Identify and explain how additions, deletions, and changes to fields and to software are implemented and administered after the initial installation.			
2	Please describe software maintenance included in the cost of the system.			
3	Please describe software support included in the cost of the system (if different from the maintenance listed in #2).			
4	For repeated system failures, the vendor must provide full-time technical support until the problem is resolved even if it requires an onsite visit. Please explain the vendor's approach to meeting this requirement.			
5	The vendor can respond within fifteen minutes of reported software failure. Explain vendor approach to meeting this requirement. If other options are available, please list and price accordingly.			
6	List any relicensing fees or upgrade fees – include these in Section F below on Pricing Requirements.			
7	Vendor can assign specific representatives familiar with the entire system to support Shelby County in all situations, including emergencies. Please provide the number of resources that can offer support in the event specific representatives are absent. Please explain how the Trustee can be assured that knowledgeable assistance is available.			
8	Include the descriptions and the pricing for the maintenance and technical support available on the proposed system. See Section F on Pricing Requirements below.			
9	Please explain how Shelby County will be protected in the event of the vendor's future failure to support the product.			
10	Please describe how the annual fees for maintenance are determined.			
11	Please describe how the annual fees for support are determined.			

ID	Requirements Description	Vendor Response: System can be configured out of the box to meet requirement	Vendor Response: System requires customized code to meet requirement	Comments
12	Please describe any restrictions or limitations to support (i.e. holidays, weekends, nights, etc.) as the Trustee operates a 24 x 7 environment with major activities on selected days (i.e. Feb. 28, Dec. 31, Aug. 30, end of the month, etc.).			
13	Please provide a sample of agreement for maintenance / support.			
14	Please indicate if maintenance / support costs can be paid on a periodic basis (i.e. monthly, quarterly).			
15	Vendor can provide support for questions about software usage or features.			
16	Vendor can provide assistance in building or finding reports.			
17	Vendor can provide assistance in building letter/application templates.			
18	Vendor can provide assistance in creating tax bills.			
19	Vendor can provide assistance in building business rules or establishing system parameters			
20	Solution includes virtual support for VM Ware.			

L. CONTRACT AND INSURANCE REQUIREMENTS

The successful Contractor will be expected to enter into a contract incorporating the following terms and conditions, and such additional terms and conditions standard to services of this type.

a. General Requirements

1. Control. All services by the Contractor will be performed in a manner satisfactory to the County, and in accordance with the generally accepted business practices and procedures of the County.

2. Contractor's Personnel. The Contractor certifies that it presently has adequate qualified personnel to perform all services required under this Contract. All work under this Contract will be supervised by the Contractor. The Contractor further certifies that all of its employees assigned to serve the County have such knowledge and experience as required to perform the duties assigned to them. Any employee of the Contractor who, in the opinion of the County, is incompetent, or whose conduct becomes detrimental to the work, shall immediately be removed from association with services under this Contract.

3. Independent Status. (a) Nothing in this Contract shall be deemed to represent that the Contractor, or any of the Contractor's employees or agents, are the agents, representatives, or employees of the County. The Contractor will be an independent Contractor over the details and means for performing its obligations under this Contract. Anything in this Contract which may appear to give County the right to direct the Contractor as to the details of the performance of its obligations under this Contract or to exercise a measure of control over the Contractor is solely for purposes of compliance with local, state and federal regulations and means that the Contractor will follow the desires of the County only as to the intended results of the scope of this Contract.

(b) It is further expressly agreed and understood by Contractor that neither it nor its employees or agents are entitled to any benefits which normally accrue to employees of the County; that the Contractor has been retained by the County to perform the services specified herein (not hired) and that the remuneration specified herein is considered fees for services performed (not wages) and that invoices submitted to the County by the Contractor for services performed shall be on the Contractor's letterhead.

4. Termination Or Abandonment. (a) It shall be cause for the immediate termination of this Contract if, after its execution, the County determines that either:

- (i) The Contractor or any of its principals, partners or corporate officers, if a corporation, including the corporation itself, has plead nolo contendere, or has plead or been found guilty of a criminal violation, whether state or federal, involving, but not limited to, governmental sales or purchases, including but not limited to the rigging of bids, price fixing, or any other collusive and illegal activity pertaining to bidding and governmental contracting.
- (ii) The Contractor has subcontracted, assigned, delegated, or transferred its rights, obligations or interests under this Contract without the County's consent or approval.

- (iii) The Contractor has filed bankruptcy, become insolvent or made an assignment for the benefit of creditors, or a receiver, or similar officer is appointed to take charge of all or part of Contractor's assets.

(b) The County may terminate the Contract upon seven (7) days written notice by the County or its authorized agent to the Contractor for Contractor's failure to provide the services specified under this Contract.

(c) This Contract may be terminated by either party by giving thirty (30) days written notice to the other, before the effective date of termination. In the event of such termination, the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the termination date; however, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned as of the date of termination.

(d) All work accomplished by Contractor prior to the date of such termination shall be recorded and tangible work documents shall be transferred to and become the sole property of the County prior to payment for services rendered.

(e) Notwithstanding the above, the Contractor shall not be relieved of liability to the County for damages sustained by the County by virtue of any breach of the Contract by the Contractor and the County may withhold any payments to Contractor for the purpose of setoff until such time as the exact amount of damages due the County from the Contractor is determined.

5. Subcontracting, Assignment Or Transfer. Any subcontracting, assignment, delegation or transfer of all or part of the rights, responsibilities, or interest of either party to this Contract is prohibited unless by written consent of the other party. No subcontracting, assignment, delegation or transfer shall relieve the Contractor from performance of its duties under this contract. The County shall not be responsible for the fulfillment of the Contractor's obligations to its transferors or sub-contractors. Upon the request of the other party, the subcontracting, assigning, delegating or transferring party shall provide all documents evidencing the assignment.

6. Conflict Of Interest. The Contractor covenants that it has no public or private interest, and will not acquire directly or indirectly any interest which would conflict in any manner with the performance of its services. The Contractor warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to any officer or employee of the County as wages, compensation, or gifts in exchange for acting as officer, agent, employee, sub-contractor to the Contractor in connection with any work contemplated or performed relative to this Contract.

7. Covenant Against Contingent Fees. The Contractor warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Contractor, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Contractor any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the County will have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

8. Employment Of County Workers. The Contractor will not engage on a full or part-time or other basis during the period of the Contract, any professional or technical personnel who are in the current employment of the County.

(b) Notwithstanding the foregoing, no prior County official or employee may be employed by or receive compensation, wages or benefits from the Contractor for a period of one year from employment separation from the County if during the period of employment with the County the employee or official had any direct or indirect involvement with the Contractor's services or operations provided to the County.

9. Arbitration. Any dispute concerning a question of fact in connection with the work not disposed of by agreement between the Contractor and the County will be referred to the Shelby County Contract Administrator or his/her duly authorized representative, whose decision regarding same will be final.

10. General Compliance With Laws. (a) If required, the Contractor shall certify that it is qualified and duly licensed to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

(b) The Contractor is assumed to be familiar with and agrees that at all times it will observe and comply with all federal, state, and local laws, ordinances, and regulations in any manner affecting the conduct of the work. The preceding shall include, but is not limited to, compliance with all Equal Employment Opportunity laws, the Fair Labor Standards Act, Occupational Safety and Health Administration (OSHA) requirements, the Americans with Disabilities Act (ADA).

(c) This Contract will be interpreted in accordance with the laws of the State of Tennessee. By execution of this contract the Contractor agrees that all actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this contract will be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee, and in no other. In accordance herewith, the parties to this contract submit to the jurisdiction of the courts of the State of Tennessee located in Shelby County, Tennessee.

11. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap and/or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall upon request show proof of such nondiscrimination, and shall post in conspicuous places available to all employees and applicants notices of nondiscrimination.

12. Entire Agreement. This Contract contains the entire Contract of the parties and there are no other promises or conditions in any other Contract whether oral or written. This Contract supersedes any prior written or oral Contracts between the parties.

13. Amendment. This Contract may be modified or amended, only if the amendment is made in writing and is signed by both parties.

14. Severability. If any provision of this Contract is held to be unlawful, invalid or unenforceable under any present or future laws, such provision shall be fully severable; and this Contract shall then be construed and enforced as if such unlawful, invalid or unenforceable provision had not been a part hereof. The remaining provisions of this Contract shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such unlawful, invalid, or unenforceable provision, there shall be added automatically as a part of this Contract a provision as similar in terms to such unlawful, invalid or unenforceable provision as may be possible, and be legal, valid and enforceable.

15. No Waiver Of Contractual Right. No waiver of any term, condition, default, or breach of this Contract, or of any document executed pursuant hereto, shall be effective unless in writing and executed by the party making such waiver; and no such waiver shall operate as a waiver of either (a) such term, condition, default, or breach on any other occasion or (b) any other term, condition, default, or breach of this Contract or of such document. No delay or failure to enforce any provision in this Contract or in any document executed pursuant hereto shall operate as a waiver of such provision or any other provision herein or in any document related hereto. The enforcement by any party of any right or remedy it may have under this Contract or applicable law shall not be deemed an election of remedies or otherwise prevent such party from enforcement of one or more other remedies at any time.

16. Matters To Be Disregarded. The titles of the several sections, subsections, and paragraphs set forth in this contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this contract.

17. Subject To Funding. This Contract is subject to annual appropriations of funds by the Shelby County Government. In the event sufficient funds for this Contract are not appropriated by Shelby County Government for any of its fiscal period during the term hereof, then this Contract will be terminated. In the event of such termination, the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the termination date.

18. Travel Expenses. All travel expenses payable under this Contract shall be in accordance with the County Travel Policy and Procedures. This includes advance written travel authorization, submission of travel claims, documentation requirements, and reimbursement rates. No travel advances will be made by the County.

19. Incorporation Of Other Documents. (a) Contractor shall provide services pursuant to this Contract in accordance with the terms and conditions set forth within the Shelby County Request for Proposals/Bids as well as the Response of Contractor, thereto, all of which are maintained on file within the Shelby County Purchasing Department and incorporated herein by reference.

(b) It is understood and agreed between the parties that in the event of a variance between the terms and conditions of this Contract and any amendment thereto and the terms and conditions contained either within the Request for Proposals/Bids or the Response thereto, the terms and conditions of this Contract as well as any amendment shall take precedence and control the relationship and understanding of the parties.

20. Contracting With Locally Owned Small Businesses. The Contractor shall take affirmative action to utilize Locally Owned Small Businesses when possible as sources of supplies, equipment, construction and services.

21. Incorporation Of Whereas Clauses. The foregoing whereas clauses are hereby incorporated into this Contract and made a part hereof.

22. Waiver Of Proprietary Interest. Notwithstanding anything to the contrary contained herein or within any other document supplied to County by the Contractor, Contractor understands and acknowledges that County is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to County by Contractor due to services performed pursuant to this Contract is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee.

23. Organization Status And Authority. (a) Contractor represents and warrants that it is a corporation, limited liability company, partnership, or other entity duly organized, validly existing and in good standing under the laws of the state of Tennessee; it has the power and authority to own its properties and assets and is duly qualified to carry on its business in every jurisdiction wherein such qualification is necessary.

(b) The execution, delivery and performance of this Contract by the Contractor has been duly authorized by all requisite action and will not violate any provision of law, any order of any court or other agency of government, the organizational documents of the Contractor, any provision of any indenture, agreement or other instrument to which the Contractor is a party, or by which the Contractor's respective properties or assets are bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets.

24. Warranty. The Contractor warrants to the County that all Services shall be performed in accordance with acceptable standards in the industry applicable to the Services. The Contractor shall correct, at its sole cost and expense, any work reasonably deemed to be unsatisfactory by the County. The Contractor warrants to the County that all Services shall be in strict compliance with the terms of this Contract, and all applicable governmental laws, rules and regulations.

25. Rights in Data. The County shall become the owner, and the Contractor shall be required to grant to the County, or its successors, a perpetual, non-exclusive, non-transferable, royalty-free right, in the County's name, to use any deliverables provided by the Contractor under this Contract, regardless of whether they are proprietary to the Contractor or to any third parties.

A. INDEMNIFICATION AND INSURANCE REQUIREMENTS

1. Responsibilities For Claims And Liabilities. (a) Contractor shall indemnify, defend, save and hold harmless the County, and its elected officials, officers, employees, agents, assigns, and instrumentalities from and against any and all claims, liability, losses or damages—including but not limited to Title VII and 42 USC 1983 prohibited acts—arising out of or resulting from any conduct; whether actions or omissions; whether intentional, unintentional, or negligent; whether legal or

illegal; or otherwise that occur in connection with or in breach of this Contract or in the performance of the duties hereunder, whether performed by the Contractor its sub-contractors, agents, employees or assigns. This indemnification shall survive the termination or conclusion of this Contract.

(b) The Contractor expressly understands and agrees that any insurance protection required by this Contract or otherwise provided by the Contractor shall in no way limit the responsibility to indemnify, defend, save and hold harmless the County or its elected officials, officers, employees, agents, assigns, and instrumentalities as herein provided.

(c) The County has no obligation to provide legal counsel or defense to the Contractor or its sub-contractors in the event that a suit, claim or action of any character is brought by any person not party to this Contract against the Contractor as a result of or relating to obligations under this Contract.

(d) Except as expressly provided herein, the County has no obligation for the payment of any judgment or the settlement of any claims against the Contractor as a result of or relating to obligations under this Contract.

(e) The Contractor shall immediately notify the County, c/o Shelby County Government, Contracts Administration, 160 N. Main Street, Suite 550, Memphis, TN 38103, of any claim or suit made or filed against the Contractor or its sub-contractors regarding any matter resulting from or relating to Contractor's obligations under this Contract and will cooperate, assist and consult with the County in the defense or investigation thereof.

(f) Contractor shall immediately notify Shelby County Government, Contracts Administration, 160 N. Main Street, Suite 550, Memphis, TN 38103 of cancellation or changes in any of the insurance coverage required.

2. Insurance Requirements. The Contractor will provide evidence of the following insurance coverage:

Contractor shall maintain coverage with limits of no less than:

1) *Commercial General Liability Insurance* - \$1,000,000 limit per occurrence bodily injury and property damage/\$1,000,000 personal and advertising injury/\$2,000,000 General Aggregate/\$2,000,000 Products-Completed Operations Aggregate. Shelby County Government, its elected officials, appointees, employees and members of boards, agencies, and commissions shall be named as additional insureds. The insurance shall include coverage for the following:

- a) Premises/Operations
- b) Products/Completed Operations
- c) Contractual
- d) Independent Contractors
- e) Broad Form Property Damage
- f) Personal Injury and Advertising Liability
- g) XCU, if applicable

- 2) *Business Automobile Liability Insurance* - \$1,000,000 each accident for property damage and bodily injury. Shelby County Government, its elected officials, appointees, employees and members of boards, agencies, and commissions shall be named as additional insureds. Coverage is to be provided on all Owned/Leased Autos, Non-Owned Autos and Hired Autos.
- 3) *Workers Compensation and Employers' Liability Insurance* - Including coverage for sole proprietors, partners, and officers, regardless of requirement by Tennessee State Statute. Policy is to be specifically endorsed to include these individuals for coverage. Employers Liability is \$1,000,000 per accident. Contractor/provider waives its right of subrogation against Shelby County for any and all workers' compensation claims.
- 4) *Professional Liability - Errors & Omissions Insurance* - \$1,000,000 per claim or occurrence/\$3,000,000 annual aggregate.
- 5) *Excess or Umbrella Liability* – minimum of \$5,000,000 each occurrence/\$5,000,000 aggregate
- 6) *Installation Floater* – coverage for installation of the Comprehensive Property Tax Payment & Collection System.

All policies will provide for thirty (30) days written notice to Shelby County of cancellation of coverage provided and ten (10) days' notice applicable to non-payment of premium. If the insurer is not required by the policy terms and conditions to provide written notice of cancellation to Shelby County, the Provider/Contractor will provide immediate notice to Shelby County. Upon termination or cancellation of any claims-made insurance currently in effect under this Contract, the Provider shall purchase an extended reporting endorsement and furnish evidence of same to the County.

All insurance policies maintained by the Contractor shall provide that insurance as applying to Shelby County shall be primary and non-contributing irrespective of such insurance or self-insurance as Shelby County may maintain in its own name and on its own behalf. Any insurance company of the Provider shall be admitted and authorized to do business in the State of Tennessee and shall carry a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" and a Financial Size Category of "X". Any subcontractors participating in this project must maintain its own coverage as required above or have coverage extended to it by the Contractor's policies. Certificates of Insurance for the subcontractors' coverage is required prior to commencement of work.

B. Right to Monitor and Audit

Access To Records. During all phases of the work and services to be provided hereunder the Contractor agrees to permit duly authorized agents and employees of the County, to enter the Contractor's offices for the purpose of inspections, reviews and audits during normal working hours. Reviews may also be accomplished at meetings that are arranged at mutually agreeable times and places. The Contractor will maintain all books, documents, papers, accounting records, and other evidence pertaining to the fee paid under this Contract and make such materials available at their offices at all reasonable times during the period of this Contract and for three (3) years from the

date of payment under this Contract for inspection by the County or by any other governmental entity or agency participating in the funding of this Contract, or any authorized agents thereof; copies of said records to be furnished if requested.

X. PROPOSAL SUBMISSION

A. GENERAL

1. All interested and qualified proposers are invited to submit a proposal for consideration. Submission of a proposal indicates that the Proposer has read and understands this entire RFP, including all attachments, exhibits, schedules, and addenda (as applicable) and all concerns regarding this RFP have been satisfied.
2. Proposals must be submitted in the format described below. Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc. are neither necessary nor desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
3. Proposals must be complete in all respects as required in this section. A proposal may not be considered if it is conditional or incomplete.
4. **Hard copy proposals must be received by no later than 3:00 pm (CST) on July 12, 2013, at Shelby County Government Purchasing Department, 160 N. Main St., Suite 550, Memphis, TN 38103.**
5. Proposer agrees to provide the County with any additional information it deems necessary to accurately determine ability to perform the services proposed. Furthermore, submission of this proposal constitutes permission by this organization for the County to verify all information contained in the proposal. Failure to comply with any request for additional information may disqualify this organization from further consideration. Such additional information may include evidence of financial ability to perform.

B. PROPOSAL PRESENTATION

1. One (1) original (clearly identified as original) and five (5) copies of the proposal are required.
2. The package containing the original and copies must be sealed and marked with the Proposer's name and "**CONFIDENTIAL COMPREHENSIVE PROPERTY TAX PAYMENT & COLLECTION SYSTEM, RFP # 13-006-90**" with due date and time indicated.
3. Proposals must be typed. Erasures and "white-out" are not permitted. Mistakes may be crossed out, corrections typed adjacent and initialed in ink by the person signing the proposal. Please identify all attachments, literature and samples, etc., with your firm name and our RFP number.
4. Proposals must be verified before submission as they cannot be withdrawn or corrected after the due date and time. The County will not be responsible for errors or omissions on the part of the proposers in preparing their proposals.

C. PROPOSAL FORMAT AND CONTENT

Response to this RFP must be in the form of a proposal package that must be submitted in the following format: **Please download the attachment to this document.** The Proposal Response Sheet (***required document***) should be the first page of your written response.

Proposal sections and pages shall be numbered in accordance with the Volumes and Sections indicated hereunder. Respondents are encouraged to submit concise and clear responses to the RFP. Proposals shall contain all elements of information requested, without exception. Instructions regarding the required scope and content are provided in this section. The County expects that this document and the response to this document will be referenced in the final contract.

Respondents shall prepare their proposal as two volumes that are to include the following sections at a minimum:

Volume 1 – Technical and Management Proposal

- Section 1: Cover Page
- Section 2: Introduction and Executive Summary
- Section 3: Company Profile
- Section 4: Organizational Structure and Key Staff Resumes
- Section 5: Experience and Reference Summary
- Section 6: Administrative Contractual Response
- Section 7: System Software & Services Requirements Response
- Section 8: Comprehensive Response
- Section 9: Additional Information
- Section 10: Alternative Technical Proposal
- Section 11: Miscellaneous

Volume 2 – Price Proposal

- Section 12: Price Proposal (to be separately bound and delivered – See Appendix B).

Section 1: Cover Page

Submit on letterhead stationery, signed by a duly authorized officer, employee, or agent of the organization/firm.

Section 2: Introduction and Executive Summary

An Executive Summary should be prepared describing the major facts or features of the Proposal, including any conclusions, assumptions, and generalized recommendations the Respondent desires to make. The length of the Executive Summary should be brief, no more than two (2) pages.

Section 3: Company Profile

Provide a company profile and the company profile of any subcontractor you will use. Please include the following information:

- i. Firm name and business address (include telephone numbers, fax numbers, and email addresses)
- ii. Year established (include former firm names and year established)
- iii. Dates of incorporation, acquisition, and merger, expansion into new areas or business activity.
- iv. Indicate whether the Company is a parent or subsidiary of a holding company. Describe all relationships with subsidiaries and/or parent if applicable.
- v. State whether the company is local, regional, national, or international.
- vi. Identify your company's primary product.
- vii. Indication of whether firm is licensed to do business in the State of Tennessee
- viii. Provide the address of the office location that will service the account
 - a. Indicate the number of people employed at that office in sales and support related to Tax Processing software
 - b. Describe the recent experience of the assigned office(s) to support Tax Receivable systems

Section 4: Organizational Structure and Key Staff Resumes

- i. Describe you firm's organizational structure.
- ii. Provide an organizational chart for the personnel who will be associated with the Trustee's account. Include the roles of each person and illustrate the relationship among personnel. Discuss how you anticipate organizing your project team for this project. Provide a listing of key project team members that will be involved.
- iii. Provide full resumes for the project manager and all other key managerial staff. Resumes are to include technical information about work experience and education. This information is to be provided for prime contractor and any subcontractor staff. Please do not include sample resumes of you company. We will expect that the resumes submitted should accurately reflect the individuals within the project team who will be working on this project. If subcontractors are to be used, the organizational relationships between the proposed staff and between the prime contractor and subcontractor(s) will be stated. If a contract is signed and executed and at least eighty percent (80%) of originally identified project members are not provided, it will be considered a breach of contract.
- iv. Respondents are to indicate the individuals designated as primary contacts for administrative and for technical issues relating to this proposal, any subsequent contract resulting from this RFP.

Section 5: Experience and Reference Summary

Provide the following information relative to your firm's experience and references. Identify clients for which you have provided similar services as described in this document. Detail of how the respondent is qualified to provide the services required. Please provide the same information for any subcontractors you expect to use. Include the following information:

- i. Project name
- ii. Name and address of client
- iii. Client contact person (name/position/current phone number)
- iv. Period of contract
- v. Description of services provided
- vi. Value (Size and Scope) of contract
- vii. Status and comments

Respondents shall include in their experience summary references for at least 5 projects that are similar to or larger in scope than the County effort described in this RFP. Respondents shall cite projects in which members of the proposed project team have taken part and indicate their relative roles.

Section 6: Administrative Contractual Response

In the response please cite question before each answer. Where applicable provide information for each subcontractor. Answers shall be direct and specific.

- i. Provide a copy of the standard contract your firm uses for the sale of tax processing software.
- ii. Who will serve at the Contractor's authorized negotiator?
- iii. Give name, title, address and telephone number of the Respondent's authorized negotiator. The person cited shall be empowered to make binding commitments for the firm and any or all of its subcontractors.
- iv. What is the potential impact of current workload on the proposed project?
- v. Cite specifically all major projects that require significant commitments of equipment and staff over the next twelve months.
- vi. What exceptions are taken to the RFP?
- vii. Will your firm be able to provide a proposal surety bond and a performance bond, if required by the County?
- viii. What specific information do you need from the County before commencing contract negotiations?
- ix. Describe the impact of a merger or an acquisition upon the company's relationship/contract with the County. In the event of such an occurrence, describe what efforts can be directed to minimize the impact on the County.
- x.

Section 7: System Software & Services Requirements Response

Provide responses to all requirements listed in items J. "Minimum Business Requirements, and K. "Systems & Services Requirements" in the format provided. Any supplemental information may be supplied as attachments and referenced to at the end of this section.

Section 8: Comprehensive Response

- a. Outline of how respondent can meet or exceed the minimum requirements.
- b. A detailed description of the approach for accomplishing the services (include a time schedule for completion of each element).
- c. Provide launch date of product being proposed along with the date of the last version upgrade.

Section 9: Additional Information

- a. A description of any other resources available to the proposer that will be useful in providing the Services;
- b. A description of the methods used by the proposer to measure the satisfaction of its client.
- c. Any other relevant information about the capabilities of the proposer deemed to be material.

Section 10: Alternative Technical Proposals

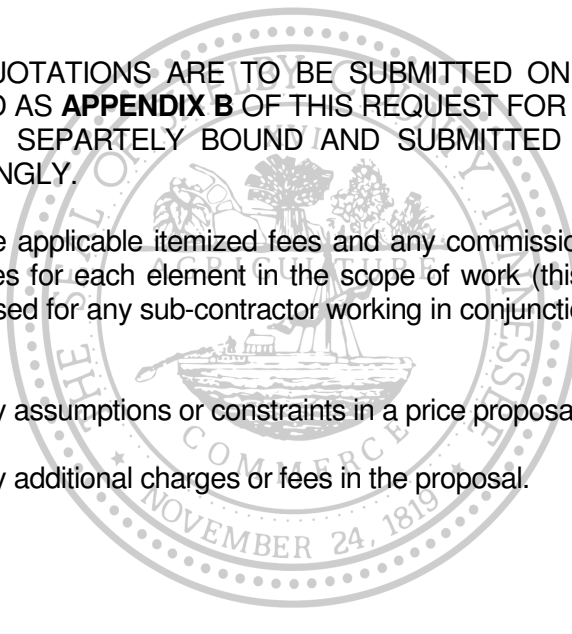
Respondents may elect, and are encouraged, to propose alternative technical approaches where it is believed they will provide technical, schedule or cost advantages to the County. The Respondent should cite the applicability of the alternative approaches/procedures to achievement of project objectives and the projected advantages to be gained through their use.

To assure that all proposals will be comparable and any alternatives will be evaluated against a relevant background, each Respondent must provide a full response to the base RFP as written, before any full or partial alternative is proposed.

Section 11: Miscellaneous

Any miscellaneous information should be addressed in this section.

Section 12: Price Proposal

- 
- a. PRICE QUOTATIONS ARE TO BE SUBMITTED ON COST QUOTATION FORMS INCLUDED AS **APPENDIX B** OF THIS REQUEST FOR PROPOSAL. THE PROPOSAL IS TO BE SEPARATELY BOUND AND SUBMITTED SEPARATELY AND LABELED ACCORDINGLY.
 - b. Provide the applicable itemized fees and any commissions included in the proposal for the Services for each element in the scope of work (this includes a break-down of the cost proposed for any sub-contractor working in conjunction with your organization on the project).
 - c. Explain any assumptions or constraints in a price proposal to perform the services.
 - d. Explain any additional charges or fees in the proposal.

XI. PROPOSAL EVALUATION AND SELECTION

A. EVALUATION PROCESS

Shelby County reserves the right and may optionally enter into contract negotiations with more than one Respondent. A proposal evaluation team of representatives from the County will initially evaluate individual proposal sections. The County will then conduct a final evaluation of Respondents and shall then negotiate a proposed contract with the highest qualified Respondent. If satisfactory proposed contract cannot be negotiated with the highest qualified Respondent, negotiations will be formally terminated. Negotiations shall then be undertaken with the second most qualified Respondent and so on.

The proposals will be evaluated on the following criteria:

- Demonstrated understanding of the problems and needs presented by the project
- Stability of company and adequacy of production facilities
- Qualifications of project personnel and Respondents ability to commit capable staff to support project size
- Experience and capacity of Respondent;
- Quality of equipment and software to be used
- Ability to complete the project in a timely manner without major deviations from necessary requirements
- Soundness of Respondents approach to the problems and needs presented by the project, including Respondents methodology for achievement of project objectives
- Cost effectiveness and reasonableness of Respondent's proposed fee
- Ability to complete the project in a timely manner without major deviations from necessary requirements

1. Initial Review – All proposals will be initially evaluated to determine if they meet the following minimum requirements:
 - a. The proposal must be complete, in the required format, and be in compliance with all the requirements of the RFP.
 - b. Proposers must meet the Minimum Proposer Requirements outlined in Section II of this RFP.
2. Technical Review- Proposals meeting the above requirements will be evaluated on the basis of the following criteria:
 - a. Each proposal will be reviewed by a special Ad-Hoc Committee which may elect to schedule a personal presentation and interview with one or more of the bidders.
 - b. All proposals submitted in response to this RFP will be evaluated based on the following criteria:
 - i. Stability of company;
 - ii. Demonstrated understanding of the problems and needs presented by the project;
 - iii. Qualifications and experience of specific personnel assigned to this project;
 - iv. Respondents ability to commit capable staff to support project size
 - v. Quality and responsiveness of the proposal;
 - vi. The ability to present a clear understanding of the nature and scope of the project;
 - vii. Experience of Respondent;
 - viii. Project methodology;

- ix. Previous experience in performing similar Services;
- x. References;
- xi. Soundness of Respondents approach to the problems and needs presented by the project;
- xii. Respondents methodology for achievement of project objectives
- xiii. Cost effectiveness and reasonableness of Respondent's proposed fee;
- xiv. Proposed cost to Shelby County Government;
- xv. Ability to complete the project in a timely manner without major deviations from necessary requirements;
- xvi. Time frame for completion

3. Oral Presentation.

The Shelby County Government reserves the right to interview or to require an oral presentation from, any respondent for clarification of information set forth in the proposer's response. In this regard, at the discretion of the evaluation committee, some or all proposers who submit a proposal in response to this RFP may be asked to submit to an interview or give an oral presentation of their respective proposals to the evaluation committee. If so, this is not to be a presentation restating the proposal, but rather an in-depth analysis of certain qualifications of the proposer. The interview or oral presentation, if utilized, is intended to provide an opportunity for the proposer to clarify or elaborate on its qualifications without restating the proposal. The interview or oral presentation is to be a fact finding and explanation session only and is not to be used to negotiate any terms of contract. If required, the time and location of such interview or oral presentation will be scheduled by the Administrator of Purchasing. Interviews and oral presentations are strictly an option of the Shelby County Government or its evaluation committee and, consequently, may or may not be conducted. All travel expenses to and from the interview or oral presentation shall be the responsibility of the Proposer. Selection will be based on determination of which proposal best meets the needs of the County and the requirements of this RFP.

Shelby County Government reserves the right to consider the vendor's EOC rating in all evaluations.

B. CONTRACT AWARD

Contract(s) will be awarded based on a competitive selection of proposals received. Proposers are advised that the lowest cost proposal will not necessarily be awarded the Contract, as the selection will be based upon qualification criteria as deemed by the County and as determined by the selection committee and the County Mayor. The proposals submitted will be evaluated by the County. All decisions are made at the discretion of the County.

The contents of the proposal of the successful proposer will become contractual obligations and failure to accept these obligations in a contractual agreement may result in cancellation of the award.

The County reserves the right to negotiate any portions of the successful proposer's fees and scope of work or utilize their own resources for such work.

- XII. EXHIBITS (available from Shelby County Purchasing)
- XIII. DIAGRAMS (available from Shelby County Purchasing)

Proposers must respond and comply with all of the above services. The Proposer may not submit a proposal for services not listed in the above request.



APPENDIX A - DEFINITIONS

ACV – (Application Credit Voucher or Credit Voucher) – An 8 ½" x 11" form printed by the Trustee's office containing information from the State of Tennessee Tax Relief Office for an person who applied and received Tax Relief benefits in the prior year. (See **Exhibit A4.**) The form contains a dollar amount of Tax Relief benefits to be used as a credit toward the payment of property taxes. A taxpayer may have an ACV for county taxes and an ACV for municipal taxes. If taxes are under or equal to the credit amount listed on the form, taxes may be paid-in-full using the form. If taxes are more than the credit amount, the taxpayer must submit the completed ACV form along with a payment for the remainder of the taxes. Credit amounts on the form vary according to the amount specified on an annual file from the State of Tennessee Tax Relief Office. (See **Exhibit C16.**)

Further, the Trustee currently creates and mails ACVs for Shelby County, Arlington, Bartlett, Lakeland, and Millington. The Trustee also plans to create and mail ACVs for the City of Memphis pending system conversion.

The State of Tennessee determines the format for the ACV. Once an ACV is returned to the Trustee, information from the form is state's website at <https://www.comptroller2.cot.tn.gov/TaxReliefWeb/Start.aspx>

Action Code – A code located in either STAR or CR Software which triggers or represents a variety of collection activities (i.e. a particular mailing, a specific flag, etc.).

AD – (Assessment Decrease) – A decrease in the assessed value of a property.

Advertisements – A public notice in print, designed to attract public attention to the sale of property.

Age – A process created to increase interest and penalty on receivables at periodic intervals (i.e. the first day of each month) or by some other user-defined criteria (i.e. anniversary date).

AI – (Assessment Increase) — A "transaction" reflecting an increase to a tax balance when the assessed value of property is increased by the Assessor.

Allocation – The distribution of taxes set the County Commission or the City Council to provide funding for general operating budgets, debt service obligations, schools, or special projects.

Annual Lawsuit – A legal proceeding filed against a delinquent taxpayer for failure to pay taxes in a specific year.

Annual Mailout – The Annual Mailout refers to the mailing of tax notices on all parcels once the tax rate has been set for the current year (i.e. the Annual Mailout for 2013 taxes--with no delinquents--would generally occur in July 2013 for taxes in Shelby County, Arlington, Lakeland, and Millington. The Annual Mailout is then followed by a mailing to delinquent taxpayers with 2013 and prior year taxes due for Shelby County, Arlington, Lakeland, and Millington.

The Annual Mailout for City of Memphis taxes generally occurs at the end of June each year. Delinquent mailings will be scheduled in conjunction with or in a manner similar to those of the Shelby County Trustee.

Delinquent mailings for other entities (i.e. Bartlett, Germantown, and Collierville) occur on an as-needed basis.

Any Government Entity – Refers to any municipality, state or federal government.

Appeal – A legal proceeding by which a taxpayer is brought before a higher court for review of the decision of the Shelby County Assessor or other county entity; the contesting of a property or improvement value to the Assessor, the CBOE, or the SBOE.

Assessment Changes for Current Market Value – Increases and decreases received from the Assessor affecting the current assessed value of a property.

Assessment Changes for Ineligible Portion – Increases and decreases received from the Assessor affecting the ineligible portion of the market value of a property (in relation to the Tax Freeze Program).

Auction – A public sale in which property is sold to the highest bidder.

Automated – To take a hand-written or otherwise manual process and convert it to a less labor-intensive, computerized process.

Automated Calls – The Trustee uses a third-party to contact taxpayers by phone with pre-recorded messages, particularly taxpayers applying for benefit programs and those who are delinquent in the payment of their taxes. Phone numbers are usually received from Memphis Light Gas & Water (MLG&W) or collected through the Tax Relief application process and maintained with the main Accounts Receivable database.

Backdate – The process of entering an earlier processing date. The backdate process is typically used at the beginning of a new month when payments are received with postmarks from the prior month. The backdate process can trigger a reduction in interest and penalty if taxes are delinquent.

Bankruptcy Protection – A federal system of statutes and courts which permit persons and businesses which are insolvent (debtors) or (in some cases) face potential insolvency, to place his/her/its financial affairs under the control of the bankruptcy court.

Bank Garnishment – Pursuant to TCA 67-5-2004, 67-5-2003, the Trustee may have a garnishment issued against a taxpayer's bank account. This method allows the Trustee to place a lien on the account(s) held at a banking institution by a taxpayer.

Barcode – The Trustee uses a variety of barcodes, including 2D barcodes, to expedite various processes, i.e. each tax notice contains a barcode at the top of the form with parcel and town code information (**see Exhibits A2 – A5, B1, D10 – D25**).

Base Year – In regard to the Tax Freeze Program, this is the year where in which an application is approved. The tax for next year will be adjusted to reflect the tax for the “frozen” year (the year of the Tax Freeze application).

Batch – A group of one or more entities (i.e. processing payments by batch, receipts generated by batch).

BK emails – Orders, motions, and correspondence dealing with Bankruptcy cases. The Court sends them daily on paperwork where the Shelby County Trustee is mentioned as a creditor.

BOE – (Board of Equalization)—A short name for CBOE listed below.

CAAS – (Computer Appraisal Assessment System) – CAAS is the system that contains the State Tax Relief and Tax Freeze software.

Cancel – Cancel denotes one of two things: 1) to cancel a payment transaction *on a day other than* the processing date; and 2) the resulting refund once a payment is cancelled.

CBID – Commercial property located in the Central Business District of the City of Memphis where property owners pay an annual assessment as determined by the Downtown Memphis Commission. Assessments as of 1997 will be for all commercial properties at a rate of 0.0065 of the assessed value, which is 40% of appraised value, less the first \$25,000 of appraised value (i.e. \$10,000 tax). Exemptions include normally exempt properties, residential (less than seven units) and non-profit organizations. Taxes are billed with normal annual tax billing and reporting is provided to the Downtown Memphis Commission, *formerly known as the Center City Commission*, as requested.

CBOE—(County Board of Equalization) – CBOE is the board responsible for ensuring constitutional and statutory compliance in assessments of property for ad valorem taxes. This responsibility is carried out through: 1) establishment of policies, rules, and manuals governing local assessment practices and training for assessment officials; 2) hearing of appeals from county boards of equalization regarding local assessments; 3) direct review and hearing of appeals regarding central assessments of public utility companies; 4) review of applications for religious, charitable, and related property tax exemptions; 5) review of certified tax rate calculations from jurisdictions undergoing revaluation; and 6) regulation of property tax appeals, agents, and agent practices.

Certified Mail -- A mailing sent to taxpayers containing a unique article number that allows the Trustee to verify delivery; the recipient's signature is obtained at the time of delivery and an electronic record is maintained by the Post Office and forwarded to the Trustee. Certified mail is used in obtaining service of process to get a judgment.

Certified Tax Roll – By May of each year, the Assessor is required to present to the Trustee a file containing the assessment information for the current tax year (i.e. assessments, appraisals, legal description, etc. see **Exhibit C4**). The file is used to upload assessment values into the Accounts Receivable system and to calculate taxes for Shelby County, Arlington, Lakeland, Memphis, and Millington (see **Diagrams A4, B3, and C10**). Bartlett, Collierville, and Germantown taxes are uploaded to STAR via an electronic file or they are simply hand-keyed as supplemental receivables.

Chancery Court – Chancery Court is a superior court of general original jurisdiction of all cases of an equitable nature. These cases include, but are not limited to the following types of actions: actions resulting from fraud, actions resulting from trusts, actions for specific performance, actions for an accounting, actions between partners, actions for enforcement of liens, actions for equitable attachment and appointment of receivers,

actions for injunctive relief, actions to remove a clouded title and/or quiet title, actions for breach of contract.

Chapter 13 Trustee – A public official appointed to keep record of receipts and the disposition of money and property received through the federal bankruptcy court system.

Circuit Court—Circuit Court is a court of record and a court of general jurisdiction consisting of nine (9) judges presiding over nine (9) divisions. The filings in this court include appeals from lower courts, auto accidents, condemnations, divorces, joint petition minor settlements, personal injury lawsuits, workers compensation cases, etc.

Citations – Pursuant to TCA 67-5-2003(c) and referred to as a Pre-Seizure Notice, a trustee representative will give no less than 10 days' notice of delinquency and demand to pay to a delinquent taxpayer at the last known address. The notice is physically delivered to the property location. Signage may also be placed in a site for public view. Failure to pay may lead to forfeiture or garnishment (see **Exhibit D2 and Diagrams A13, B20, and C17**).

Comments – Free-form notes located in the Transaction History as entered by a cashier at the time of payment processing or from a description associated with an automated upload of information.

Complaint – A legal document that outlines all of the plaintiff's theories of relief, or causes of action and the facts supporting each cause of action; the complaint also serves as notice to the defendant that legal action is underway.

Control Number – Every transaction (monetary or non-monetary) posted to STAR is currently assigned a "control number". By using the control number, one can see a complete audit history of the transaction including corresponding refunds. The control number includes the following: tax year, a seven-digit integer, a decimal point, and a four-digit extension (i.e. 2012-7500001.0001). Every payment within the transaction is given a sequential extension number (i.e. .0001, .0002). Currently, each workstation making transactions is assigned a set of control numbers specific to that particular location. Control numbers must be updated with each new tax year.

CR Software – Third-party collection software purchased in 2011 designed to expedite activities associated with delinquent tax collections.

Current Market Appraised – The current market appraised value received from the Assessor for a property location.

Current Market Greenbelt Appraised – The current market greenbelt appraised value received from the Assessor for a property location.

Current Only – Parcels that have only the current year tax balance due.

Current Taxable Assessed – The Current Taxable Assessed Value for a property location determined by the Assessor.

Current Taxable Greenbelt Assessed – The Current Taxable Greenbelt Assessed Value for a property location determined by the Assessor.

DBL – Database Lookup function (via Web Services or stored procedures) to expedite payment processing via the website, the kiosks, and RTL.

Deed – A legal document executed and delivered to affect a conveyance of real estate. When registered, it provides legal notice of transfer of property.

Default – A parcel is in default if payment is not received within the specified days as entered in the “days till default” field of a payment plan.

Delinquency Date – The date on which interest and penalty begin to accrue on a current year receivable. For county and municipal receivables (except for the City of Memphis), the delinquency date is March 1 of each calendar year. Beginning with March 1st, interest and penalty charges begin to accrue on the base tax balance at 1.5% per month (1% interest, .5% penalty) or 18% per annum. For the City of Memphis, the delinquency date is September 1.

DHCP – (Dynamic Host Configuration Protocol) – Specifies methods for simplified and dynamic configuration of IP address for computers on TCP/IP networks.

Digital Scanner – A scanner located in the Collections division that reads the information encoded within a barcode (the bar code usually contains the parcel number, year, and town code). Using the “Office Utilities” program, the information captured by the scanner is compared to a table containing the parcel numbers and town codes of all parcels in a particular print run. The comparison helps to insure that all notices have been mailed and that no duplicates were sent.

Discount – Since the Trustee is authorized to accept current year taxes any time after July 10. State law provides for the County Commission to adopt a resolution for a discount on county taxes. In Shelby County, a discount of 3% may be offered on taxes paid by the end of July, a discount of 2% may be offered on taxes paid by the end of August, and a 1% discount may be offered on taxes paid by the end of September. Please note that discounts have not been offered since 1993.

DV – (Disbursement Voucher) – An 8 ½” x 11” form containing the information from the State of Tennessee Tax Relief Office for a person who is making a first time application to receive Tax Relief benefits for the current year. Forms with bar codes are generated from an external .NET program and the Trustee website. A taxpayer may have a DV for county taxes and a DV for municipal taxes. For imaging purposes, the barcode on the Trustee form is used during the image capture process to attach the image to the appropriate receivable; the date of receipt is also captured during the imaging process and loaded into the appropriate tables to alert representatives that processing needs to occur (see **Exhibit A5**).

The State of Tennessee determines the format for the DV. The Trustee creates and mails DV forms upon taxpayer request. Information from the DV form is entered into the state’s website at

<https://www.comptroller2.cot.tn.gov/TaxReliefWeb/Start.aspx>

E-bill – An e-bill is the electronic version of a taxpayer’s paper bill.

Eligible Frozen Base Tax – The tax amount for the tax year in which a Tax Freeze application is approved.

Eligible Portion Market Appraised – The Assessor-determined portion of the primary residence that is eligible for the Tax Freeze Program.

Eligible Portion Taxable Assessed – The Assessor-determined portion of the primary residence Taxable Assessed Value that is eligible for the Tax Freeze Program.

Equal Opportunity Compliance (EOC) – Bidders must pre-qualify for Contract Compliance Eligibility and be assigned a contract compliance certification number prior to submission of a bid.

Exhibit Number – A number assigned to a particular parcel for the purpose of identifying the property for the court system.

Extension Date – A 60 day grace period by which a taxpayer may pay an increased assessed tax without accruing interest and penalty. The extension date associated with an increase in assessed taxes currently falls on the last day of a month; therefore, if the 60-day calculation occurs anytime *during* a month, the taxpayer is given a grace period that extends to the last day of that month. However, with new software, the Trustee is looking to accrue interest based only on a 60-day period.

Federal Bankruptcy System – Based on title 11 of the United States Code (11 U.S.C.101-1330), bankruptcy is the legal procedure for dealing with debt problems of individuals and businesses; specifically, a case filed under one of the chapters of title 11 of the United States Code (the Bankruptcy Code).

Fiscal Year – July 1 through June 30. Shelby County and the City of Memphis both use the same fiscal year.

First (or Minimum) Bid – The Delinquent Tax Attorney will start the bidding at a tax sale auction with the amount of the combined delinquent City and County taxes plus any related court costs.

Flag – An identifier (see Exhibit 16) attached to a parcel or receivable that governs specific activities for that parcel or receivable (i.e. a bankruptcy flag results in a reduced interest calculation for a receivable).

GL Date – The GL date is the date used to determine the correct accounting period for transactions. The GL posting date is the date when the journal entry is posted to the GL. The GL Date is particularly important for City of Memphis Transactions as the City uses a modified accrual accounting method. Each month, the City has an official closing date for the GL; after the closing date, no further backdates or activity can post for that particular accounting period. The GL date is significant to the City with regard to the recognition of revenue.

Greenbelt – Under the Agricultural, Forest, and Open Space Land Act, also known as the Greenbelt Law, owners of property qualifying as agricultural, forest, or open space property may have it specially valued. The act was promulgated to allow for assessment of the land based on current use, not its potential for conversion to another, higher value use.

Factored Receivables – The City of Memphis has opted to sell or factor some of its receivables as a way of expediting cash flow. Factoring allows a tax receivable to be sold at a discount or premium to a third party (the factor) in advance of obtaining a payment.

Historically, the City has continued to collect and report on the accounts sold to a particular factor. Tax revenue is recognized at the date of the sale. The City maintains all collection efforts.

Folding Machine – The Collections Division uses a Baum folding machine to fold (usually a tri-fold) tax notices and other documents that are mailed to taxpayers.

Freeze Tax Rate – The tax rate at the time a property enters the Tax Freeze Program.

Heir – A person who inherits or is entitled to inherit the property of a deceased person by relationship, will, or legal process.

Improvement – Any change to a dwelling or a dwelling lot that would warrant a change by the Assessor in the Market Appraised Value.

Ineligible Code – The code that identifies the reason for the ineligible status of a property considered for the Tax Freeze Program.

Ineligible Portion Market Appraised – The Assessor-determined portion of the Primary Residence that is ineligible for the Tax Freeze Program.

Ineligible Portion Taxable Assessed – The Assessor-determined portion of the primary residence Taxable Assessed Value that is ineligible for the Tax Freeze Program.

Ineligible Tax Amount – The ineligible tax amount for a property is the portion of the tax not included in the Tax Freeze Program. A property may have both an eligible tax amount and an ineligible tax amount.

INL – (In Lieu Of) – “In-Lieu-Of” taxes are based on contractual agreements designed to provide an incentive program to expand/attract businesses to the Shelby County and downtown area. Contract data is received from approx. eight different boards and manually entered into the software. Terms of the contracts vary and INL contracts may be realty or personalty. INL contracts are sometimes referred to as PILOT contracts (Payments In Lieu Of Taxes) see **Exhibit B9**. Underlying property may be fully or partially exempted and linked to the INL.

Interest Rate (Bankruptcy) – By charging interest on outstanding balances, a creditor can receive the present value of the allowed amount of a tax claim. The rate of interest shall be the rate determined under applicable non-bankruptcy law.

In the case of taxes paid under a confirmed bankruptcy plan from the court, the rate of interest shall be determined as of the calendar month in which the plan is confirmed by the court. In Shelby County, the current approved rate is 1% monthly.

Judgment – A decision by a court or other tribunal that resolves a controversy and determines the rights and obligations of the parties. A judgment is the final part of a case.

Kiosk – The Trustee has approx. 18 payment kiosks throughout the county whereby taxpayers may use a touch-screen monitor to make tax payments. The kiosks utilize an application developed internally using Microsoft Windows Presentation Foundation (WPF). The kiosks accept payments via e-check converted to ICL or by credit card. No cash is processed via this payment channel. Receipts are immediately generated for taxpayer records. Kiosks currently interact with a credit card gateway known as *Payware* for

authorizations and nightly settlements. Plans are underway to remove *Payware* as the credit card gateway and integrate directly with Elavon merchant services.

Lawsuit – A case before a court.

Legal Activities – Legal activities reference to such actions as annual lawsuits (filing, judgment hearing, default judgment), reports to the credit bureau (realty taxes), Dunn & Bradstreet reports (personalty taxes), and tax sales.

Legal Description – A description of real property delineated in all deeds of transfer specifying all parcels of real property.

Legal Notices – Notices or mailings advising or notifying taxpayers of pending legal actions.

Lienholder – A lienholder is a party that encumbers upon real property for the satisfaction of a debt that does not require possession of the property.

Meeting of Creditors – The meeting of creditors required by section 341 of the Bankruptcy Code at which the debtor is questioned under oath by creditors, a trustee, an examiner, or the U.S. Trustee about his/her financial affairs.

Microsoft ACCESS – A software package designed for database management and data mining. The Trustee has actively used ACCESS as a means for extracting information from the Accounts Receivable database.

Minimum Bid – The combined delinquent City and County Taxes plus any related court costs used for a tax sale auction of property

Miscellaneous Charges (for City of Memphis) – Miscellaneous charges are billed and collected for the following Memphis city entities:

Community Enhancement:	Weed cutting charges
Fire Department:	Anti-Neglect charges
Housing & Community Development:	Demolition & Board Up charges
Public Works Department:	Sanitation charges
Engineering Department:	Sidewalk installation charges

These charges are added to a current year tax bill for the associated realty property address. Fees have multiple fee structures that include: different anniversary dates, multiple invoices, flat rate costs, and variable grace periods. The new tax software must be flexible enough to accommodate a variety of billing structures.

Note: Miscellaneous charges are by calendar year and not by tax year. The system must be able to load miscellaneous charges before the tax roll is loaded in June of each year (i.e. beginning each January of a new calendar year).

Mortgage Company – A bank or other financial institution that provides a loan on real property until the debt is paid-in-full.

Mortgage Lite -- A stand-alone piece of software designed to assist a cashier or an external company with multiple payments from a single source. The software uses a database extract from STAR (containing current property tax balances) to generate a payment file that can be uploaded into STAR.

MR – (Modify Receivable) – The form used to request an adjustment to tax, interest and penalty, and fees. The MR transaction currently occurs in the Parcel Maintenance section of the Accounts Receivable software. See **Exhibit E3**.

Owner – A person who is the legal possessor of real property.

PACER ECF System – Public Access to Court Electronic Records—An electronic public access service to obtain case and docket information from Federal Appellate, District and Bankruptcy courts, and the U.S. Party/Case Index via the Internet.

Paper Suppression – The ultimate goal of an e-bill program is that a taxpayer may accept an e-bill and ultimately “turn off” the need for a paper bill.

Parcel Number – The fourteen-character identifier of property certified on subject to taxes. The fourteen-character field consists of the following: Ward (3), Block (4), Subdivision (1), Parcel (5), and Consolidation (1). The Trustee zero-fills these components. However, other government offices in Shelby County do not zero-fill the parcel number.

Partial Eligibility – a Yes/No condition determined by the Assessor. If “Yes”, the amount for the ineligible Portion Market Appraised Value is provided.

Payment Plan – A contract issued by the Collections Division whereby a taxpayer has agreed to pay a fixed amount of money in specific intervals. As long as the taxpayer abides by the terms of that agreement or payment plan, his/her parcels will not sold or assigned for Tax Sale proceedings. A Payment Plan flag is a notation in a field used to designate that a parcel is protected by a Payment Plan Agreement (see Exhibit A1 and Diagrams A14, B18, and C18).

Pay Register File – An electronic file from the State of Tennessee with data related to Trustee reimbursement for Tax Relief credits (both ACVs and DVs). The file is uploaded to receivables in the Tax Relief subsidiary ledger in STAR for ACVs and into both STAR and the Tax Relief subsidiary ledger for DVs (see **Exhibit C15**).

Personalty Tax Parcels – Parcels with taxes that have been levied on business furnishings and equipment pursuant to reports submitted to the Shelby County Assessor.

PMO – (Payment Moveover) –The PMO process refers to canceling a payment on a receivable and “moving” it or transferring it to another receivable. The action is supported by a signed PMO document requesting the transfer along with the prescribed approval signatures. A PMO becomes necessary when a taxpayer makes an error in paying a receivable, a mistake is made during the payment application process or an assessment change creates a refund that can be applied to open taxes. Over 1000 PMOs are processed each year (see **Exhibit E4**).

Primary Residence – The dwelling owned by the taxpayer and classified as the taxpayer’s legal residence for voting purposes.

Processing Date – The date of actual posting to the Trustee Accounts Receivable software.

Production – the real-time operating environment for STAR (or other software).

Profiles – Previously established sets of user permissions within the system software.

Proof of Claim – A written statement setting forth a creditor's claim.

Proportional Assessment Change – The percentage from the Assessor increasing an Eligible Frozen Base Tax (improvement) or decrease (appeal) in regard to the Tax Freeze Program.

Quarterly Payment Plan – A payment plan for taxpayers who are 65 years of age or older, living on a fixed income whereby current year taxes can be paid in four installments that exceed the delinquency date – four installments over a twelve-month period. Interest and penalty do not accrue on receivables flagged as Quarterly Pay. Any outstanding balance after the last quarter triggers the removal of the flag and the subsequent accrual of interest and penalty retroactive to the normal delinquency date for the tax year. Quarterly Pay options extend to both County and City of Memphis current year receivables (see **Exhibit A2** and **Diagrams A10, B16, C15**). Currently, the Trustee has chosen to allow the taxpayer the entire 12-month period to pay without the accrual of interest and penalty.

Receivable – The unique identifier associated with the taxes due for a particular tax year, town code, and parcel number. A parcel may have several receivables. For instance, the parcel number of 044-1050-0-00018-0 located in the "S" town code may have taxes due for more than one year. In this instance, the receivables can be identified as follows: 2007 S 04410500000180 (year, town code, and parcel number), 2006 S 04410500000180, etc. If the parcel is subject to both county and municipal town codes, the receivables will have a different town codes and years such as: 2007 M 04410500000180, 2006 M 04410500000180, etc.

Redeem – To re-purchase or buy back property sold in tax sale.

Redemption Period – The period of time corresponding to one year following a tax sale wherein the legal owner, heir and/or lienholder may pay into the registry of the court the full bid price plus 10% interest to the purchaser and by filing a Petition and an Order of Redemption thereby redeeming the land from tax sale in order to regain possession of the property.

Refiling – Resubmitting an order or legal document for entry to the court based upon errors.

Refund – Excess money received as a result of an overpayment or a decrease in taxes after a payment has been made unless otherwise noted. Currently, the Trustee refunds to the person/entity that made the last payment.

Remarks – Free-form notes currently associated with a parcel (i.e. on the Parcel Inquiry screen in STAR). Each note is identified with the operator, the date, and the time.

Resolution – The method used to dismiss taxes thereby taking taxes, interest and penalty, and fees to zero. A resolution may be referred to as a "tax write-off". STAR currently provides for a reason code to be attached to each resolution, see **Exhibit B15**.

Reversal – The action taken to cancel a payment on the processing date.

Rollback Taxes – Regarding Greenbelt property, if an application is approved and a property tax savings results, the county may recapture a portion of the tax savings by a "roll-back" provision if the property later becomes nonqualified by virtue of a change in use. The

rollback provision encompasses the preceding three years for agricultural and forest land and the preceding five years for open space land. The rollback tax is computed according to the amount of tax saved by the difference in the present use value assessment and the value assessment normally used. At the present time, a new parcel number is created when a property becomes subject to rollback taxes (i.e. parcel 081-0800-0-00040-0 becomes 081-0800-0-00040-R). Currently, the Trustee creates a rollback by adding the three years “back” billing to a newly created parcel number with an “R” as the last digit of the parcel number.

RTL – (RT Lawrence) – The Trustee uses payment processing software from a third party vendor, RT Lawrence. Three products from RTL are used in the payment processing functions for the Trustee: *RTL First*, *RTL First View*, and *RTL Quick Clear*. At the current time, two OPEX Model 3690 mail extraction systems capture images of incoming transactions and pass them as batches to the RTL software for processing (see **Exhibit C14**). During payment processing, the RTL software makes contact with the Accounts Receivable software via database lookups (stored procedures) to validate parcel information and resolve out-of-balance condition (see **Exhibit G2**).

SAN – (Storage Area Network) – The Trustee currently uses the EMC VNX 5300.

SBOE – (State Board of Equalization) – The board responsible for hearing those cases not resolved at the county level: the board responsible for ensuring constitutional and statutory compliance in assessments of property for ad valorem taxes. This responsibility is carried out through: 1) establishment of policies, rules, and manuals governing local assessment practices and training for assessment officials; 2) hearing of appeals from county boards of equalization regarding local assessments; 3) direct review and hearing of appeals regarding central assessments of public utility companies; 4) review of applications for religious, charitable, and related property tax exemptions; 5) review of certified tax rate calculations from jurisdictions undergoing revaluation; and 6) regulation of property tax appeals, agents, and agent practices.

Scan line – One code line on the bottom portion of the tax notice which contains data (including blank spaces) which can be interpreted by the RPS software and used for automated payment processing. At the present time, the scan line includes the 14 digit parcel number, the oldest tax year, the town code, a six-digit bill number (not used), an amount for the oldest year due, and a check digit. See **Exhibits D10 – D25** for scan line location. Please see **Exhibit B4** for the scan line check digit algorithm.

Secured Creditor – A creditor holding a claim against a debtor who has the right to take and hold or sell certain property of the debtor in satisfaction of some or the entire claim.

Secured Debt – Debt backed by a mortgage, pledge of collateral, or other lien; debt for which the creditor has the right to pursue specific pledged property upon default. Examples include home mortgages, auto loans, and tax liens.

Seizure – Pursuant to TCA 67-5-2003(a) and otherwise referred to as a Distress Warrant, the Trustee or his/her representative will distraint (seize) and sell a sufficient amount of personal property to satisfy delinquent taxes, interest, penalties, costs and attorney fees.

Service of Process – Service of Process is the act of delivering a writ or summons to someone.

Shelby County Land Bank -- A County Department authorized to maintain and sell parcels of real property acquired by the County in a Tax Sale.

<http://www.shelbycountyttn.gov/index.aspx?NID=407>

Signed Green Card – The green certified card sent with Certified Mail that contains the recipient's signature. This card is returned to the Post Office and passed electronically to the Trustee for future reference (see **Exhibit D48**).

Special Escrow – Special Escrow is an accounting ledger account that contains money for a payment from a source other than a mortgage company that cannot be immediately processed and/or a payment for a future tax year (see **Exhibits E14 and H17**).

Split – One or more (new) parcels created by the Assessor or a contract from a “parent” parcel when a portion is sold, the parcel is subdivided, or the parcel becomes subject to a particular tax contract (see **Exhibit H17**).

SSAE 16 – Statement on Standards for Attestation Engagements (SSAE) 16 known as SSAE 16 has been put forth by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA). Its purpose is to replace an aging SAS 70 standard that needed to be refreshed to keep pace with more globally accepted international accounting standards. Thus, SSAE 16 was born in 2010. SSAE16, unlike SAS 70, is an “attest” standard, falling under the attestation framework, and not that of the “auditing” framework, which is the origination of the SAS 70 standard. Further, SSAE 16 requires a description of the “system”, whereas SAS 70 only called for a description of “controls” – the description of the term “system” is viewed as a more expansive and detailed requirement.

STAR – (Shelby County Trustee Accounts Receivable) – The existing software used in the Trustee's Office to manage property tax receivables (see **Exhibit B6**).

STAR.NET – Extraneous .NET software developed internally to facilitate various functions to manage property tax receivables (see **Exhibit B7**).

Tax Freeze – Tax Freeze is a state/municipal program that was created to help seniors (65 and older) by freezing the tax amount on their primary residence to avoid future tax increases.

Tax Master – A process to compare daily deposits from the Remittance Department to the actual system activity. The results create information for a journal entry for the Accounting Department (see **Exhibit H18** for a Taxmaster Report and **Diagrams A6, B10, C4**).

Tax Rate – From the valuation placed on real and personal property, taxes are calculated according to the rate set by the County Commission, City Council, or municipalities each year (typically in July). Different tax rates may be established for different town codes or zones. For instance, the County Commission set the tax rate for 2006-2007 for properties inside the Memphis City limits at \$ 4.04 (per every \$100 of assessed value) and \$4.09 for properties outside the city – the \$.05 difference was dedicated to the bond payments to pay for the Arlington High School. To see the historical tax rates by town code, please visit www.shelbycountystatetrustee.com and look for “Information” and “Tax Rates”.

- Tax Relief** – A state program administered by the Trustee to assist the following taxpayers in the payment of property taxes: 65 years of age or older; or disabled; or disabled veterans, or widows/widowers of disabled veterans meeting specific criteria; or spouses of soldiers killed in action. Qualifying applicants are granted relief in the form of a tax credit that never has to be repaid.
- Tax Relief Support** – Documents provided as support for a DV or ACV proving eligibility for Tax Relief, such as income tax returns, driver's licenses, Medicare or Medicaid cards, deeds, marriage licenses, death certificates, etc.
- Tax Sale** – Pursuant to TCA 67-5-2501, the court shall order the sale of the property of a delinquent taxpayer for cash subject to the equity of redemption. The Trustee conducts six (6) sales each year where judgment and service (signed green card notification) have been obtained, this process includes taking default judgment; the Chancery Court is the facilitator of such sales. A Tax Sale is the final method used by the Trustee to collect delinquent realty property taxes. Properties are offered for sale with a minimum bid of taxes, interest, penalty, and fees owed.
- Tax Sale Photographs** – Photographs taken by the Trustee for the purposes of property identification only and used in a tax sale as Proof of Service. These photographs may appear in STAR and on the Trustee website.
- TCP/IP** – (Transmission Control Protocol/Internet Protocol) – A set of networking transports that governs how data passes between networked computers.
- Tender** – Cash, checks, credit vouchers, etc. offered in payment.
- TIF** – (Tax Incentive Financing) A group of parcels subject to various tax benefits based on an entity's commitment to revitalization within a given area or zone (see reports under **Exhibits H8 and H9**).
- Till** – a separate supply of money (or other types of tender) that corresponds to monetary transactions (i.e. payments). Currently, each cashier has a unique till number for posting transactions. Further, particular types of payments (i.e. bankruptcy, RPS, mortgage) are processed on specific till numbers for easy identification and research purposes.
- Title Search Funds** – Funds allocated or budgeted for the specific purpose of acquiring a Title Search for each property in a specific tax sale.
- Tolerance** – Payments are considered to be paid-in-full if they are paid within the tolerance of \$ 5.00 short to \$ 7.50 over.
- TPSC** – (Tennessee Public Service Commission) – The State of Tennessee establishes assessments related for public utilities and carriers. These properties are sometimes referred to as "State Assessed Properties" (SAP). These assessments are received each January from the State for the previous calendar year. Bills are mailed according to the annual cycle for each entity. Annual assessment information from the State of Tennessee is received electronically (see **Exhibit C18**) in February of each year.
- Transaction (Monetary)** – Any change affecting the balance due on a receivable. Examples include payments, payment cancellations, refunds, addition of fees, etc.

Transaction (Non-Monetary) – Any non-monetary change made to a parcel or receivable which is automatically documented by the system (i.e. changes assessment value).

Transaction (CASH) – In reference to the Tax Master process, a cash transaction is a transaction that posts to a receivable with the following types of tender whereby money is receipted on the same day as the processing day for the transaction: cash, check, credit card, e-checks, and teller over/short.

Transaction (NON-CASH) – In reference to the Tax Master process, a non-cash transaction is a transaction that posts to a receivable with the following types of tender whereby money was receipted on a day other than the processing day for the transaction: Unapplied Mortgage, Payment Moveover, Special Escrow, ACV, DV, Land Sale, Insufficient Check, Debit Memo, or Credit Memo.

Transaction Date – The transaction date is the actual date a transaction posts to the Accounts Receivable software. The transaction date may or may not be the processing date. For example, if a payment is received in the mail on November 4 with a postmark of October 31, the transaction date will be October 31 but the processing date will be on November 4. Both dates are recorded in the Trustee Accounts Receivable software.

TRD # -- (Tennessee Rules Document) -- A number assigned by the Court for an order or a motion related to a lawsuit.

Trouble Ticket – A request submitted through the Trustee Help Desk to resolve issues related to software, hardware, security, or data within the Trustee's Office.

Trustee Attorney – A delinquent tax attorney appointed jointly by the Trustee and the County Mayor to file and assist in the collection of delinquent taxes, including but not limited to personalty and realty taxes.

Trustee Test System – Prior to implementing changes to the Trustee Accounts Receivable software, programming modifications are introduced and verified in a separate test environment on the sctest server with dedicated workstations in different areas of the office (i.e. Accounting, Mailroom, and Cash Management).

Trustee Testing Team – A dedicated seven-member team created to ensure comprehensive and accurate testing for new software. In addition to the seven-member team, there are also four “back-ups” to cover unforeseen absences of team members. Members are selected based on reliable knowledge and skills within their respective areas. Testers are often “embedded” with programmers to ensure optimal functionality of new software / systems.

Unapplied Mortgage – Unapplied Mortgage is a general ledger account that contains money for a payment from a mortgage company that cannot be immediately processed. Payments from mortgage companies or real estate service companies that include a large file of transactions are recorded first to this ledger account for tracking purposes.

Uptown Redevelopment – A group of parcels located within a specific geographic zone subject to a set of specialized tax benefits approved by a public entity such as the County Commission. In this instance, any increase in property taxes from 2000 (for Uptown) and 2007 (for Highland) goes to pay for improvements within this geographic zone (see **Exhibit H8**).

USPO – United States Post Office.

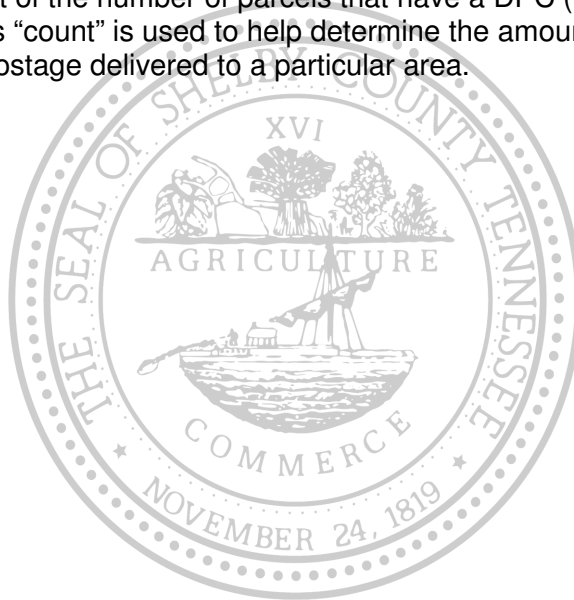
Wage Garnishment – Pursuant to TCA 67-5-2004, 67-5-2003, the Trustee may have a garnishment issued against a taxpayer. This method of wage garnishment focuses on the collection of taxes from the wages earned by a taxpayer. To garnish wages, an order is delivered to an employer to collect the amount of the garnishment prior to the disbursement of the taxpayer's wages.

Warrants – The system used by the County for the distribution of county funds as a means of payment similar to checks.

Work Que – A que contains a group of parcels (within CR Software) which have been assigned to a particular collector. The que can be used for a day or indefinitely.

Yearly Income Limit – The maximum annual income set by the State of Tennessee for a person to qualify for the Tax Freeze program.

ZIP Counts – A count of the number of parcels that have a DPC (Delivery Point Code) in each zip code. This "count" is used to help determine the amount of discount (if any) that can be taken on postage delivered to a particular area.



APPENDIX B - PRICING REQUIREMENTS

In a separate sealed envelope provide the information requested below:

1. Cost of the Out-of-the-box Package

The standard package includes any items marked as **“System can be configured out of the box to meet requirement”** in this bid package. Do not include travel related expenses in the “Cost of the Out-of-the-Box” Package as the Shelby County Trustee requires an itemized listing of these expenses which is separate and apart from the “Cost of the Out-of-the-Box Package”. Include licensing for an unlimited number of concurrent users as well as those required in the environments for development, testing, and production.

Subtotal \$ _____

1. Cost of Customized Items

Please list item number, remarks, and costs of terms marked as **“System requires customized code to meet requirement.”**

<u>Item #</u>	<u>Remarks</u>	<u>Costs</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
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_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

Subtotal \$ _____

2. Cost of Third-Party Software

Please associate each instance of third-party software with an item number from the specifications in Section IX.

[illegible]

3. Hardware

The purpose of this bid is to purchase application software. In that software is environment dependent, please refer to “**Section IX. G. Technology**” to review the existing hardware and software infrastructures for the Trustee, the City of Memphis, and Shelby County Information Technology Systems. Please specify any additional hardware required to complete the successful installation associated with this RFP. The Trustee reserves the right to purchase items from this RFP or from other external sources.

Description	Quantity	Term of Warranty	Cost of Warranty	Cost of Hardware
Subtotal			\$	\$

4. Upgrades

Please detail a schedule of upgrades for a 3-year period and the cost of each upgrade.

Date

Cost

\$

\$

\$

Subtotal

\$ _____

5. Software Maintenance

Annual Maintenance Costs \$ _____

Method of Determination _____

After Hour Support
Cost per hour: \$ _____

6. Travel and Related Expenses

This item represents travel expenses incurred by the vendor during conversion, installation, and training. Examples of expenses are transportation, food, lodging, etc. These expenses must not be included in the "Cost of the Out-of-the Box Package" as travel expenses must be itemized separately according to the guidelines from the Shelby County Purchasing Department.

Item	Quantity	Description	Cost /Item	Total Cost

Subtotal \$ _____

7. Training

Training Cost for Out-of-the Box Package \$ _____

Training Costs for Customized Items

<u>Item</u>	<u>Description</u>	<u>Costs</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

Subtotal \$ _____

8. Conversion

Trustee Data & Transactional History \$ _____
City of Memphis Data & Transactional History \$ _____

Subtotal \$ _____

9. Other Professional Services

Project Management \$ _____
System Analysis \$ _____
Installation \$ _____
Configuration \$ _____
Site Preparation \$ _____
System Integration \$ _____
Implementation \$ _____
Testing \$ _____
Misc. (please specify) \$ _____

Subtotal \$ _____

10. Other one-time or Recurring Costs:

<u>Item</u>	<u>Description</u>	<u>Costs</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

Subtotal \$ _____

GRAND TOTAL \$ _____

Please explain any assumptions or constraints in the price proposal to perform the services. Be sure to explain any and all additional charges or fees in the proposal.

MASTER PRICING SHEET

Section	Description	Subtotal
A	Out-of-the Box Package	\$
B	Customization	\$
C	Hardware:	
	Warranty:	\$
	Hardware:	\$
D	Upgrades:	\$
E	Software Maintenance:	\$
F	Travel & Related Expenses	\$
G	Training	\$
h	Conversion:	
	Trustee	\$
	City of Memphis	\$
i	Other Professional Services	\$
K	Other One-Time or Recurring Costs	\$
	GRAND TOTAL	\$

APPENDIX C - Document Types in STAR

Acct_Mnth_End_Rpt
ACV
ACVBartlett
ADDR_CHG
Admin Receipts
AMO_RetMail
An_Lawsuit_Exhib
Analysis
Annl_TaxFreeze_Calc
APChkIssued
APRefChkCleared
Audit_Rpt
BankState&Recon
BIDS
BrokerDealerReviews
CertMail_Coll
CERTROLL
CIT_GARN
Coll_Dismiss
Coll_Dismissal
Coll_PayPlan
Coll_Resolution
Collateral
CONTRACTS
CORR
CORR_BKPT
CORR_SBOE
DA_APChk
DV
E&IAssessorFile
E_CertMail
EI
Escrow
GenTSDocs
IDB
Inv_Daily
Inv_E_O_Ltrs
Inv_Monthly
JE_BankRpt
JE_DailyWarr
JE_ExcessBal
JE_LGIP
JE_Refunds
JE_TaxAlloc
JE_WarrFunded
Journal_Entries
LGIP
LSFolder
MP_Lite_Report
MR
Pilot_Annual_Rpt



Pilot_Contract
PMO
PP-pyrl
PP_CD
Pur_Comm&Fee_Rpt
Pur_Procure_Cards
Quarterly_Pay
QuarterlyPay
RefChkIssued
RefChkPacket
Refund Check
SUPP
TaxFreeze
Taxmaster
TR_PayReg
Trust_Anul_Rpt
TSFolder
UR_CertMail
Walk-In_Log
Wheel Tax

Image Retrieval:

Images are stored on the network by document type. Pointers for these document types are stored in the STAR KOVISDOCS table. Documents can be accessed within the STAR Digial Imaging module using the following search criteria:

All Documents

Document ID -- A unique document identification number is created for each document output to the network.

Document Type
Imager ID
Date Received
Date Scanned

Parcel Number, Year, and Town Code

ACV
CertMail_Coll
Corr
DV
SUPP

Description

ACV
ACVBartlett
Admin Receipts
AMO_RetMail
BIDS
CERTROLL
CONTRACTS,
CORR
DV

Quarterly Pay
Tax Freeze
UR_CertMail
Wheel

Tax Type

An_Lawsuit_Exhib
Certified Mail
#E_CertMail
UR_CertMail

Department

Contracts

Exhibit ID

An_Lawsuit_Exhib

Reason Code

AMO_RetMail

Vendor Name

ACV
Bids
BrokerDealerReviews
CONTRACTS
DA_APChk
QuarterlyPay
WheelTax

BID Date

BIDS

Board File Number

Pilot_Contract

Year

ACV
ACVBartlett
Admin Receipts
AMO_RetMail
BrokerDealerReviews
CONTRACTS
DV
Quarterly Pay
TaxFreeze
UR_CertMail
WheelTax

Broker/Pilot Name

BrokerDealerReviews
Pilot_Contract



Agent Name

Refund Number

Resolution/Dismissal

Sealed Bid Number

BIDS

Applicant Name

Tax Sale Number

CertMail_Coll

GentSDocs

TSFolder

UR_CertMail

TRD Number

CertMail_Coll

UR_CertMail

Vendor ID

CONTRACTS

