



**Request for Proposal**  
**Treasury/Tax System Replacement**  
**for the City of Memphis**  
**RFP #12009**

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# 1 Overview

## 1.1 PURPOSE OF THIS RFP

City is issuing this RFP for a replacement to its existing Treasury/Tax system, fully described in this document (the "Services"). The City of Memphis ("City") seeks comprehensive proposals from the recipient of this RFP ("Vendor") believed to have the capability and capacity to satisfy City's complex requirements and a serious interest in providing the Services. This RFP provides information on the current tax processes and system and the requirements necessary for a Vendor submitting a proposal for the City of Memphis Tax/Treasury Replacement System (the "Proposal").

## 1.2 OVERVIEW OF CITY'S TAX / TREASURY SYSTEM

The Information Services Division (IS) of the City provides services to meet the information needs of all divisions of City government. Subsequently, these Divisions use this information to serve the citizens of Memphis quickly and efficiently. By implementing a new Tax Collection System, the City will streamline many of the current processes. The goal for the new system will be to decrease cost through enhanced system processing and information transfer.

The primary mission of the Tax Office is to accurately bill and collect property taxes, and other miscellaneous fees.

The Tax Office is responsible for the billing and collection of real and personal property taxes, Tennessee Utilities and Carriers (state assessed properties), and other miscellaneous revenues due the City of Memphis, as set forth by statutes of Tennessee and Ordinances of the City of Memphis. Annually, the Tax Office bills and collects property taxes from over 255,000 property owners. These funds represent approximately 45% of the City's Annual Operating Budget.

In addition to billing and processing property tax payments, the Tax Office processes property assessment changes throughout the year. These assessment changes result from valuation corrections by the Shelby County Assessor of Property, appeals to the County or State Boards of Equalization, or valuation corrections by the Comptroller of the Treasury, Offices of State Assessed Property. The Tax Office also serves as the City's Central Depository for all City Departments that generate revenues in the course of their operations.

TAX OFFICE HOURS:	Tellers	8:30 am – 4:30 pm
	Other Office staff	8:30 am – 5:00 pm
TOTAL WEEKLY SYSTEM UPTIME:		24 hours/7 days per week (Unless IS specifies a necessary maintenance downtime)
TOTAL WEEKLY WEBSITE UPTIME:		24 hours/7 days per week
TOTAL TELEPHONE PAYMENT UPTIME:		24 hours/7 days per week

## 1.3 **STRUCTURE OF RFP**

The RFP is structured as follows:

Section 1: City of Memphis Tax/Treasury Replacement System overview.

Section 2: City of Memphis Tax/Treasury Replacement System and Scope.

Section 3: City of Memphis Tax/Treasury Replacement System response requirements.

Section 4: City of Memphis Tax/Treasury Replacement System instructions.

Section 5: City of Memphis Tax/Treasury Replacement System Evaluation Criteria and Scoring model.

## **2 City of Memphis Tax/Treasury Replacement System Requirements (SCOPE)**

This Section contains the functional requirements for the City of Memphis Tax/Treasury Replacement System. The information in this section is intended to aid the Vendor in evaluating the requirements, and in preparing its Proposal in response to this RFP accordingly.

### 2.1 **TAX OFFICE – FUNCTIONAL REQUIREMENTS**

#### 2.1.1 **TYPES OF TAXES COLLECTED**

1. *Real Estate (RE)* - Tax collected on land & buildings (e.g. home). RE assessments are received each April from the County Assessor. A Rollback Tax is assessed when a parcel with a greenbelt classification becomes non-qualified by virtue of a change in use. The rollback tax is based on the amount of tax saved by the difference in the greenbelt value and fair market value of the property. The tax includes the preceding three years for agricultural and forest and five years for open space land.

2. *Personal Property (PP)* - tax on equipment used in business; PP assessments are received each April from the County Assessor. The Personal Property Division of the Assessor's office mails forms to businesses to be completed, listing all equipment used to operate the business. These forms must be returned prior to March 1 of the current tax year, or the Assessor will issue a forced assessment. The Personal Property Division of the Assessor's office must also be notified in writing prior to March 1 of the current tax year to officially close a business. A copy of the finalized business license must be enclosed. Failure by the business to officially close a business will result in a forced assessment. If a business is in operation on January 1<sup>st</sup> of any year, Personal Property tax is owed for the full year. Personal Property taxes are not prorated.

3. *Central Business Improvement District (CBID)* – assessments on businesses in the Downtown area. Assessments are received each May from the Center City 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. Exemptions include all 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 Center City Commission as requested.

4. *In-Lieu-Of (ILO)* - tax based on contractual agreements; contract data is received manually and is input into the system by the Treasury Analyst. ILO assessments are by negotiated contract with the Center City Commission (CCC), the Industrial Development Board (IDB) or Health, Education & Housing Facility Board (HEHF). This is an incentive program to expand/attract businesses to Shelby County and the downtown area.

5. *State Assessed Property (SAP)* - tax on motor or communication carriers and utilities. SAP assessments are received each January from the State for the previous calendar year. SAP bills are mailed with other bills in July, using the previous year's assessment. Updated bills are mailed in February.

6. *Miscellaneous Charges* - The Treasury receives miscellaneous charges periodically from the following authorities:

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

These charges are added to the current year tax bill for the associated property address. Miscellaneous charges are by calendar year and not tax year. The system must be able to handle miscellaneous charges for a calendar year starting January 1 before the tax year is loaded in June.

7. *Miscellaneous Collections* - Hotel/Motel, Wholesale Beer and Alcohol, and Franchise taxes are received from their respective property owners monthly or quarterly. Monthly notices are sent to delinquent hotels or motels.

## 2.1.2 TYPES OF BILLS

The following types of bills are generated by the tax office:

1. Real Estate Bill (tax on land & buildings)
  - a. Tax Relief
  - b. Tax Freeze
  - c. Quarterly
  - d. Tax Sale
2. Personal Property Bill (tax on equipment used to run a business)

3. CBID Bill (Control Business Improvement District) Tax on maintenance and improvements in the central business districts
4. PILOT Bill (Payment In Lieu Of Tax) Tax, by contract, used as an incentive for businesses to operate in Memphis
5. SAP Bill (State Assessed Property) Tax for carriers and utility companies who utilize Memphis resources.
6. Miscellaneous Charges Bills – Weed cutting, demolition or board up, anti-neglect, sanitation, and sidewalk installation. These charges are normally printed on existing real estate bills unless a real estate charge is not owed; then a separate bill will be created.

The system must be able to add new bill types as needed. (Example: School Bill)

The system must populate information into the appropriate fields on the City of Memphis Tax Bill.

Heading information on the City of Memphis Tax Bill:

- Parcel account number
- Location
- Subdivision
- Classification
- Lot size
- Lot number
- Acreage
- Operator ID
- Bill creation date
- Mailing address

Body information on the City of Memphis Tax Bill:

- Tax Year
- Bill Type
- Assessment
- Tax Rate
- Bill Number
- Tax Amount
- Interest & Penalty Amount
- Court Costs
- Attorney Fees
- Title Search Fee
- Publication Fee
- Order of Sale Fee
- Administrative Fee
- Other Fess
- Total Amount Due

The tax rate is comprised of multiple fund amounts. The current tax year information is printed first, including the fund breakdown amount for Real Estate, Personal Property, and State Assessed Property and PILOT bills. Any unpaid tax years are also printed on

the bill. If the Real Estate bill also has a CBID assessment, or a PILOT tax, the unpaid CBID amount and the unpaid PILOT amount is printed following its corresponding Real Estate tax. The system must be able to add miscellaneous charges on the system either from a file or manually. Any Miscellaneous Charges should be printed on the tax bill along with the corresponding tax year. All bills project interest and penalty and show the total amount owed for each of the three future months. All bills must list a due date. Initial tax bills owing only the current year, should state 'if paid by 08/31/yy' otherwise it should state by the end of the current month.

Tax Relief bills contain the same information as a Real Estate bill. In addition, the tax relief amount is listed and deducted from the tax, showing the taxpayer the amount the taxpayer must pay.

Tax Freeze bills contain the same information as a Real Estate bill. In addition, the current assessment, as well as the frozen assessment, is printed on the bill.

Quarterly bills contain the amount owed for only the quarter being billed. A summary of the quarterly bill dates with amount owed for each date and a note stating paid with payment date if that quarter is paid.

Tax Sale bills are calculated as of the tax sale date and contain the same information as a regular real estate tax bill. Tax bills are generated at the request of the tax sale authority.

The system must be able to print any bill type (section 1.2) for a parcel from any tax system screen pertaining to that parcel account. The system must be able to suppress printing the tax for any tax year on a tax bill and must be able to print variable length and special character messages on a tax bill based on the type of bill. All bills must have an OCR-A line that can be read by the City's bank and must have a barcode that contains the parcel number. Mailing addresses on all bills must meet current postal requirements.

### **2.1.3 PROCESSING OF BILLS**

The Treasury receives an annual file on a CD via the US Postal Service in May from the Assessor containing assessment values for all Real Estate and Personal Property. The file is loaded into the Tax System awaiting City Council to set the annual tax rate. City Council sets up several funds rates to make up the fund rate. These funds include, but are not limited to, the general fund, debt services, school, and capital improvement projects (CIP). The total of these fund amounts determine the tax rate. Once the tax rate is set it is entered into the Tax System and the tax is calculated by multiplying the assessment times the tax rate divided by 100 with the exception of tax freeze parcels.

The Treasury also receives an annual tax freeze file from the Assessor, in May, containing the parcel number, current tax year, approval tax year, frozen assessment amount and unfrozen assessment amount. Parcels that exceed 5 acres have a frozen tax and a tax based on the unfrozen assessment times the current tax rate. This file is loaded and is validated against the tax freeze data in the tax system. Exceptions are identified and manually corrected until there are no errors. The tax for tax freeze parcels is a frozen amount stored for each parcel in the tax freeze table.

The Treasury also receives an annual assessment file in June from the Center City Commission for parcels in the Central Business Improvement District (CBID). The file is loaded into the Tax System based on the file selected and the rules that are in the background configuration. The tax is calculated by multiplying the CBID assessment times the CBID tax rate divided by 100. The system must provide a report that provides the count, the total tax amount and the total assessment amount for the specified tax year for balancing.

Once the tax rate is set and real estate, personal property, and tax freeze have been balanced, an extract file is saved on a CD and mailed through the US Postal Service to the State which they will use to print tax relief vouchers for those taxpayers approved for the tax relief payment program.

State Assessed Property (SAP) bill records are copied from the previous tax year assessment. The current tax amount is calculated using the previous year assessment times the current tax rate divided by 100. The system must provide a report that provides the total number of bills created from the file, the total tax amount of all these bills and the total assessment amount of these bills for the specified tax year for balancing.

Payment In-Lieu of Taxes (PILOT) bill records are created from the PILOT table in the system which contains all of the PILOT criteria for the parcel. The current tax amount is calculated using the previous year assessment times the current tax rate divided by 100 or the flat tax amount specified in the PILOT contract. The system must provide a report that provides the number of PILOT bill records created, the total tax amount of these bills and the total assessment amount for the specified tax year for balancing.

Once all of the new year's tax bills are added, the system must be able to tag orphan bills from previous years tax bill records that do not have a current year tax bill and display them on the screen. The system must be capable of generating a report that can be sent via email to the assessor's office listing the orphans. We then receive a report back from the assessor's office, via email, which identifies and stores the new parcel number(s) in the system linking the orphan parcel number to the new parcel number.

Once all of the new year's tax bills are added, the system must populate the appropriate fields with the various codes from the previous tax year based on given criteria. The following are the current code types:

- Quarterly Code – Code the current tax year as quarterly if the previous tax year is coded quarterly and taxes thru the previous tax year are paid in full.
- Tax Freeze Code – Code the current tax year as pending, if the previous tax year is coded as approved.
- Tax Sale Code – Code the current tax year as city or county tax sale if the previous tax year is coded for a city or county tax sale.
- Tax Relief Code – Code the current tax year as relief code if the previous tax year is coded as tax relief.

The new system will need to have the ability to add/change/delete code types easily. Accounting must be able to balance all new year tax bills loaded on the system to amounts disbursed to the general ledger.

The system must provide the capability to create bill files, in text file format, for an outside vendor, by bill type (real estate, personal property, etc.), subtype (In-lieu of, orphan, etc.), and/or classification (commercial, residential, etc.). The system must be able to generate multiple page bills and create consolidated/sort bills if the owner has multiple properties. The system must be able to generate a bill file containing sample bills for each type of bill to review for accuracy.

### **2.1.3.1 Forms of Payments**

The Treasury Department will accept the following forms of payment:

- Cash/cashier's checks
- Money orders
- Traveler's checks
- Personal checks
- Debit cards
- Credit cards
- Electronic checks

These methods of payment are for property taxes and other miscellaneous charges. Third-party checks or other forms of payment will not be accepted unless pre-approved by the Treasurer.

Wire Payments - transfer payments are accepted when the Treasury receives notification of the transfer, parcel number and payment amount. Notification must be by fax at 901-576-6304 or by e-mail to [Treasury@memphistn.gov](mailto:Treasury@memphistn.gov).

Electronic Payments via web/phone - Taxpayers can pay via the web or the telephone by supplying their name, property address, parcel account number or tax year plus bill number. Taxpayers paying electronically will verify their account information and property address before entering the payment amount. We have to document the form of payment but that's all. It will not be a part of the RFP.

Voucher Payments - Tax relief accounts are paid with a state payment voucher that the State sends to us via US Postal Mail. We send the voucher to the taxpayer via US Postal Mail along with the bill. The Tax payer then pays us by submitting the state issued voucher back to us along with any additional payment over the amount of the voucher. The voucher has to be filled out by the taxpayer. The City then posts all payment to the Tax relief account. The state payment type is noted as a state voucher payment and the city payment type is noted as a city voucher payment.

### **2.1.3.2 Overpayments**

In general, the Treasury Department will refund any payment exceeding a specified amount, unless specifically instructed by the taxpayer to apply to future tax years. Overpayments less than the specified amount are posted as a credit to next year's tax, unless requested as a refund by the taxpayer. If payment is received for taxes already paid in full, and there are no instructions with the payment, a notation of duplicate payment is entered in the system, and the check is returned to sender with a form letter

stating the reason for the return. We need the capability to report outstanding credits, by year.

### **2.1.3.3 Returned Checks**

A returned check fee in an amount equal to one percent (1%) of the amount of the check with a minimum amount of fifteen dollars (\$15.00) is added in accordance with TCA 67-1-804, section (d) (1). The fee for a bad check is to be imposed upon the tax account that the bad check was to pay. If the check was paying multiple accounts, the fee is charged to only one of the parcel accounts. Upon receipt of a returned check, the taxes must be restored to the exact amount owed prior to posting the payment that was returned. The parcel account will be flagged with an appropriate code: S=Stop Payment, C=Closed Account, I=Insufficient Funds, B=Bank Error and O=Other. A returned check fee is automatically calculated by the tax system and added to the parcel account. If the check was returned due to a bank error, the taxpayer should not be charged a fee. However, the taxpayer will be required to present a written explanation from the bank as justification for no fee for the returned check. Returned checks are scanned into the computer system and a copy of the returned check with a letter of explanation and an updated tax bill are mailed to the taxpayer. The returned check is then shredded. The tax department will need to be able to add/ change/update these fee types easily.

### **2.1.3.4 Teller / Cashier Payment Processing**

The tax bills should be bar-coded to assist tellers in applying payments. The barcode on the bill would be scanned to assure the correct account is displayed and ready to accept payment. The system must be able process a single check for multiple accounts, apply multiple checks to a single account, and apply multiple checks to multiple accounts.

A). If the taxpayer is at the window, the payment is processed in a 'Floor' register and a receipt is printed and given to the taxpayer. If mail is being processed, the payment is processed in a 'Mail' register. A receipt program is executed (they will need to provide a program that will place receipt information on a file to be sent to the print vendor for printing and mailing. Business Inc. is the current vendor) beginning of each week to produce a receipt file of the previous week's transactions to be sent to the print vendor for printing and mailing. The payment type, date, transaction number, check number and amount, employee id of the person taking the payment and the name and full address of the party making the check is entered. Any overpayment automatically creates a credit if less than the specified amount and a refund if greater than the specified amount. If payment is by check or money order, the check or money order number must be captured in all transactions involving this payment. The check or money order is run through the teller's printer to endorse the check with the words 'FOR DEPOSIT ONLY Treasury Office, Treasurer, Bank Account Number, followed by the register number, teller id, date, type of bill being paid, tax year, bill number, parcel number, check amount, check number'.

B). All Treasury staff taking payments must balance between Cash/Check, and the Deposit Report and Transaction Journal (T/J) by the end of the workday. The system will produce a deposit report and a Transaction Journal by register and

separating cash and check. The Transaction Journal will specify the type of payment, check, money order, cash, credit card, debit card, wire, payment transfer or write-off. All personnel processing cash or checks must also enter the transaction data (i.e. the processing register number, deposit number and deposit amount) into the Tax Application in the Cash Management screen in order for the system to forward to the Accounting Department the necessary Cash Management information for the next day's deposit. When they cash out and close the register, it closes out the end of day procedures. The Cash Management screen will display the deposit date of one bank business day after the payment is processed.

C). Personnel processing individual check amounts greater than \$10,000 process those transactions in certain assigned registers. They also enter transaction data (i.e. the processing register number, deposit number and deposit amount) into the Cash Management screen in order for the system to forward to the Accounting department the necessary Cash Management information for the same day's deposit since checks greater than \$10,000 are transmitted to First Tennessee Bank for same day deposit. The tax system is internally coded into the Cash Management Module for these assigned registers to automatically load the deposit date value equal to the processing date value.

D). A temporary disbursement of all Treasury Register Workstations is performed daily through the disbursement program. This performs a trial run then any errors are displayed on the screen and necessary changes are then made manually in the system. When the disbursement log is error free, it is then permanently recorded and the records are updated. The system must allow tellers/cashiers to reverse any of their transactions and require that a reason be provided and allow supervisors to reverse any transaction and require that a reason be provided.

E). After a temporary disbursement is performed without error, a permanent disbursement is run to update the files. A final Transaction Journal and a corrected Disbursement Log hardcopy is printed and filed daily and kept for ninety days. After the 90 days the hard copy is disregarded. Journals and reports can be regenerated from the tax system at any time.

F). Operational months are closed out when the Treasury Office has balanced the month and sent the records to Accounting and Accounting has balanced the month. Once an operational month has been fully closed out and permanently disbursed .no adjustments to said transactions are authorized unless specifically approved by the Treasurer and/or Assistant Treasurer. The system must stop transactions from being altered after the final disbursement.

Payments are applied according to the following hierarchy:

Tax year with the earliest due date and not in bankruptcy and not scheduled for a tax sale:

- 1-bad check charges
- 2-court costs
- 3-attorney fees
- 4-other fees
- 5-interest and penalty fees

- 6- real estate taxes
- 7-personal property taxes
- 8-state assessed tax
- 9-in-lieu-of tax
- 10-CBID tax
- 11-Misc. Charges
  - Weed cutting
  - Demolition / board up
  - Anti-neglect
  - Sanitation (clean up charges)
  - Sidewalk charges

When processing a partial payment for a previous month, the late fees should be calculated based on the previous month not the processing date.

When displaying a tax year, the ability to page forward or backward is required.

### **2.1.3.5 Lockbox Payment Processing**

Payments mailed using the return envelope supplied with the tax bill are mailed to First Tennessee Bank. The bank deposits the checks in the City's bank account and places the payment information on a file that is transmitted to the Treasury nightly. The lockbox payment file is processed every workday morning. The lockbox payment program posts payments from any tax type to the oldest outstanding tax year not coded in bankruptcy or under appeal and updates the Cash Management table with the register, processing date, payment amount and deposit date. The lockbox payment program automatically inserts the deposit date as the previous bank business day from the day the payment is received. The program does not post payments to parcels coded on a tax sale, but lists the parcels on an error log for the tax sale staff to determine whether the payment should be taken. The tax sale staff will either process the payment manually, or issue a refund with a letter of explanation. (This must continue to happen manually. If this is on a tax sale, it can't be paid so it issues an error log to note why the payment was not accepted). The system must be able to apply payments to both taxes and miscellaneous charges based on the payment hierarchy. The system must be able process a single check for multiple accounts, apply multiple checks to a single account, and apply multiple checks to multiple accounts.

### **2.1.3.6 Electronic Payment Processing**

Tax payers can make payments via the internet or telephone by supplying their name, property address, parcel account number or tax year plus bill number. Our e-payment vendor transmits a payment file nightly. Work is processed as of that day from 12:01 am to 11:59 pm. And the file will have the date on it containing all necessary data for processing in the Tax system and places the file on a separate Sequel server to be uploaded on the Tax system. Programs are executed daily to apply payments from the vendor's file to any tax type. If a parcel is coded in bankruptcy, the program applies payment to the oldest tax year not coded in bankruptcy and not under appeal. If there is no outstanding tax year not in bankruptcy, the program applies payment to the oldest outstanding tax year not under appeal and issues an exception message. Exception

messages are supplied for any payments that cannot be applied; including reason payment could not be applied. This exception log and in the system and can be displayed on the screen for viewing or printed hardcopy. The program does not post payments to parcels coded on a tax sale, but lists the parcels on an error log for the tax sale staff to determine whether the payment should be taken. The tax sale staff will either process the payment or issue a refund with a letter of explanation. The e-payment program also updates the Cash Management table with the register, processing date, payment amount and deposit date. The program automatically inserts the deposit date as the next bank business second business day after the payment is received. It then updates cash management table in the tax system. The system must be able to apply payments to both taxes and miscellaneous charges based on the payment hierarchy.

### **2.1.3.7 Bankruptcy Payment Processing**

Bankruptcy Court emails a text file monthly to the Treasury for parcels coded in bankruptcy. One file contains tax payments, and the other file contains interest earned payments. The interest earned program first adds the interest payment amount to the interest earned field, and then processes the payment to that field. The tax program applies payment to the tax. Both programs apply payment to the oldest outstanding tax year coded in bankruptcy. If all tax years coded in bankruptcy are paid, the payment is applied to the oldest tax year not coded in bankruptcy and the parcel number and reason are printed on the error log. If there are no taxes owed, a refund is generated and the parcel number, processing date, and reason are listed on an error log in the system every month....right after the first of the month, usually on the 3rd and given to the bankruptcy staff for resolution. Bankruptcy payments are applied in the register that is assigned to bankruptcy payments. The payment information including register number, processing date, payment amount and deposit date are manually entered in Cash Management.

### **2.1.3.8 Mortgage Payment Processing**

A file containing all current year tax parcels and the tax amount owed is placed on city's secured site in a fixed link text file in July for the mortgage companies to pick up. They log in with their city ID and password to pick up. Mortgage companies transmit their payment file in August. The mortgage payment program in the tax system, processes payments to the current tax year only, and does not apply payment to a parcel coded on a tax sale. If a parcel is already paid, the program will create a refund for that parcel. A system generated error log (a text file) giving the status of each parcel (partial pay, over paid with refund due, account not found, etc.) is sent via email to the mortgage company.

### **2.1.3.9 Tax Relief Payment Processing**

Taxpayers submit their payment via postal mail, electronic, or at the teller window. Payments accompanied by a completed state voucher will need to be mailed or delivered to the treasury, designating the state payment amount. Voucher payments are manually processed by a specialist into the tax system entering a 'V' for payment type of a state voucher and a 'Z' for payment type of a city voucher. The remaining payment type will either be by money order, check or cash or electronic payment.

#### **2.1.3.10 Advance Payment Processing**

Advance payments are initially processed as a credit for the next tax year. After the new tax year bills are loaded into the tax system, the advance Payment Processing program is executed to apply all credits to the current year tax owed. The type of payment is an 'A' denoting that it is advance payment.

The system must be able to transfer payments from one tax year to another on the same parcel; from one parcel to another parcel; from one tax type to another tax type. The system must be able to reverse a payment and require a reason to be entered.

#### **2.1.3.11 Hotel / Motel, Wholesale Beer and Alcohol, and Franchise Payment Processing**

Hotel/Motels submitted monthly hard copy via mail... by the 20<sup>th</sup> of each month. A completed form listing their monthly occupancy along with a check. The system must be able to track receipt of forms and payments and send out delinquent letters. Wholesale Beer and Alcohol, and Franchise also remit monthly checks for their sales. The system must be able to account for all payments, which are currently recorded and tracked manually in a spreadsheet. They then send a hardcopy settlement via US mail monthly or quarterly by type.

### **2.1.4 TAX RECEIPTS**

Tax receipts list the owner name and full address and the name of the party paying the bill. It lists the transaction number (transaction numbers if a multiple transaction), processed date, time processor initials. If the receipt is a reprinted receipt, the date, time and initials of the requester are listed. The payment amount and check number if a check and payment date are listed. The parcel number and property location are listed. The body of the receipt lists the tax year, bill number, tax type (if miscellaneous charges, the invoice date is listed), register number, transaction number, tax amount owed, interest/penalty owed, court cost owed, attorney fees, owed, other fees owed and total owed and comment (Total Due). A second line lists the tax payment amount, interest/penalty payment, court cost payment, attorney fee payment, other fee payment, total payment and comment (PAID and payment date). A third line lists the tax due, interest/penalty due, court cost due, attorney fee due, other fees due, total due and comment (NET DUE). If a tax year is being paid in full, only the paid line is printed. This information is repeated for each tax year owed. The last line lists the total tax due, total interest/penalty due, court cost due, attorney fee due, other fees due, total due and comment (BALANCE DUE AS OF mm/dd/yy).

The system must be able to handle requests for tax payment receipts generated through the interactive voice response (IVR) system. The system must have the capability of generating a receipt file for the print vendor and store on the system in a table that you can run a report on by date. These must be kept for 7 years.

## 2.1.5 CASH MANAGEMENT

The Treasury system maintains a Cash Management system that records the register number, deposit number, deposit type, deposit amount, deposit date and processing date. The deposit date is automatically calculated and entered by the tax system. The system must interface with accounting to reconcile the Treasury deposits with the City's bank account. The current accounting system that we have is Oracle E-Business Suite and the Treasury system takes a file from cash management runs it through an interface into Oracle.

## 2.1.6 INTEREST & PENALTIES

0.5% Penalty and 1% Interest is added to all delinquent Real Estate, Personal Property, ILO, and SAP bills the first of each month. If the bill has an assessment adjustment, 1.5% interest and penalty is added on the unpaid adjustment amount every 30 days after 60 days from the adjustment date until paid in full.

Delinquent CBID accounts accrue 1% Penalty and 1% Interest the first of each month.

Delinquent miscellaneous fees (except for anti-neglect bills) accrue 1.5% interest and penalty every 30 days after 60 days from the invoice date. Delinquent Anti-neglect bills accrue \$10 per day after the due date.

Accounts coded under appeal accrue 1.5% interest and penalty the first of each month if no payment is made prior to the due date. If a payment is made prior to the due date and the account is coded under appeal, no interest and penalty should accrue. When appeals are resolved, 1% interest and 0.5% penalty should be added after 60 days delinquent and every 30 days thereafter.

Interest and penalty for accounts coded in Bankruptcy should stop the date of the bankruptcy filing and pick back up the date of bankruptcy dismissal. The filing date that is stored in the bankruptcy table in the tax system for tracking these dates. No delinquent fees (i.e. Chancery, tax sale) should be added to a delinquent bill coded in Bankruptcy.

Accounts placed on a City tax sale will have a title search, publication and order of sale fee added. The adding of these fees is determined by the delinquent attorney. A text file is sent via email to us from the delinquent attorneys to inform us of the need to add this fee.

### 2.1.6.1 Fee Structures

1. The Real Property accounts that are over 17 months delinquent, and that have a Chancery flag on them have a 10% attorney fee, 10% prosecution fee, and 10% Chancery fee, plus a \$42 court cost. **NOTE:** Every year the Chancery program has a minimum base tax amount due, which is user defined. Accounts below this base tax amount will receive only the 10% attorney and 10% prosecution fee.
2. The Real Property accounts that are over 17 months delinquent, and do not have Chancery flags on them, but do have a 10% attorney fee and a 10% prosecution

fee.

3. The CBID (Central Business Improvement District) accounts for which the corresponding real estate tax is greater than 17 months delinquent have a 10% attorney fee and 10% prosecution fee.
4. The Personal Property accounts that are over 1 month delinquent have a 10% attorney fee and 10% prosecution added to them. Personal Property accounts that are over 17 months delinquent and have a Chancery flag on them also have a 10% Chancery fee plus a \$42 court cost added.
5. a. Miscellaneous Charge records for which the corresponding real estate tax is greater than 17 months delinquent have a 10% attorney and 10% prosecution fee added.
6. When appeals are resolved for Real Estate, CBID, ILO and SAP accounts that are over 17 months delinquent and Personal property accounts that are over 30 days delinquent, the accounts are given 60 days to pay, after which interest and penalties start accruing. In the same calculation, the 20% fees (comprised of 10% attorney and 10% prosecution fees) should also be added.
7. When accounts coded in Bankruptcy are dismissed, 10% attorney and 10% prosecution fees are added to the account if the fees have not already been added.
8. Any change to the account should be recorded as a discrete transaction. This will give us an auditable trail of all transactions performed to an account.

## **2.1.7 TAX PROGRAMS**

### **2.1.7.1 Tax Relief Program**

The Tax Relief program allows for state supported tax payments for qualified taxpayers meeting state requirements, primarily of age 65 years or older, within specified income maximums and residing on the property. If qualified, the taxpayer receives a voucher from the state to be used to pay all or a portion of the property tax. The City will match the amount paid by the State (without causing a refund...there is an algorithm that calculates this amount without it causing a refund.). Taxpayers must qualify for Tax Relief each year. The relief amount the state pays is determined each year by the state. The tax account is coded as being on the tax relief program.

The state transmits a text file on the first of July...beginning of the tax year containing tax relief account information including the tax relief payment amount. A tax relief program is executed and updates the tax system with this information for each parcel. Vouchers are scanned it to the state website for qualification verification. If the state finds the taxpayer not qualified we are notified by the state via a letter through US mail to the taxpayer and a copy to us. This is known as an "Un-approved letter". The payment is rejected, the state and city payment must be backed out and the reason for rejection noted. The taxpayer is mailed a letter of explanation with an adjusted bill allowing 60 days before late fees start accruing.

For new applications, the following tax relief information is entered manually into the system and available by parcel: Relief code (Elderly, Veteran, Widow of a veteran, Disabled veteran, voided), Relief amount, Application number, File number, City relief amount, date sent to state, state payment amount, date state paid, social security, last name ref, sequence number, phone, classification, date of birth and comments.

If a parcel qualified for the tax relief program last tax year, a voucher is received by us via US mail from the State to be mailed to the parcel owner with the bill. Tax relief applications are also received at the Treasury from the State and are mailed via US mail, upon request to the taxpayer.

Information pertaining to a tax year and parcel should be linked and pulled from or auto populated fields into the tax relief records.

### **2.1.7.2 Tax Freeze Program**

The Tax Freeze Program freezes the future tax at the current year tax amount of the first year of application for qualified taxpayers meeting State requirements, primarily of age 65 years or older, with specified income maximums and residing on the property. To qualify, you must complete an application, sign it, submit to city treasurer via mail or hand deliver. If qualified, future taxes will be no higher than the current year tax. Only 5 acres of the property can qualify for tax freeze. Taxpayers must qualify each year. If qualified, the account is coded as being on the tax freeze program. The system should track both the Assessor's assessment and the calculated assessment for tax freeze parcels. The system should have the capability to generate tax freeze extract files for outside Tax Freeze authorities (County and State) sent in November and in May of the following year.

If a taxpayer qualifies for tax relief as an elderly taxpayer, he would automatically qualify for tax freeze. When entering the tax relief information for an elderly taxpayer, the same information and codes should be placed with the tax freeze records.

Information pertaining to a tax year and parcel should be linked rather than duplicated in tax freeze records.

### **2.1.7.3 Quarterly Payment Program**

A quarterly payment application must be completed to qualify for The Quarterly Payment Plan. This plan allows four installments (base tax payment / 4) throughout the year without interest or penalty applied. Taxpayers must meet Quarterly Payment program requirements, primarily of age 65 years or older, reside on the property and owe no back taxes. Taxpayers must qualify for the Quarterly Payment program each year. If two consecutive payments are missed, the taxpayer is removed from the Quarterly Payment Program and is mailed a bill showing the amount owed including late fees calculated from the original due date. *Note:* It is allowed for a taxpayer to be on any or all programs – Tax Relief, Tax Freeze and Quarterly programs. If a taxpayer is on both the quarterly and tax relief program, the tax relief amount pays the fourth quarterly payment and the remaining tax is divided by three for the first, second and third quarterly payment amounts. If qualified, the account is coded as being on the quarterly payment program.

Information pertaining to a tax year and parcel should be linked rather than duplicated in quarterly records.

## **2.1.8 CUSTOMER INQUIRY - TELEPHONE / TAX LINE**

Customer may call the tax line to speak directly to someone for general information. They can also call into an IVR where they can request a bill or receipt. Tax Line personnel must be able to quickly access variety of information to provide an answer. The customer must have a city tax bill, a parcel account number, the exact property address or the owner name as it appears on the property deed, in order for the taxpayer service representative to perform customer inquiries. Treasury staff must be able to inquire on all fields in the Tax system. Treasury staff must be able to find and verify location using parcel or address search from GIS data via a map interface.

## **2.1.9 RESEARCH CAPABILITIES**

Because research staff must be able to determine the amount paid and owed on base tax, interest, penalty and other charges for any date, they must be able to query past information on fields in the Tax system.

## **2.1.10 ASSESSMENT ADJUSTMENTS AND MAILING ADDRESS UPDATES**

Assessment Adjustments, supplements to original certified tax rolls, and mailing address changes are received in a text link file, or in hard copy, from the Shelby County Assessor on a regular basis. The file is loaded into the Assessment Adjustments program and updates the tax records.

Assessment adjustments, for State Assessed Property (SAP), files are received annually, in January, via emailed text file and a hard copy will follow in the mail along with the certified roll. This file is loaded into our system and new tax records are created based on the assessments in the file, multiplied by the current year tax rate and divided by 100. The system must provide a report that provides the count, the total tax amount and the total assessment amount for the specified tax year for balancing. The system must provide a way to identify any SAP parcels adjusted after the initial tax bills are rolled, in June, for balancing purposes.

The system should update the fair market value, the assessment value, adjustment date, adjustment type and recalculate the tax in the tax bill record contained within the Tax System. A history of former tax amounts on this parcel for this tax year must be retained. If an account is coded under appeal, processing the assessment adjustment should remove the appeal code. If an account is coded in bankruptcy or on a tax sale, these codes should remain. If an adjustment results in an increased tax, a bill is mailed allowing 60 days before interest and penalty is added on the increased tax amount. If the adjustment results in an overage of less than a specified amount, a credit is posted towards next year's taxes and a corrected receipt is mailed showing the corrected amount paid. If the adjustment results in an overage of a specified amount or more, then a refund is created and a corrected paid receipt is mailed showing the corrected amount paid. Otherwise, an adjusted bill is mailed noting that the bill is the result of an assessment adjustment. If the mailing address is changed, a new bill is mailed to the

new address noting that the bill is the result of an address change received from the Assessor.

Assessment adjustments for State Assessed Property (SAP) are received via annually in January along with the certified roll. The file is loaded into the Assessment adjustment program and new tax records are created and stored in the tax rate table based on the assessments in the file times the current year tax rate divided by 100.

### **2.1.11 BOARD OF EQUALIZATION (BOE) APPEALS BOE**

Appeal decisions are received from the Assessors' Office via electronic fixed line file or hardcopy document. The Assessment Adjustment program processes the adjustments from the electronic file and the hardcopy adjustments are manually entered into the tax system. The system should update the fair market value, the assessment value, adjustment date, adjustment type and recalculate the tax. A history of former tax amounts on this parcel for this tax year must be retained. If an account is coded under appeal, processing the assessment adjustment should remove the appeal code. If an account is coded in bankruptcy or on a tax sale, these codes should remain. If an adjustment results in an increased tax, a bill is mailed allowing 60 days from the adjustment date before interest and penalty is added on the increased tax amount. If the adjustment results in a refund, a corrected receipt is mailed showing the corrected amount paid. Otherwise, an adjustment bill is mailed noting that the bill is the result of an assessment adjustment.

### **2.1.12 TAX REFUNDS**

Tax refunds are precipitated by several events as follows:

1. *Overpayment by taxpayer* on a particular tax bill - refund amounts greater than \$50 are processed after 4 – 6 weeks from date of payment without interest. Refunds of amounts less than \$50 must be requested. When requested to refund amounts less than \$50, the payment must be transferred from a credit to a refund and a refund record created.
2. *Assessment change by the Assessor's Office* that lowers a previous assessment value for a given property where taxes have been paid – generates a refund to the taxpayer who paid that year's tax without paying interest. Assessment adjustments create overpayment refunds below \$50.00.
3. *Board of Equalization (Local or State) Appeals* that reduce the previous certified assessment of a property where taxes had already been paid; generates a refund to the taxpayer who paid that year's tax. In accordance with T.C.A. 67-5-1512(b)(2)(B), refunds resulting from a local or state board appeal are paid interest of 2% below composite prime rate as of the delinquency date. If paid after the due date, interest is calculated from the payment date to the date the refund is requested from Accounts Payable. If payment is made prior to the due date, interest is calculated from the due date to the date the refund is requested from Accounts Payable, and is calculated at 2% below prime rate as of the delinquency date.
4. *Tax Relief Refunds* are payable to taxpayers approved for tax relief, the taxes have

been paid in full by the taxpayer or their mortgage company and we have been notified via a file that the State has paid their portion to the taxpayer. The file is processed and the tax relief records are updated with the date and amount of the State payment and refunds are created to issue a City refund to the taxpayer. The City matches the State payment amount up to the full tax amount.

A refund record is maintained for all refunds containing the tax year; parcel number; transaction register, number and date; refund type; taxpayer mailing information; check request date; outstanding or requested flag; issue date; issued or voided flag; re-issue date; tax, interest, penalty, interest earned and total amount; authorization code; adjustment type; mortgage code; interest date; record creation date; GL number; GL date and comments.

The tax office requests refund checks from the Accounts Payable Department through a text file with an email follow-up. The Accounts Payable Department will transmit back an electronic file containing the check number, amount and date of the check. The refund check program...in the Tax system reads this file and updates the refund information for each parcel. This happens as required when we request and receive a file.

The system must have the capability to void and reissue one or multiple checks and track the void and/or re-issue date.

Refunds are no longer available to be issued after five years from the creation date of the refund record without approval from Accounting. Refund records should be updated to reflect this status. Any checks in the "no longer available" status are sent to Accounting to be handled. Accounting has the ability to make the refund available. Upon doing so, we can then we will issue a check.

### **2.1.13 TAX DEPARTMENT RELATIONSHIP WITH MORTGAGE COMPANIES**

Mortgage companies submit a request file in June (15) via email or the COM secure site notifying the Treasury of parcels they will be paying in August. The Mortgage reads this file and updates the tax record with their mortgage code (assigned by the Treasury) for the mortgage company claiming payment for this parcel. A file containing all parcels with the amount owed by tax year is placed on our secured server for them to pick up by the end of July. Mortgage companies pick up this file from our secured server in July and they are to submit payment for the parcels they service by the end of August. A payment log including invalid parcel numbers and over payments is mailed to the mortgage company with an overpayment check if required. If a Mortgage company tries to pay a parcel that is already paid, this needs to be noted in the tax record, with the mortgage company name, payment date and payment amount so that inquiries concerning payments can be correctly answered.

A payment log, including invalid parcel numbers and over payments is emailed to the mortgage company. An overpayment check is mailed to the mortgage company later, if required. Daily balancing is performed manually by deposit and Transaction Journal report comparisons. The Cash Management system must be updated with each check, the transaction register number and the deposit date.

## **2.1.14 TAX DEPARTMENT RELATIONSHIP WITH BANKRUPTCY ATTORNEYS**

The delinquent attorney files all bankruptcy claims. The attorney transmits bankruptcy files regularly containing parcels filed in bankruptcy, filing date and type of claim. The bankruptcy program is executed in the tax system to update parcel records with this information. We receive this information from the attorneys weekly and then run this program to update it. Parcels must be coded for a single tax year or for a range of tax years. The attorney also transmits a file to the treasury bankruptcy specialists via email containing parcels being dismissed, discharged, written off or surrendered. The Bankruptcy program is executed in the tax system to update parcel records with this information. The Bankruptcy Court makes regular payments to the Treasury office for taxes included in Bankruptcy. The tax system allows the following bankruptcy codes: B = in bankruptcy, BC = discharged from bankruptcy, BD = dismissed from bankruptcy, BW = bankruptcy written off and BS = bankruptcy surrendered. Their file will let us know when this has been written off and the file is updated. Bankruptcy Court transmits two files via email for each payment period. One file contains payments for tax; the other file contains interest earned. Processing the interest earned file requires two passes of the file – one to add the interest amount in the interest earned field and the second pass to pay the interest earned amount. In the system, we need the ability to add/modify/delete bankruptcy codes.

Interest and penalty stop the date a bankruptcy claim is filed and resumes the date the claim is dismissed. Parcels filed in bankruptcy cannot be filed in Chancery or placed on a tax sale. No delinquent charges, including delinquent collection fees, can be added as long as the parcel is included an active bankruptcy claim.

## **2.1.15 SALE OF DELINQENT TAXES**

The system must be able identify and flag sold delinquent receivables (tax + interest + penalty), handle the sale of delinquent receivables to multiple vendors by year and generate required reports that meet Accounting specifications for balancing and payment to the vendor(s). Properties that are identified as delinquent must be displayed on a map within the application.

## **2.1.16 CHANCERY**

In accordance with T.C.A. 67-5-2405, delinquent Real Estate, In-Lieu-Of, CBID, SAP and Miscellaneous Charge taxes are filed, in Chancery Court, by the delinquent attorney between February and March for the delinquent tax years that are approaching 18 months of age. The Treasury must remit monthly last month's Chancery Court collections, plus court costs to the Chancery Court. A Chancery report of collections accompanies the monthly payment.

The delinquent attorneys notify the tax office via email text file the minimum tax amount owed to be filed in Chancery for each year along with the TRD. A program Chancery program in the Tax system is executed placing fees on all parcels and coding parcels with a chancery code. A chancery book report is generated from the Chancery table in the Tax system for the tax year being filed and it should include the total amount filed including tax amount, special assessments and miscellaneous charges. These amounts are pulled from the Chancery table in the Tax system.

### **2.1.17 PERSONAL PROPERTIES DELINQUENCIES**

In accordance with T.C.A. 67-5-2003, delinquent personal taxes are turned over via email text file to the delinquent attorney for legal collection activity when they are 30 days delinquent, collection fees are added to the personal property accounts. The delinquent attorney periodically places a text file on the COM secure site containing personal properties to be filed in Chancery Court. A 10% chancery and \$42 court fee are added. Garnishments and warrants are issued on delinquent personal property accounts at the discretion of the delinquent attorney. The delinquent attorney transmits a file containing parcel account, filing code (garnishment or distress warrant) and fee information. A program in the tax system updates these parcels with the information and codes the parcels as having a garnishment or warrant

### **2.1.18 TAX SALE (DELINQUENT REALTY)**

In accordance with T.C.A. 67-5-2501, city tax sales for the collection of delinquent real property taxes are conducted by the delinquent attorney when directed by the attorney. Any expense incurred in selling the property is charged back to the delinquent taxpayer. The delinquent attorney provides a text file via email containing parcel numbers and tax sale information and fees to be added to parcels included in the tax sale. A Tax Sale program is executed in the tax system to place these fees in the parcel record for the tax year being placed on the Tax sale. Tax sale fees include Title Search fee, Publication fee, and Order of Sale fee. Fees can be different for each tax sale. All years are coded under tax sale. The system should have the capability of updating the tax sale records with the results (sold/withdrawn) of the tax sale from a file. Properties that are flagged delinquent must be displayed on a map within the application.

### **2.1.19 TAX WRITE-OFFS**

In accordance with T.C.A. 67-5-18-6, writing off taxes may fall under two categories:

1. *Administrative Tax Code Write-offs:*

Taxes which exceed the 10-year statute of limitation:

In accordance with T.C.A. 67-5-1806, the City has no authority to pursue or undertake collections activities on property taxes exceeding 10 delinquent years of age. A program should be executed April 1<sup>st</sup> of each year to write-off unpaid taxes for a tax year 10 years delinquent. Reports listing parcels and the tax amount written off are executed.

2. *Authorized Justifiable Write-offs:*

Taxes can be deemed uncollectible for a specific justifiable reason, which indicates a strong likelihood of non-collection. As such certain personal property taxes may be written off with documentation from the attorneys stating the reason for the write-off. Also, taxes for government-owned properties are manually written off monthly in the Tax System when notified by the Assessor's Office of ownership change. Reports listing parcels and tax amount written off as well as the write-off reason are executed.

### 3. *Small Balance Write-offs:*

If a tax year is paid leaving a balance below five dollars, which is the small balance payment threshold, the small balance for that tax year is written off. The system must allow for individual write-offs as well as batch write-offs by function (tax sale write-offs, small balance write-offs, etc.). Properties that are identified as "tax write-offs" must be displayed on a map within the application.

## **2.1.20 TAX INCREMENT FINANCING (TIF)**

Certain districts are designated as TIF districts. Each TIF district has defined parcel numbers as of the formation year. Taxes owed as of the formation year become the base tax and 95% of the incremental tax increase for each succeeding tax year is given back to the TIF district for improvements in the district. Annually, the TIF authority provides the parcel numbers in each district. Reports are executed monthly showing the total tax increase to date by tax year. Currently there are two TIF districts, Uptown and Highland Street. The system should determine the base tax amounts and keep track of splits and combos for future years. Properties that are identified as TIF must be displayed on a map within the application.

## **2.1.21 RETURNED MAIL**

The system must have the ability to read our previously recorded barcode as well as the barcodes from the US mail system. The system must be able to handle any number of returned mail reasons and the billing that generated the returned mail, such as initial billing, delinquent billing, chancery billing, etc. Properties that are identified with return mail must be displayed on a map within the application.

## **2.1.22 GENERAL**

The system must capture in an audit log and maintain the following:

- Date, time and identification of anyone updating tax records as well as the data that was changed.
- Allow for parcel notes entry for the tax year and/or parcel
- Allow for toggling to past or future dates to see what is owed for a particular parcel, based on configuration settings
- Any personal information should be suppressed for security reason (both from an internal and external perspective)
- All the fund, fee, ward settings need to be configuration based
- Ability to produce ad-hoc reports as needed

## **2.1.23 TREASURY REPORTS**

### **2.1.23.1 Daily Reporting**

On a daily basis, after all personnel have completed processing transactions, a

*Transaction Journal* and a *Deposit Report* are generated for each register. After all registers are in balance, a *Disbursement Report* is executed. The disbursement report summarizes all transactions for the period specified and places them in a disbursement table to be passed to the Accounting department. The daily reports are currently sent to the printer and we would like to be able to regenerate them at any time. We would like to have this data stored in the system for manipulation at any time.

An *electronic payment report* is run daily summarizing payments by Visa, master card, Discover, American Express and e-check. The report will list the number of transactions for each payment type and the total tax amount. It will also include grand totals. This report is compared to the e-payment vendor's daily transaction report to ensure we are in balance.

A Budget vs. Actual Tax Status report is run daily from the Tax System providing the following information for the current tax year: original bill amount, supplements, increases, cancellations, net increases or decreases, taxes assessed as adjusted, collections, vouchers, refunds, bad checks, net collections, percent collected, write-offs, taxes outstanding, taxes in bankruptcy and taxes under appeal for real estate, personal property, state assessed property and total of all three tax types. In addition, listed are the tax rate, budgeted tax collections, actual collections to date, budgeted uncollected, supplements, increases, cancellations and total supplements plus increases plus cancellations for each fund with a grand total. The projected revenue of each penny of the tax rate is listed on the report. Letting Budget and Counsel know how much additional revenue was generated. The percent of budget collected is also listed on the report.

A Comparison of this year's tax collection to last year's tax collection report is run daily providing the same information as the actual tax status report for this tax year and last tax year.

### **2.1.23.2 Semi-Monthly Reporting**

Collection reports for sold delinquent revenues are produced the 15th and last day of each month. The end user has the ability to run the reports. We put these reports on the ftp site in excel format for companies who have bought our receivables to pick up. We keep these on the system for one year and we store a hard copy in the Accounting office and soft copy on the Accounting directory. These reports include:

1. Summary report by year range
2. Detail report by year range
3. Detail fee report by year range
4. Accounting report
5. Voucher report
6. Adjustments report
7. Refund report
8. Accounting fees report
9. Payment summary report
10. Roll forward report
11. Roll forward report City

### **2.1.23.3 Monthly Reporting**

1. A Miscellaneous Collection report is executed the first of every month for each charge type listing the amount added, discharged and collected for the previous month. The reports list the amounts by parcel and tax year with a grand total for the month. These reports are printed and scanned to a PDF file then emailed to appropriate department.
2. A Tax Increment Financing (TIF) report is executed the first of each month for all TIF types. For each TIF type, the report lists the total assessment, tax rate, total debt service millage, current tax rate, tax revenue, tax increment and fund due (95% of tax increment) for the base year and each succeeding tax year. It lists these amounts for the parcels paid in full and for all parcels in this TIF area. There is an additional summary page summarizing the funds due to the TIF type by tax year with a grand total.
3. A Personal Property Refund report is executed the first of each month listing personal property refunds for the previous month. The report lists the tax year, parcel number, owner name, location, refund requested date, original tax, tax amount refunded, interest refunded, penalty refunded, interest earned and total refund amount.
4. This report is sent to the County Clerk.
5. Delinquent Attorney Collection reports are executed the first of each month listing delinquent collections for the previous month. One report lists the starting tax balance for the period, changes during the period (supplements, increases, cancellations), net increase or decrease, bankruptcy payments, other payments, assessment refunds, refund reversals, bad checks, vouchers, net collections, percent collected, admin/attorney/court/return fee collections, total collections, write-offs and total outstanding tax for each tax type(Real, ILO, Personal Property, SAP, CBID, total of these types, Special Collections, Interest/Penalty and grand total. Each tax year's report will use the starting refund date and the collection starting and ending date. A second and third report is created that lists the Real Estate and Personal Property assessment refunds for the previous month. Another report lists the Title Search fees collected during the previous month. Information from these reports is transferred to a spreadsheet listing all delinquent taxes collected by month.
6. A Real Estate and In-Lieu-Of Tax Collection report for current tax year and a combination of all prior tax years is executed the first of each month. This report lists collections for each tax fund for the time frame specified in the input parameters by monthly totals for current Real Estate tax year, prior Real Estate tax years, current ILO tax years, prior ILO tax years and grand totals for each.
7. A Chancery Court Collection report itemizing all Chancery collections for the time period specified in the input parameters. The report lists the commissioned/noncommissioned code, taxes, interest, penalty, court costs, attorney fees and total amount collected by tax year for each day within the specified date range. It also lists the total commissioned and total

noncommissioned with a grand total by day. The grand total of taxes, interest, penalties, and court cost and attorney fees with total is listed for each tax year with a sub-total, net adjustments and a final total for each fund. The total interest & penalty, total tax+ interest & penalty and 10% of the total tax + interest & penalty is listed. The bottom portion of the report itemizes the City portion (total taxes + net attorney fees), the Court portion (Court costs + 10% commission) and the Total = (total taxes + Court costs) + (net attorney fees + 10% commission).

8. A CBID report summarizes activity by each tax year for the dates specified in the input parameters. The report lists the construction amount, bond interest amount, old promotion cost, new promotion cost and total net adjustments and net collections during the time period specified in the input parameters. The balance at the beginning of the period, the balance at the end of the period, interest collected, penalty collected and a calculated 1% commission are also listed.
9. A Waived Fee report itemizes all waived fees for the tax years and time frame specified in the input parameters. The report lists the parcel number, transaction number, original attorney fee, final attorney fee, attorney fee difference, original court cost, final court cost, court cost difference, original interest/penalty, final interest/penalty, interest/penalty difference, operator comments and supervisor comments and initials detailed by tax year. The total record count and total for each heading with grand totals is also listed.
10. An Assessment Refund report is executed the first of each month

#### **2.1.23.4 Annual Reporting**

1. A Post Credits report itemizes all credit transactions for the time period specified in the input parameters. The report lists the transaction number, transaction date, tax year and bill number, parcel number, credit amount and tax year of credit with a grand total of credit amounts and transaction counts.
2. A top taxpayers report lists taxpayers with the largest tax amount due for the current tax year.

## 2.1.24 Tax Annual Events Calendar

The following is a summary of key Treasury Department/Tax Office functional activities:

JANUARY	Request Mortgage Company's list of parcels they service
FEBRUARY	Third Quarterly Real Estate tax billing Receive State SAP Utility/Carrier assessments Utilities/Carriers re-billing and refunds Chancery Court filing - last year's delinquent Real Estate taxes
MARCH	Reminder letter to Mortgage Companies for list of parcels they service
APRIL	Delinquent Real Estate Tax Sale 10 <sup>th</sup> year taxes are written off Receive certified Real Estate and Personal tax rolls from Assessor (20 <sup>th</sup> )
MAY	Fourth Quarterly Real Estate tax billing Council sets tax rate for New Year Start loading New Year tax bills into tax system Legal notice of tax billing is published in paper
JUNE	Annual tax billing Receive certified CBID tax roll from Center City Commission Generate complete tax file for Mortgage Companies Generate Tax Relief file with assessments for State Process State tax Relief return file and send Tax Relief bills Remit Business Tax check to State (by 18 <sup>th</sup> )
JULY	Hire summer temporary staff - Peak season 7/15 to 10/01
AUGUST	Process bulk of year's tax payments
SEPTEMBER	None
OCTOBER	Delinquent tax billing
NOVEMBER	Second Quarterly Real Estate tax billing
DECEMBER	Generate Tax Freeze file for Assessor

## 2.2 TAX OFFICE INPUT/OUTPUT ANALYSIS

### 2.2.1 INPUTS TO THE TAX OFFICE INCLUDE:

- Text Files and/or letters from the following:
  - Office of State Assessed Property (SAP) – fixed link text file received via email
  - Center City Commission (CCC) – Fixed link text file received via email
  - State of Tennessee – Tax Relief Payment file, via email...fixed link file
  - County Assessor's Office – Hand delivered...CD, assessment change file sent via email or hardcopy via inter-office mail, name and address change file sent via email, tax freeze text file via email.
  - Mortgage Companies - via email or place it our secure site.
  - First Tennessee Bank – Lock Box File - we pick up from their secure site.
  - *Paymentus* – Electronic Payment File
  - Bankruptcy Court – via email...text file
  - Shelby County – Shelby Co Tax Sale file...via email.
  - Delinquent Attorney – City of Memphis Tax Sale...via email
  - Hotel/Motel – hard copy via US mail containing occupancy for the previous month
  - City Accounts Payable – IS places it on the Tax System.
  - Personal Property Affidavit. – completed affidavits from the tax payer.
  - Tax Freeze Application – from tax payer – US mail
  - Tax Relief Application – from the tax payer – US mail or hand delivered

- Quarterly Affidavit – from taxpayer, Quarterly Payment Program.
- Contract data from the following:
  - Industrial Development Board (IDB) – Hard copies are sent via US Postal Service then this is manually read and the contract information for the individual parcels is entered into the PILOT Table.
  - Health, Educational and Housing Facility Board (HEHF) - – Hard copies are sent via US Postal Service then this is manually read and the contract information for the individual parcels is entered into the PILOT Table.
  - Center City Commission (CCC) – Hard copies are sent via US Postal Service then this is manually read and the contract information for the individual parcels is entered into the PILOT Table.
- Miscellaneous charges/fees from the following City Departments:
  - Fire Department – Anti-Neglect charges are received hardcopy via inter-office mail and manually entered into the Tax System
  - Housing and Community Development – Demolitions/Board-ups are received interoffice mail...same as above
  - Community Enhancement – Weed Cutting, they send a text file via email to the Treasury
  - Engineering – Sidewalk installations, interoffice mail
  - Public Works – Clean-up, interoffice mail

## **2.2.2 OUTPUTS FROM THE TAX OFFICE INCLUDE:**

- Invoices - US mail
- Payment receipts – US Mail
- Refunds – check, US Mail
- Letters \_ US Mail
- Affidavits -
- Reports (25...section 1.34)
- Oracle General Ledger postings
- Transaction Journals/Logs
- Text files
- Bill print files
- Monthly Delinquent files to the Delinquent Attorney
- Chancery files to the Delinquent Attorney
- Mortgage delinquent files
- Interface to Oracle Cash Management

## **2.3 TAX ACCOUNTING INTERFACE REQUIREMENTS**

### **2.3.1 GENERAL REQUIREMENTS**

All transactions processed in the tax system should be summarized and posted by receivable owner (e.g. City, Tower Capital), tax type (e.g. real estate, personal property), transaction type (e.g. Payment, assessment change), and tax year. The summarized transactions should post to the appropriate general ledger fund, service center and account as dictated by the tax rate ordinance, state law requirements, management

funding strategies and generally accepted accounting principles (GAAP). The system will need to have the flexibility to expand account code combinations or new tax rate ordinances, state law requirements, management funding strategies and GAAP requirements.

The transactions should be posted based on their applicable effective date of the transaction. An effective date of a transaction should not be modified after the sub-ledger system has been closed for the period without Supervisor approval.

### **2.3.2 VALIDATION AND STATISTICAL REPORTING**

Prior to posting, the system should validate figures and generate exception reports for research and review. At a minimum, the following validations should occur:

1. Daily deposits by tender type to daily transaction totals
2. Key transactional data should be checked against valid values within the system
3. General Ledger total debits and credits should be balanced

### **2.3.3 INTERFACE FREQUENCY**

The tax collection sub-ledger system post daily and should be scheduled to automatically interface daily to the general ledger at the same time each day (4:30). This helps to ensure the COM's general ledger is updated timely and so managers can make effective decisions.

### **2.3.4 CASH RECONCILIATION**

The system should help facilitate an efficient cash reconciliation process to ensure that the total amounts recorded to the general ledger cash accounts each day agrees to the total amount deposited to the bank each day for all tender types (e.g. Cash, e-payments, credit cards, checks).

### **2.3.5 REPORTING REQUIREMENTS**

Detail reports should be available to support summarized balances posted to general ledger. These reports should have parameters that allow users to query reports by tax year, fiscal year, receivable owner type, tax type and transaction type. The reports should be able to be run for a period range and should be static after the monthly sub-ledger period close. Period close is monthly and the General ledger closes on the 10<sup>th</sup> so all managers must close out and balance before then.

## **2.4 TECHNICAL REQUIREMENTS**

### **2.4.1 TECHNOLOGY & APPLICATION STANDARDS**

Oracle is the database & tools standard for application development and/or COTS solution (commercial off the shelf) proposals. The City is currently using Oracle application E-business suite, including CRM and HCM (commercial version) 11i and

database version 10g. The City of Memphis' intention is to migrate to Oracle application release 12i in the next 12-24 months in which the proposed vendor should be aware of for support and migration implementation and/or compatibility purposes. As part of the 11i to 12i upgrade, the City of Memphis is also anticipating a change in the GL configuration to deploy the Multi-Organization feature of the financials in the Public Sector version.

*Note: An 11i only support proposal is not acceptable to the city.*

The City of Memphis requires an integrated COTS solution. The response should confirm if the proposed solution utilizes Oracle API and development standards; sometimes referred to as an "encapsulation methodology" which are application extensions that do not change the base application tables/code, by utilizing the Oracle Application API's (application programming interface) to populate the required E-business tables, such as, the financials (i.e., General Ledger & Accounts Receivable) and CRM. In the ideal scenario, the tax system would transmit data in an automated manner, the financial data on a user defined basis (hourly, daily, monthly, etc.) which would reconcile in a seamless manner with the cash management functions of the City of Memphis Finance department.

*Note: The City of Memphis currently has a hosted relation for its Oracle databases and applications with ITC. The timing and award of the proposed tax solution may not be affected by this. However, the City has no immediate plans to take this function in house and if a new outsourcing vendor is selected, they will also provide disaster recover capabilities in addition to the day to day operation of the application and data bases server environments.*

#### **2.4.2 POINT OF SALE OR CASHIERING FUNCTION:**

The tax system must support a point of sales (POS) or equivalent function at City Hall and potentially other future city sites for the processing of cash/check payments/ credit cards, with the capability to print endorsements and notations (notes) on the checks/documents processed by the cashiers/tellers. In addition, this function needs to support bar code readers to automatically retrieve the tax information for the cashier/teller for the tax bill that is to be paid in part or full by the payer. Standard POS auditing and drawer cash balancing functions are required.

#### **2.4.3 INTERACTIVE VOICE RECOGNITION (IVR):**

The system is to integrate into the current vendor, Paymentus. The City of Memphis uses the IVR in its day-to-day operations by the call center's operators, specifically for handling the call and providing the call operator with the appropriate parcel information.

#### **2.4.4 DOCUMENT IMAGING**

The City of Memphis has a document imaging system application, Application Extender that should integrate to the application. Most documents are cross-referenced with a minimum of the parcel number, tax year, and other notational information, imaging indexing references, dates, etc. Vendors should include additional options for document imaging that the system can evaluate. These options should be proven, tested and

implemented at referenced sites comparable to the size of the City of Memphis.

#### **2.4.5 WEB ACCESS – INTERNET/INTRANET**

Access to property tax records via the web with the ability to “screen” or secure parcel numbers based by user defined statuses, such as bankruptcy or other City defined criteria, are required to determine what will, or will not be available online in the public domain. This is a dynamic environment and needs to be changeable in a non-programmatic way that could entail role based and rule based tables. Our current web payment system is Paymentus. The new system will need to integrate with this existing system.

**Internet:** Web access to property records is where the parcel payers/owners/others can see the status of one or more years of taxes (up to 11 years) for payments, penalties and other City defined criterion that the system captures. This must be secured so that only the appropriate end user can access their information.

#### **2.4.6 GRAPHICAL USER INTERFACE (GUI) STANDARDS**

The City of Memphis is looking for “state of the art” user interfaces, typically web browsers (MSN IE, Chrome, etc.) with icon driven options that take advantage and utilize the City’s Oracle technology stack in the most efficient and secure model. *Note: Ideally, the interface should be similar, if not the same approach used in the Oracle E- business suite. This is not a requirement, but the proposed tax system GUI needs to be intuitive and user friendly.*

#### **2.4.7 WORKFLOW**

The City has not implemented a workflow process on a city wide basis, and inherent in the Oracle 11i applications there are workflows that are mostly module specific. The proposed solution should utilize, where it is practical, and/or have workflows that are compatible with the Oracle applications, the City of Memphis document imaging system, and other systems identified in the interface section of this document (Section 3.15 Requirements – Interfacing Points). At a minimum, the proposed tax system needs to have approval levels for various user defined transaction types that can be reviewed and approved in both a hierarchical or alternate approver tracks for missing approvers or escalation reasons.

#### **2.4.8 INFORMATION NOTIFICATION**

The proposed solution must have the ability to integrate with the City of Memphis email system and other components to have the ability to provide email notification from workflow activities, notification of alerts or issues, and notification of actions that need to be taken as part of the solution.

#### **2.4.9 ANALYTICAL STANDARDS**

The City currently has the following Oracle products:

#### 1) Oracle Balance Score Card (BSC)

The general idea of Balance Score Card reporting is to report on the areas of performance that truly make an organization successful, not just the financial measures which tend to be “lagging indicators” – by the time they show a problem, it is too late. The key indicators of performance – KPI’s – are grouped into areas that match the organization’s strategy such as “Satisfying Customers”. Typically, an organization will define 4-6 such group.

#### 2) Oracle Daily Business Intelligence (DBI)

Oracle Daily Business Intelligence applications are embedded into Oracle Financials, Human Resources, HCM (Human Capital Management), CRM (Customer Relationship Management), and Projects transactional applications and are ready to run, requiring minimal setup.

The proposed solution, ideally should be compatible with BSC/DBI, and have the ability to integrate into the leading analytics products on the market, including, but not limited to: Business Objects, Cognos, Hyperion, OutlookSoft, and SAS. It is the City of Memphis’ objective to expand into dashboards, and proactive and/or predictive models in the management of the property tax and other related property tax information captured in tax application.

### **2.4.10 REPORTING**

The proposed solution should provide a user friendly ability to develop reports and ad hoc reporting requests easily in a non-programmatic manner (no IT support needed). The proposed solution needs to address the end user accessibility with a non-technical requirement/approach, i.e. drop and drag preconfigured views/English naming conventions.

The City utilizes the following Oracle reporting tools:

Oracle Discoverer Oracle Reports 6i SQL reporting services (for SQL applications)

### **2.4.11 PUBLISHING TOOLS**

Oracle XML BI publishing

### **2.4.12 GIS (Geographic Information System) & ADDRESS MASTER**

The City of Memphis uses ESRI for their GIS (geographic information system) modeling and mapping software and technology. The master address is maintained by Memphis Light, Gas and Water (MLGW); Shelby County maintains the parcel number and address location in their system from MLGW. The City of Memphis verifies the address and parcel information for the property tax system upload with the latest parcel address, owner, etc., in the GIS systems prior to uploading into the tax system. The proposed tax solution should allow integration from the GIS systems and demonstrate how it could

support future requirements that the City may have. It is not a requirement to integrate directly, but the City is looking for a tax solution that is capable of GIS integration that allows it to leverage the City's GIS technology assets. *Note: We receive multiple uploads to Shelby County, City of Memphis with the MLGW master address record at varying times.*

#### **2.4.13 AUDIT CAPABILITIES**

The solution must have the ability to provide an audit trail of all transactions performed, and a journal all of this information to be kept in a database for future reference as needed. Any change to an account will be recorded as a discrete transaction. This will give an auditable trail of all transactions performed to an account.

#### **2.4.14 INTERFACING POINTS**

The principal automated interface points for the proposed Tax system:

- 1) Shelby County provides all parcel information for the periodic uploads to the City of Memphis property tax system in support of 255,000+ tax bills generated by the City of Memphis.
- 2) Lock box integration provided by the First Tennessee Bank (or others in the future) that integrate with the payment and processing of property tax bills processed by the third parties.
- 3) POS processing in City Hall at the City of Memphis with the use of bar coding for parcel/bill/payment processing.
- 4) Credit Card, Debit Card, and Electronic Check processing for payment of taxes (Web, telephone, or at City Hall).
- 5) Third party mortgage payers interface of escrowed taxes on behalf of the parcel/owners/other entities; there are both direct lenders interfaces and third parties that aggregate on behalf of other lenders.
- 6) Bankruptcy Information from the Bankruptcy Court.
- 7) Integration into the E-business, including General Ledger and Cash Management
- 8) Oracle CRM and other Oracle products as required.
- 9) Web access via third parties or City supported initiatives.
- 10) The City uses Application Extender to image all documents, referenced by parcel number, date & tax year that need to be integrated into the proposed solution, linked/loaded.
- 11) Email (Microsoft Exchange) capability for City defined communications with the parcel owners/other third parties using the City's email systems. *Note: This is in addition to a required bar coding, label and mailing functions.*
- 12) Bar Coding in the printing of Tax bills for automated retrieval by lock box, cashiers, and other internal users at the City of Memphis.
- 13) IVR integration to Tax call center to pass parcel information to call agent screen, i.e. parcel number.
- 14) The State of Tennessee provides information, (i.e. tax relief vouchers).
- 15) The City of Memphis, Center City Commission.
- 16) Other City of Memphis Sources.

## 2.4.15 KEY DESIGN & SCHEMA ASPECTS

The key entity for the system is the property tax **Parcel Number**, which is a 16 digit required entity:

**Parcel number** consisting of:

- **Ward** - 3 digit Numeric Values
- **Block** – 4 digit Alpha/Numeric Values
- **Subdivision** – 1 digit Alpha Values
- **Parcel** – 5 digit Numeric Values
- **Consolidation** – 1 digit Alpha Values
- **Rollback** – 2 digit Alpha/Numeric Values

**Split** - The parcel can be split into one or more parcels numbers.

**Consolidation** - The parcels can be consolidated from multiple parcel numbers into a new parcel number.

**History** - The history of all parcels must be available real-time for complete or partial applications of payments/adjustments by one or more tax years and different amounts for such thing as penalties, lien's and adjustments and many other types of transactions types.

*Note: the proposed tax system must accommodate the current 16 digit alpha/numeric requirement, as well and any future expansion of the field as needed to support tax system.*

**Transaction Date** is the date that the transaction is processed and recorded in the system.

**Effective Date** is the applicable date used to calculate fees and penalties. Both Transaction and Effective dates are required for current, prior, or future activities, changes or adjustments. Both dates impact formulas used for both penalty and fee calculations (current, past, or future).

**Tax Year** is a required key attribute for all calculations & formulas, payments and historical purposes.

**Tax years** have a legal statute of 11 years (10 + current tax year) of previous tax history that is required to be online /available. The proposed solution must provide a viable solution/approach to the loading of the prior 11 years (10 + current tax year load) of historical data in their proposal to the City. Approaches may include matrix conversion, systematic yearly builds, testing, confirmation, etc.

All data beyond the 15 years will be kept offline for access within a day, if needed. The length of time to be kept is up to 20 years. Anything over 20 years will be archived and can be accessed with 3 to 5 business days.

*Note: It is generally not acceptable to bring the current Tax year up and build prior history after the fact based on State, City, and Counties legal statutes, unless the Vendor can demonstrate compliance and approach that is not in*

*conflict with the statues.*

**Transaction types** will always drive unique information requirements based on the type. When invoked, a separate GUI flow and data field requirements is to be generated in logical intuitive manner based on the type of transaction.

**Data Migration** - All data currently reside in an Informix database. All data will need to migrate to the new system.

#### **2.4.16 HOSTED vs. NON-HOSTED SOLUTION**

The City currently owns the hardware for its existing system. As such the City is requesting budgetary costs for both a hosted solution and purchased hardware solution.

### **2.5 MAINTENANCE REQUIREMENTS (e.g., HARDWARE, SOFTWARE, ON-CALL)**

#### **SUPPORT OPTIONS**

The Vendor(s) shall provide all support options available to the City that are directed at providing the appropriate response time warranted by a City Treasury function and its personnel (property tax system). Below are parameters that need to be factored into the support options. The Vendor(s) will provide and list descriptions of all items factored into the support options and the associated costs.

- a. 24x7 on-call support
- b. One (1) hour resolution from the time notification is received by the Vendor(s), when processing annual tax bills and using the Vendor(s) provided solution or Cashiering functions at City Hall, including cash, checks and credit card payments.  
*Note: Cash application, processing, and depositing is the most critical function to the City Treasury function.*
- c. Two (2) hours resolution from the time of notification for IVR (Call center processing) and Lock Box transactions.
- d. Four (4) hours for all other issues.
- e. The Vendor(s) must have the ability to replace faulty hardware with locally available parts and within the time frame allotted in the above service levels.

### **2.6 TRAINING**

- a. The Vendor(s) shall provide a recommended training plan; complete with agendas that will be used to train all Treasury, Accounting, and IS related personnel who work with the system
- b. The Vendor(s) shall provide all associated costs for the recommended training; user manuals, technical training materials, travel expense including airfare,

accommodations, etc. Please include Annual trade shows/user group associations, and affiliations membership and trade show costs, if applicable.

- c. The Vendor(s) shall deliver, at a minimum, the following components:
  - i. Minimum of twenty (20) days\* of onsite training for both technical support staff, as well as, end-users.
  - ii. Items to provide training on:
    - 1. Installation
    - 2. Implementation
    - 3. Software/Hardware setups
  - iii. End User Training by Function
  - iv. Post implementation Support

<b>3 PROPOSAL RESPONSE</b>
----------------------------

This Section 3 describes the contents of Vendor’s Proposal and provides an outline of how Vendor should organize it. Vendor’s Proposal will not be considered responsive unless it fully complies with the requirements in this Section, as well as the additional instructions provided at Section 4.5 regarding the required Proposal formats and submission process.

Specifically, Vendor’s Proposal shall include each of the sections referenced in the table below. The requirements for each of these Proposal sections are described in more detail in this Section 3. **VENDOR'S PROPOSAL WILL BE DISQUALIFIED FROM THIS RFP PROCESS IF THE VENDOR FAILS TO CONFORM TO THE PROPOSAL INSTRUCTIONS IN THIS SECTION 3.**

<b>Sections and Topics</b>
Cover Letter
Section 1 – Executive Summary
Section 2 – Scope
Section 3 – Solution Design
Section 4 – Pricing Model
Section 5 – References
Section 6 – Vendor’s Alternative Proposals
Section 7 – Vendor’s Due Diligence Requirements
Section 8 – Insurance and Indemnification

### **3.1 COVER LETTER**

Vendor's Proposal shall contain a cover letter acknowledging Vendor's understanding of the RFP process and requirements set forth in this RFP, including its commitment to its Proposal. The cover letter shall be signed by an authorized representative of Vendor's company.

### **3.2 EXECUTIVE SUMMARY**

Vendor's Proposal shall begin with an executive summary providing an overview of Vendor's solution, with a focus on any new technologies, innovations, processes, and transformation that Vendor will bring to help the City meet its objectives. The Executive Summary should include a description of the following:

- a. A description of Vendor's solution
- b. A description of Vendor's pricing approach; including any software license costs
- c. A description of Vendor's relevant experience to the proposed solution, including customers previous municipal and local government clients with similar population sizes
- d. A list of key interactions between Vendor and the other involved parties (e.g., the City, City contractors, etc.), as well as a description of Vendor's approach for managing and communicating between and among those parties during the development and deployment of the web site
- e. A summary of any key differentiators that make Vendor uniquely positioned to provide a tax/treasury replacement system to the City

### **3.3 SCOPE**

In Section 2 of its Proposal, Vendor shall explicitly confirm its agreement with the full scope of Services described in this section. If, however, Vendor believes that it can provide a solution that better fits the City's requirements/objectives/ constraints by not providing all of the Services, Vendor may propose alternatives under the Alternative Proposals section, described below.

### **3.4 SOLUTION DESIGN**

Section 3 of Vendor's Proposal shall describe Vendor's "Solution Design". More specifically, this section of Vendor's Proposal shall include each of the following:

#### **3.4.1 CITY OF MEMPHIS TAX / TREASURY REPLACEMENT SYSTEM**

**3.4.1.1** Describe the Vendor's solution to provide solutions for the scope/requirements outlined in Section 2 of this RFP.

### **3.4.2 TOOLS AND TECHNOLOGY**

Identify the tools and technology Vendor proposes to deploy for the City of Memphis Tax/Treasury Replacement System, describe how the tools will benefit the City and how such components would be expected to interoperate and integrate with the City's technology environment.

Identify any license fees, implementation fees, or other charges Vendor would propose to pass-through to the City for tools and technology, or any other fees for which the City might be responsible related to technology.

Include any assumptions Services Provider has made about systems and resources available within the City's information technology environment.

### **3.4.3 SECURITY**

Identify the tools and technology Vendor proposes to deploy for the City of Memphis Tax/Treasury Replacement System, describe how they will provide for the confidentiality, integrity and availability of the City's tax data.

### **3.5 PRICING MODEL**

In Section 4 of Vendor's Proposal, Vendor shall provide a detailed breakdown of costs. For example, what is the cost for project management, research/inquiry, development, implementation, training, etc?

The City is requesting in the pricing model the cost breakdown for both a hosted (SAAS) environment and non-hosted model.

The City is requesting in the pricing model an expected budget number for the hardware required to host/operate the Vendor's proposed solution.

### **3.6 REFERENCES**

In Section 5 of the Vendor's Proposal, Vendor shall provide project descriptions and verifiable references for at least three (3) of Vendor's customers that, to the extent possible, are local (or state) governments, have similar geographic footprints and for which Vendor has developed and implemented websites within the last twelve (12) months, including contact information for the references.

### **3.7 VENDOR'S ALTERNATIVE PROPOSALS**

In Section 6 of the Vendor's Proposal, Vendor may (at its option) include an alternative solution ("Alternative Proposal") for consideration by the City.

Alternative proposals shall be accompanied by appropriately adjusted solution descriptions and pricing models.

For clarity, alternative proposals are intended to be supplements to Vendor's core proposal, and should not be used as a substitute to addressing City's stated requirements.

### **3.8 VENDOR'S DUE DILIGENCE REQUIREMENTS**

In Section 7 of its Proposal, Vendor should submit a detailed list of any additional due diligence – such as review of specific information, and interviews of particular City personnel – that Vendor would need to perform following down-selection if Vendor were chosen as a down-selected provider, in order to develop and submit a detailed and unqualified best and final offer.

### **3.9 INSURANCE AND RISK OF LOSS**

#### **Insurance**

Please see Exhibit A-2 for Standard Insurance Requirements.

### **3.10 Equal Business Opportunity (EBO) Program**

#### **Equal Business Opportunity Program**

This contract will be subject to the requirements of the City of Memphis Ordinance #5384 which establishes the Equal Business Opportunity (“EBO”) Program. It is up to the Respondent to ensure that all requirements of this ordinance are met. The Ordinance may be accessed on the City’s website at [www.memphistn.gov](http://www.memphistn.gov) under “Doing Business”. The intent of the EBO Program is to increase the participation of locally owned minority and women owned business enterprises (“M/WBE”) in the City’s purchasing activities. Toward achieving this objective, the M/WBE participation goal for this solicitation is **0%**. The percentage of M/WBE participation is defined as the dollar value of subcontracts awarded to certified minority and/or women business enterprises divided by the total proposed base bid amount.

#### **Participation Plan**

The Participation Plan must include: (1) level and dollar amount of participation your firm anticipates to achieve in the performance of contract resulting from this RFP; (2) the type of work to be performed by the M/WBE participation; and (3) the names of the M/WBEs the Respondent plans to utilize in the performance of the contract resulting from this RFP.

#### **Eligible M/WBE Firms**

To qualify as an M/WBE firm, per the requirements of City of Memphis Ordinance #5384, a firm must be included on the City’s list of certified M/WBE firms. One or a combination of several M/WBEs may be utilized to meet the established goal of **0%**. A list of the City’s eligible MWBE firms is included in the specifications.

Requests for verification must be submitted to the City's Contract Compliance Office listed below:

Carlee M. McCullough, Esq.  
City of Memphis  
Contract Compliance Office  
125 North Main Street, Suite 546  
Memphis, TN 38103  
Phone: (901) 576-6210  
Fax: (901) 576-6560  
Email: [carlee.mccullough@memphistn.gov](mailto:carlee.mccullough@memphistn.gov)

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**CITY OF MEMPHIS**

**EQUAL BUSINESS OPPORTUNITY PROGRAM COMPLIANCE FORM**

PROJECT TITLE: Treasury/Tax System Replacement

**Project M/WBE GOAL: 0%**

The following sections must be completed by bidder. A certified subcontractor or supplier is defined as a firm from the list of certified firms provided with this specification.

\_\_\_\_\_  
Bidder's Name

Section A - If the bidder is a certified firm, so indicate here with a check mark.

\_\_\_\_\_ MBE      \_\_\_\_\_ WBE

Section B - Identify below those certified firms that will be employed as subcontractors or suppliers on this project. By submitting this bid, the bidder commits to the use of the firms listed below.

\$                    =            Show the dollar value of the subcontract to be awarded to this firm

%                    =            Show the percentage this subcontract is of your base bid

M/WBE =    Show by inserting an M or W whether the subcontractor is an MBE or WBE

<u>\$ / %</u>	<u>M/WBE</u>	<u>SERVICE</u>	<u>CERTIFIED SUBCONTR. NAME, ADDRESS, TEL. #</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\$                    %

\_\_\_\_\_                    **Total MBE**

\_\_\_\_\_                    **Total WBE**

**THIS FORM and SUPPORTING DOCUMENTATION MUST BE SUBMITTED WITH THE BID OR THE  
BID WILL BE CONSIDERED NON-CONFORMING.**

## **4 INSTRUCTIONS ON RFP PROCESS**

### **4.1 USE OF INFORMATION**

Vendor may not make any public announcement relating to this RFP or otherwise publicize the existence or contents of this RFP. Any Vendor that discusses this RFP or the Initiative with anyone within or outside the City other than the persons and entities permitted pursuant to this RFP will risk elimination from further participation in the bidding process due to breach of confidentiality, in addition to enforcement by the City of any other remedies available to it. **All correspondence about this RFP and the Initiative should be limited to the Principal Contact described in Section 4.2 or other designated City personnel or agents.**

### **4.2 PRINCIPAL CONTACT AND INFORMATION REQUESTS**

Brent Nair is the single point of contact (the “Principal Contact”) for all matters relating to this RFP. Vendor should direct all inquiries to the Principal Contact at [ciorequests@memphistn.gov](mailto:ciorequests@memphistn.gov)

Vendor should not, under any circumstances, contact any City personnel (including senior City management or City employees with whom Vendor has an existing business or personal relationship) to discuss this RFP without the Principal Contact’s prior written consent. Utmost discretion is expected of Vendor and all other RFP recipients. Any recipient attempting to circumvent this process will risk elimination from further participation in the bidding process.

### **4.3 SCHEDULE OF ACTIVITIES**

- a. In order to accelerate the business transformation, service improvements and cost savings the City anticipates, the City has developed an **estimated timeline** for this Initiative. The City will move as quickly and efficiently as possible to determine the feasibility of Vendor’s Proposal (and other RFP recipients’ proposals), and to move forward with term sheet discussions and ultimately conclude an agreement accordingly.
- b. As a result, the City requests that Vendor make a dedicated team available to participate in the proposal development and evaluation processes as necessary to participate in the activities and meet the deadlines provided in the table below.
- c. It is the City’s option to conduct interviews with finalists. However in no way is the City obligated to interview finalists.
- d. The City reserves the right to modify or update this schedule at any point in time.

**In no event shall the deadline for submission of the proposal be changed except by written modification by the City of Memphis Purchasing Department.**

<b>Activity</b>	<b>Date</b>
Publish RFP	December 7, 2011
Vendor Questions Submission	<b>December 21, 2011 5:00 pm CDT</b>
City Response to Questions	January 4, 2012 5:00 PM CDT
<b>Proposal Submission Deadline</b>	<b>January 20, 2012 2:00 pm CDT</b>
Select three (3) Finalists - Optional	January 31, 2012
Finalists Presentations – Optional (City’s Discretion)	Week of February 20, 2012
Negotiations	March 2012
Agreement Finalization	April-May 2012

e. Several of the activities identified in the above table are described in more detail in the remainder of this Section 4.

**4.4 INITIAL QUESTIONS SUBMISSION, FINAL QUESTIONS SUBMISSION**

Vendor may submit an initial set of questions based on its review of this RFP, by completing the template provided at Exhibit A-2 (Vendor Questions Template) and sending it via email by **December 21, 2011 by 5:00 pm CDT**. Questions received after 5:00 will not be answered. This email should be sent to the individuals described in Section 4.2, with the subject heading: “[Your company’s name] – Initial City of Memphis Tax Replacement System RFP Questions”. The City will post the responses to the questions on the City’s web site **January 4, 2011 by 5:00 pm CDT**.

**4.5 PROPOSAL SUBMISSIONS**

**4.5.1 PROPOSAL SUBMISSION AND DUE DATE**

**4.5.1.1** Vendor shall submit (A) 1 original and 7 complete printed copies of its Proposal (including the signed Cover Letters); and (B) 2 CDs or DVDs containing softcopies of its entire Proposal (including PDFs of the Signed Cover Letters) on or before **January 20, 2012 at 2:00 pm CST**, to the addressee provided below:

**City of Memphis Purchasing Department  
125 N. Main Street, Room 354  
Memphis, TN 38103**

The label should identify the contents as:

**City of Memphis Tax Replacement System RFP #12009**

**4.5.1.2 PROPOSALS SUBMITTED AFTER THE DEADLINE OR WHICH STATE THAT INFORMATION WILL BE PROVIDED 'AT A LATER DATE', OR WHICH ARE OTHERWISE INCOMPLETE OR FAIL TO COMPLY WITH THE REQUIREMENTS SET FORTH IN THIS RFP WILL BE DISQUALIFIED FROM PARTICIPATION IN THIS RFP PROCESS.**

**4.5.1.3 PROPOSALS MAY NOT BE AMENDED AFTER THE SUBMISSION DEADLINE.**

**4.5.1.4** Notwithstanding any legends on the Proposal or any other statements to the contrary, all materials submitted in connection with Vendor's response to this RFP will become the property of the City and may be returned only at the City's option.

**4.5.1.5** With respect to the information contained on Vendor's CDs or DVDs:

4.5.1.5.1 The folders and/or files should be organized in such a way as to preserve the order and labeling of how such information is presented in Vendor's printed copy of its proposal;

4.5.1.5.2 Each document (and file name) should clearly show the name of Vendor;

4.5.1.5.3 Each file should be pre-formatted by Vendor to facilitate on-line viewing and printing in a form consistent with Vendor's printed copy of its proposal;

4.5.1.5.4 All documents should be presented in a native Microsoft Office format (e.g., Word, Excel, PowerPoint, Project) or PDF; and

4.5.1.5.5 Documents should not include embedded files.

## **4.5.2 PROPOSAL FORMAT**

The City expects the Proposal to be a compilation of various documents, in particular because Vendor's Proposal must utilize the RFP response templates set forth in Attachment B (Proposal Templates) to this RFP. The Proposal should be structured so that there is a primary, "core" document (organized in accordance with Section 3) that incorporates by reference, as applicable, the other documents.

Vendor shall use Microsoft Office 2003 file formats in preparing its Proposal to the maximum extent possible. All pages should be formatted to print on 8 ½ x 11" paper, unless another format is provided by the response template. Vendor responses should be specific, factual, brief and to the point, and should avoid pure sales and marketing content to the extent possible.

#### **4.5.3 PROPOSAL EXPIRATION DATE**

Proposals in response to this RFP shall remain valid for nine (9) months from the Proposal due date. The City may request an extension of time if needed.

#### **4.5.4 VENDOR DATA**

The confidentiality of information and data contained in Service Provider's Proposal shall be subject to and governed by the Open Records Act and any other Public Records laws with which the City is legally obligated to comply (including a Freedom of Information Act Request under "FOIA").

#### **4.5.5 GENERAL**

Subject to questions and clarifications raised on specific issues in accordance with Section 4.4, Vendor shall be deemed, by the submission of its Proposal, to have understood fully the meaning of the overall RFP. Any claims of ambiguity after contract award will not be accepted by the City.

#### **4.6 FINALIST SELECTIONS (N → ~3 Vendors)**

The City's current intent is to select approximately three (3) of the RFP respondents who will be asked to give an oral presentation of its proposal to the City. However the City is not obligated to interview any finalist. If interviews are conducted, these providers will be selected based on an evaluation of their Proposals against the criteria described in Section 5 of this RFP. RFP recipients that are not selected to progress to the oral presentations likely will be excluded from further consideration. For this reason, Vendor is strongly encouraged to make as complete and compelling a Proposal as possible. The RFP recipient who fails to comply, risks being dropped from further consideration without having an opportunity to improve its offer.

#### **4.7 RECIPIENT PRESENTATIONS**

Details pertaining to the oral presentation phase of the RFP process will be confirmed after Proposal submission, however the presentations are tentatively scheduled to begin the week of **February 20, 2012**.

If Vendor is one of the RFP recipients asked to give an oral presentation, Vendor should prepare a comprehensive presentation that concentrates on the business and technical aspects of the Proposal, and should not be marketing discussions. **VENDOR'S PROPOSAL WILL NOT BE ALTERED OR ENHANCED DURING THE ORAL PRESENTATION.**

Appropriate visual and written materials are expected, but the format will be left to the discretion of the Vendor. A soft copy of all presentation materials must be delivered to the Principal Contact at least one business day before the beginning of the presentation. Vendor should also bring a sufficient number of printed copies of the materials for the City attendees at the presentation.

The City may provide a last minute agenda or other direction for the Vendor's presentation based on the City's initial review of the Proposals.

#### **4.8 NEGOTIATIONS**

The City expects to conduct detailed negotiations with each of the down-selected providers. Details regarding this process will be provided at the appropriate time to Vendor, if it is chosen to be a down-selected provider, and may include discussions based on any aspect of a proposal.

The City intends to have various representatives participate in all negotiations. The City encourages down-selected providers, as appropriate, to have its legal counsel participate as well. However, the City will not be precluded by the absence of down-selected providers' counsel from having its counsel participate, and down-selected providers will not be permitted to defer or revisit any matter due to the necessity of consultation with counsel.

#### **4.9 AWARD OF SERVICES**

The City reserves the right to award the Services to the lowest and best proposer or proposers or to make no such award, in its sole discretion. Notification of the City's intent to award will be publicly announced on outside City Council Chambers, located on the lobby floor of City Hall, 125 North Main, Memphis, Tennessee 38103.

#### **4.10 PROTESTS**

Any protest of award must be filed in writing with the Purchasing Agent within five (5) calendar days of the award announcement at the following address: City of Memphis Purchasing Agent: 125 North Main, Room 354, Memphis, Tennessee 38103.

#### **4.11 MODIFICATION OR TERMINATION OF RFP PROCESS**

Subject to the rules and regulations of the City's Procurement Office, including with respect to providing notification and, where applicable, providing the opportunity to revise proposals, the City reserves the right to, in its sole discretion, discontinue, amend, supplement, or otherwise change this RFP, the Initiative, the process used for evaluation, and the expected timeline at any time and for any reason, and makes no commitments, implied or otherwise, that this process will result in a business transaction with any provider.

#### **4.12 SUPPLEMENTAL INFORMATION**

If, subsequent to issuance of this RFP, additional relevant material is produced by or becomes available to the City, such material will (where appropriate) be transmitted to all RFP participants for their consideration. Vendor should consider such information in its Proposal, and the City will assume that all changes or additional requirements transmitted have been taken into account in Vendor's Proposal (including with respect to pricing), unless otherwise specified.

#### **4.13 NO REPRESENTATIONS OR WARRANTIES**

The City makes no representations or warranties regarding the accuracy or completeness of the information contained in this RFP or otherwise provided by the City through the RFP process. Vendor is responsible for making its own evaluation of information and data contained in this RFP or otherwise provided by the City, and for preparing and submitting responses to the RFP.

The City has attempted to validate the information provided in this RFP, but it is possible that Vendor may detect inconsistencies or potential errors. While Vendor should identify these potential issues in its questions or in an appendix to its Proposal, Vendor should use the information provided on an “as-is” basis for its initial Proposal. Information regarding the City and the Initiative may be revised or updated, and republished for inclusion in a final response.

#### **4.14 PROPOSAL PREPARATIONS COSTS**

Vendor will be responsible for all costs it incurs in connection with this RFP process (including but not limited to Proposal preparation, personnel time, travel-related costs, and other expenses) and any subsequent agreement negotiations.

#### **4.15 OWNERSHIP AND INTELLECTUAL PROPERTY**

The City will own all of the data contained within the Tax Replacement System.

### **5 EVALUATION MODEL**

#### **5.1 QUALIFYING PROPOSALS**

City will review each submitted Proposal to determine whether it is a Qualifying Proposal. A Qualifying Proposal is one that meets all of the criteria set forth below. All Proposals that **ARE NOT** a Qualifying Proposal will be disqualified from this RFP process.

A Qualifying Proposal is a Proposal that:

- a. was submitted (in the form and format required) by the due date as specified in Section 4.5.
- b. conforms to the requirements of the RFP (e.g. includes the requisite number of copies, and customer references).

#### **5.2 EVALUATION OF QUALIFYING PROPOSALS**

City will evaluate each Qualifying Proposal based on the degree to which it complies with City's requirements, as articulated in this RFP. The primary categories to be evaluated are:

- a. Scope and Solution, including whether Vendor accepted the scope of services presented in this RFP, meet the solution requirements and constraints, proposes an appropriate development plan, mitigates risks, and delivers value added components.
- b. Pricing, including whether Vendor provides a cost effective pricing methodology.
- c. Location: including whether Vendor(s) of the proposed solution has a local office in the Shelby county area, preferably in the City of Memphis.

Information on how the City will weight these categories for each down-selection referenced in Section 4 above is set forth below:

<b>Evaluation Category</b>	<b>First Down Selection</b>	<b>Award of Services</b>
<b>Scope and Solution</b>	55%	55%
<b>Pricing</b>	35%	35%
<b>Location</b>	10%	10%
<b>TOTAL</b>	100%	100%

## **6 LIST OF ATTACHMENTS AND EXHIBITS**

- 6.1 Exhibit A-1: Vendor Questions Template**
- 6.2 Exhibit A-2: Business Requirement Matrix**
- 6.3 Exhibit A-3: Proposed Standard Contract**

**Terms and Conditions**

**RFP TERMS**

**REQUEST FOR PROPOSAL TERMS**

The City of Memphis seeks proposals from firms who have the expertise to provide TREASURY/TAX SYSTEM REPLACEMENT in accordance with this RFP document. This is a Request for Proposal that may be modified by the City in the selection process.

THE CITY OF MEMPHIS ENCOURAGES THE PARTICIPATION OF SMALL, MINORITY AND WOMEN-OWNED BUSINESSES IN THE PURCHASING PROCESS.

The City of Memphis is an Equal Opportunity Employer and does not discriminate on the basis of race, color, national origin, sex, religion, age or handicap status in employment or in the provision of services.

This procurement may be subject to the requirements of Ordinance No. 5114 which establishes a local preference for local businesses located within the City of Memphis. A copy of your current Memphis and Shelby County Tennessee Business Tax Receipt must accompany the proposal for consideration of this ordinance.

The contract may be subject to the requirements of Ordinance No. 5185, as amended, which establishes a minimum wage for employees of businesses receiving a service or service-related contract from the City of Memphis. The Living Wage ordinance and any amendments thereto, can be accessed on the City's website ([www.memphistn.gov](http://www.memphistn.gov)). Once on the City's homepage, click on the "Business" link, and then click on the "Doing Business with the City" link. A link to the ordinance will be accessible on the top right side under the section "Links".

Any protest of award must be filed in writing with the Purchasing Agent within five (5) calendar days of the intent to award announcement at the following address: City of Memphis Purchasing Agent; 125 North Main, Room 354; Memphis, Tennessee 38103. Notice will be posted on the City's website and outside Council Chambers, located on the lobby floor of City Hall. The intent to award notification shall be deemed publicly announced on the date specified on the notice.

Only proposals submitted on the provided form(s) with no changes, additions or deletions to the terms and conditions will be considered. Proposals containing terms and conditions other than those contained herein may be considered nonconforming.

No objections with regard to the application, meaning, or interpretation of the specifications will be considered after the opening of the subject proposals. If there are questions or concerns regarding any part of plans, terms, specifications or other proposed documents, a written request for interpretation thereof may be submitted to the City Purchasing Agent prior to the deadline date. The organization submitting the request shall be responsible for the prompt delivery of the request. Any interpretation in response to the written request will be made only by addendum duly issued, and a copy of such addendum will be mailed or delivered to each organization receiving a set of such documents and/or posted on the City's website. The City of Memphis will not be responsible for any other explanation or interpretation of the proposed documents. By submission of its proposal, a vendor shall be deemed to have understood fully the contents and meaning of the RFP.

All proposals must be signed by an authorized representative of your organization. Unsigned proposals will be considered nonconforming.

Any contract resulting from the proposals received in response to this solicitation shall be construed in accordance with and governed by the laws of the State of Tennessee. All actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this Agreement shall be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee without regard to conflicts of laws principles.

By order of the Mayor of the City of Memphis, Tennessee.

**A C WHARTON, JR., MAYOR**

Jerome Smith, City Purchasing Agent

Proprietary and Confidential

Published in The Daily News on December 13, 14, 2011 2 Copies

**INSTRUCTIONS TO PROPOSERS**

Proposers shall submit their signed proposal in a sealed envelope INDICATING ON THE OUTSIDE: THE COMPANY NAME and THE REQUEST FOR PROPOSAL NUMBER.

Proposers must comply with all applicable licensing requirements. Pursuant to the City of Memphis Charter, Article 71, Section 777 et seq., it is unlawful to operate a business within the limits of the city of Memphis without possessing a Memphis and Shelby County business license, excepting non-profit organizations that qualify as tax exempt under Sec. 501(c)(3) of the Internal Revenue Code. Upon award notification and prior to the City issuing a properly executed purchase order or entering into a contract with the vendor, the successful vendor, whose principal business address is located within the limits of the city of Memphis, will be required to submit, along with the required insurance and other required documentation, a copy of (1) the tax-exempt ruling or determination letter from the Internal Revenue Services; or (2) its current Memphis and Shelby County Business Tax Receipt/License.

Issuance of this RFP does not obligate the City to contract, in whole or in part, for services specified herein. The City of Memphis reserves the right to cancel this solicitation, in whole or in part, or to reject, in whole or in part, any and all proposals. Cancellation of this RFP or any subsequent award will be posted on the City's website: [www.memphistn.gov](http://www.memphistn.gov) under the section titled "Government News."

Any firm receiving a mailed solicitation on the above subject and not bidding will be electronically removed from the City's mailing list used for the above-referenced subject after 3 consecutive non-responses or no bids.

For additional information concerning this solicitation, please contact: Brent Nair at [ciorequests@memphistn.gov](mailto:ciorequests@memphistn.gov) or via facsimile at n/a.

This solicitation shall be in accordance with the City of Memphis Purchasing Policies and Procedures, which may be amended from time to time.

All materials submitted pursuant to this RFP shall become the property of the City of Memphis.

To the extent permitted by law, all proposals submitted in response to this RFP shall be kept confidential until the proposals have been evaluated and the intent to award is announced. Until the intent to award is announced, no information regarding any proposal will be released to anyone, except members of the Evaluation Committee who are responsible for evaluating the proposals and other appropriate City staff. All information provided by the Vendor in response to this RFP will be considered by the Evaluation Committee in evaluating the proposal and making an award recommendation to the City.

The Mayor of the City of Memphis is the only individual who can legally sign contracts on behalf of the City. Costs chargeable to the proposed contract shall not be incurred before receipt of a fully executed contract.

Proprietary and Confidential



**Exhibit A-2 - Business Requirement Matrix (must be completed)**

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.1	System must be able to add new bill types		
BUS 100.2	System must populate information in to appropriate fields on the COM Tax Bill		
BUS 100.3	There must be heading information, see page 4 of the RFP for specifics		
BUS 100.4	There must be body information, see page 4 for of the RFP for specifics		
BUS 100.5	Current tax year information must print on bill including fund breakdown amount for Real Estate, Personal Property and State Assessed Property and PILOT bills		
BUS 100.6	Unpaid CBID and PILOT amounts must print following its corresponding Real Estate Tax		
BUS 100.7	Any miscellaneous charges must be printed on Tax Bill along with corresponding tax year		
BUS 100.8	System must project interest and penalty on all bills		
BUS 100.9	Must show total amount owed for each of the three future months		
BUS 100.10	Must list due dates of the bills		
BUS 100.11	Current year tax bill must state "if paid by 08/31/yy"		
BUS 100.12	Previous year tax bills must state due date by the end of the current month		
BUS 100.13	System must be able to add miscellaneous charges on the system either from a file or manually		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.14	Tax Relief Bills must contain the same information as Real Estate and Tax Freeze Bills. In addition the tax relief amount is listed and deducted from the tax, showing the taxpayer the amount the taxpayer must pay		
BUS 100.15	System must display taxpayer amount to be paid		
BUS 100.16	System must print current and frozen assessment amount on bill		
BUS 100.17	System must print Quarterly Bills listing the quarter being billed		
BUS 100.18	System must list summary of Quarterly Bill dates with amount owed for each date and payment date. A summary of quarterly bill dates with amount owed for date and a note stating paid with payment date if that quarter is paid		
BUS 100.19	Tax Sale Bills must contain the same information as a regular Real Estate Tax Bill		
BUS 100.20	System must generate Tax Bills at request of Tax Sale Authority.		
BUS 100.21	System must be able to print or suppress printing for any bill type for a parcel from any screen in the Tax System		
BUS 100.22	The system must be able to print variable length and special character messages on a Tax Bill		
BUS 100.23	All bills must have a OCR-A line that can be read by the City's bank.		
BUS 100.24	All bills must have a barcode that contains the parcel number on it		
BUS 100.25	All mailing addresses on bills must meet current postal requirements		
BUS 100.26	The annual file from the Assessor must load into the Tax System		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.27	System must be able to calculate tax from multiplying assessment times the tax rate divided by 100, with the exception of the tax freeze parcels		
BUS 100.28	System must load and validate annual Tax Freeze files from Assessor		
BUS 100.29	System must calculate Frozen Tax for parcels. Parcels that exceed 5 acres have a frozen tax and a tax based on the unfrozen assessment times the current tax year rate. The file is loaded and is validated against the tax freeze data in the tax system. Exceptions are identified and manually corrected until there are no errors. The tax for tax freeze parcel is a frozen amount stored for each parcel in the tax freeze table.		
BUS 100.30	System must load and validate annual file from the CCC for parcels in the CBID. The tax is calculated by multiplying the CBID assessment times the CBID tax rate divided by 100.		
BUS 100.31	The system must provide a CBID report that provides the count, the total tax amount and the total assessment amount for the specified tax year for balancing		
BUS 100.32	System must be able to save an extract file with Tax Relief Voucher info for tax approved taxpayers on the Tax Relief Payment Program		
BUS 100.33	System must be able to copy SAP Bills from previous tax year assessments		
BUS 100.34	System must be able use previous year tax times current tax rate divided by 100 to calculate the current tax amount		
BUS 100.35	System must provide a report that provides the total number of bills created from the SAP file, the total tax amount of these bills and the total assessment amount of these bills for a specified tax year for balancing		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.36	System must be able to create PILOT Bill records from the PILOT table in the Tax System. The current tax amount is calculated using the previous year assessment times the current tax rate divided by 100 or the flat tax amount specified in the PILOT contract		
BUS 100.37	System must be able to calculate the current tax amount for PILOT Bills.		
BUS 100.38	System must provide a report with the number of PILOT Bill records created, total tax amount of these bills and the total assessment for the specified tax year balancing		
BUS 100.39	System must be able to grab Orphan Bills from previous years tax bill records that do not have a current year tax bill and display them on the screen		
BUS 100.40	System must be capable of generating a report of orphans that can be emailed		
BUS 100.41	System must be able to identify, link and store new parcel numbers from email files		
BUS 100.42	System must populate the appropriate fields with the various codes from the previous tax year based on given criteria		
BUS 100.43	System must provide the capability to create bill files in text file format for an outside vendor by bill type, subtype and/or classification		
BUS 100.44	System must be able to generate multiple page bills and create consolidated/sort bills if the owner has multiple properties		
BUS 100.45	System must be able to generate a bill file containing sample bills for each type of bill to review for accuracy		
BUS 100.46	System must allow the Treasury Dept. to accept various forms of payment (cash/cashier's checks, money orders, traveler's checks, personal checks, debit cards, credit cards, electronic checks)		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.47	System must be able to accept wire payments when Treasury notifies of the necessary		
BUS 100.48	System must be able to accept electronic payments via web/phone		
BUS 100.49	System must be able to accept voucher payments		
BUS 100.50	System must be able to refund any payment exceeding a specified amount		
BUS 100.51	System must be able to add a returned check fee equal to one percent the amount of the check with a minimum amount of \$15.00 added.		
BUS 100.52	System must be able to barcode the tax bills		
BUS 100.53	System must be able to process a single check for multiple accounts, apply multiple checks to a single account and apply multiple checks to multiple accounts		
BUS 100.54	System must process in-house/at window payments in a 'Floor' register		
BUS 100.55	Must be able to process mailed in payments in a 'Mail' register		
BUS 100.56	System must be able to put receipt information on a file to be sent to the print vendor for printing and mailing		
BUS 100.57	System must have ability to capture payment type, date, transaction number, check number and amount, employee id of person taking the payment and the name and full address of the party making the check.		
BUS 100.58	System must be able to create credits and refunds		
BUS 100.59	System must capture check or money order numbers through all transactions involving individual payments		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.60	System must automatically endorse all check or money orders with 'FOR DEPOSIT ONLY' Treasury Office, Treasurer, Bank Account Number, register number, teller id, date, type of bill being paid, tax year bill number, parcel number, check amount, check number		
BUS 100.61	System must produce a deposit report and a Transaction Journal by register and separating cash and check		
BUS 100.62	Transaction Journal's must specify the type of payment, check, money order, cash, credit card, debit card, wire, payment transfer or write-off		
BUS 100.63	System must accept cash or check transaction data (i.e. processing register number, deposit number and deposit amount) into the Tax Application on the Cash Management screen for system to forward to the Accounting Dept. the necessary Cash Management information for the next day's deposit		
BUS 100.64	System must display deposit date of one bank business day after the payment is processed in the Cash Management screen		
BUS 100.65	System must have Cash Management Module coded with tax system for assigned registers to automatically load the deposit date value equal to the processing date value		
BUS 100.66	Must perform a temporary disbursement of all Treasury Register Workstations daily through the disbursement program		
BUS 100.67	Must be able to perform a trial run displaying any errors on the screen and accept necessary manual changes in the system		
BUS 100.68	Must permanently record and update error free disbursement logs		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.69	The system must allow tellers/cashiers to reverse any of their transaction and require that a reason be provided and allow supervisors to reverse any transaction and require the reason be provided		
BUS 100.70	System must provide a printable copy of the final Transaction Journal and corrected Disbursement Log		
BUS 100.71	System must be able to regenerate journals and reports from the Tax System at any time		
BUS 100.72	System must be able to close out operational months when the Treasury office has balanced the month and sent the records to Accounting and Accounting has balanced the month		
BUS 100.73	System must be able to prevent transaction from being altered after the final disbursement		
BUS 100.74	<p>System must be able to apply payments in a hierarchy payment flow:</p> <ul style="list-style-type: none"> <li>○ 1-bad check charges</li> <li>○ 2-court costs</li> <li>○ 3-attorney fees</li> <li>○ 4-other fees</li> <li>○ 5-interest and penalty fees</li> <li>○ 6- real estate taxes</li> <li>○ 7-personal property taxes</li> <li>○ 8-state assessed tax</li> <li>○ 9-in-lieu-of tax</li> <li>○ 10-CBID tax</li> <li>○ 11-Misc. Charges <ul style="list-style-type: none"> <li>▪ Weed cutting</li> <li>▪ Demolition / board up</li> <li>▪ Anti-neglect</li> <li>▪ Sanitation (clean up charges)</li> <li>▪ Sidewalk charges</li> </ul> </li> </ul>		
BUS 100.75	System must be able to process a partial payment for a previous month with the late fees calculated based on the previous month...not the processing date		
BUS 100.76	System must be able to page forward or backward when displaying a tax year		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.77	System must be able to accept bank file transfers		
BUS 100.78	System must be able to automatically insert the deposit date as the previous bank business day from the day the payment is received in the Lockbox Payment program		
BUS 100.79	System must be able to list parcels coded on a tax sale on a error log		
BUS 100.80	System must be able to apply payments to both taxes and miscellaneous charges based on the payment hierarchy		
BUS 100.81	System must be able to process nightly e-payment files		
BUS 100.82	System must be able to apply payment to the oldest tax year balance not coded in bankruptcy		
BUS 100.83	System must be able to apply payment to the oldest outstanding tax year not under appeal and issue an exception message when there is no outstanding tax year in bankruptcy		
BUS 100.84	System must be able to supply exception messages for payment that cannot be applied, including reason		
BUS 100.85	System must be able to automatically insert the deposit date as the next bank after the payment is received and update the Cash Management Table in the Tax System		
BUS 100.86	System must be able to accept Bankruptcy Court text files monthly for parcels coded in bankruptcy		
BUS 100.87	System must be able to process interest earned payment to specified payment field		
BUS 100.88	System must be able to apply interest earned payment to tax		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.89	System must be able to apply payment to the oldest outstanding tax year coded in bankruptcy		
BUS 100.90	System must be able to apply payment to the oldest tax year not coded in bankruptcy and the parcel number and reason must be printed on the error log		
BUS 100.91	System must be able to generate a refund when no taxes are owed with parcel number, processing date and the reason being listed on an error log every month		
BUS 100.92	System must be able to accept manual entry into Cash Management		
BUS 100.93	System must allow vendors to be able to pick up files from COM secured site		
BUS 100.94	System must be able to generate a error log giving the status of each parcel		
BUS 100.95	System must be able to process payment to the current tax year only and not apply payment to a parcel coded on a tax sale		
BUS 100.96	System must be able to accept taxpayers payment via postal mail, electronic, or at the teller window		
BUS 100.97	System must be able to process advanced payments as a credit for the next tax year		
BUS 100.98	System must be able to execute the Advance Payment Processing program and apply all credit to the current tax year owed		
BUS 100.99	System must be able to transfer payment from one tax year to another on the same parcel		
BUS 100.100	System must be able to reverse a payment and require a reason to be entered		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.101	System must be able to track receipt of forms and payments received and delinquent letters send		
BUS 100.102	System must be able to account for all payments		
BUS 100.103	System must be able to list owner name and full address and the name of the party paying the bill on all tax receipts		
BUS 100.104	System must list date, time and initials of requester on reprinted receipts		
BUS 100.105	System must list tax year, bill number, tax type, register number, transaction number, parcel number, property number, tax amount owed, interest/penalty owed, court cost owed, attorney fees owed, other fees owed and total owed and comments on all tax receipts		
BUS 100.106	System must be able to handle request for tax payment receipts generated through the IVR system		
BUS 100.107	System must maintain Cash Management system in the Treasury system		
BUS 100.108	System must record the register number, deposit number, deposit type, deposit amount, deposit date and processing date in the Cash Management system		
BUS 100.109	System must interface with Accounting to reconcile the Treasury deposits with the COM bank account		
BUS 100.110	System must be able add and accrue various interest and penalties as deemed necessary/appropriate		
BUS 100.111	System must be able to add various fees as deemed necessary/appropriate		
BUS 100.112	System must be able to receive and process SAP files		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.113	System must provide a way to identify any SAP parcels adjusted after the initial tax bills are rolled in June for balancing purposes		
BUS 100.114	System must update the fair market value, the assessment value, adjustment date, adjustment type and recalculate the tax in the tax bill record contained within the Tax System		
BUS 100.115	System must have the capability to void and reissue on or multiple checks and track the void and/or re-issue date		
BUS 100.116	System must be able to identify and flag sold delinquent receivables (tax + interest + penalty), handle the sale of delinquent receivables to multiple vendors by year and generate required reports that meet Accounting specifications for balancing and payment to the vendors		
BUS 100.117	System must have capability to update the tax sale records with the results (sold/withdrawn) of the tax sale from a file		
BUS 100.118	System must allow for individual write-offs as well as batch write-offs by function		
BUS 100.119	System must have flexibility to expand account code combinations or new tax rate ordinances, state law requirements, management funding strategies and GAAP requirements		
BUS 100.120	System must facilitate an efficient cash reconciliation process to ensure that the total amounts recorded to the general ledger cash accounts each day agrees to the total amount deposited to the bank each day for all tender types		
BUS 100.121	System must support POS or equivalent functionality		
BUS 100.122	System must integrate with Paymentus		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.123	System must integrate with the COM email system and other components with notifications alerts		
BUS 100.124	System must utilize workflow that are compatible with the COM Oracle applications, COM document imaging system and other systems identified		
BUS 100.125	System should be compatible with BSC/DBI and have ability to integrate into leading analytic products on the market, including but not limited to, Business Objects, Cognos, Hyperion, Outlook-Soft and SAS		
BUS 100.126	System must provide ability to create reports and ad hoc reporting requests		
BUS 100.127	System must address the end user accessibility with non-technical requirements/approach		
BUS 100.128	System should allow integration from the GIS systems		
BUS 100.129	System must provide an audit trail of all transactions performed and a journal of all this information		
BUS 100.130	System must have history of all parcels available real-time for complete or partial applications of payments/adjustments by one or more tax years		
BUS 100.131	System must have the ability to add/change/delete code types easily		
BUS 100.132	System must be able to accept and process e-payment transmits that are received nightly		
BUS 100.133	System must be able to apply payments to both taxes and miscellaneous charges based on payment hierarchy		
BUS 100.134	System must be able to create a refund for any parcel that is already paid		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.135	System must stop interest and penalty for Bankruptcy accounts the date of the bankruptcy filing and pick back up the date of the bankruptcy dismissal		
BUS 100.136	System store the Bankruptcy date in the table stored in the Tax system for tracking these dates		
BUS 100.137	System must have title search, publication and order of sale fee added to accounts with city tax sales		
BUS 100.138	System must be able to accept and process text files from the Delinquent Attorneys		
BUS 100.139	System must be able to code appropriate fees according to the fee structures (see page 14 of the RFP for details)		
BUS 100.140	System must be able to match state amounts paid in vouchers		
BUS 100.141	System must be able to accept and process text files from the state		
BUS 100.142	System must be able to accept scanned vouchers		
BUS 100.143	System must be able to pull information from auto populated fields and link to a tax year and parcel		
BUS 100.144	System must track both the Assessor's assessment and the calculated assessment for tax freeze parcels		
BUS 100.145	System must have the capability to generate Tax Freeze extract files for outside Tax Freeze authorities		
BUS 100.146	System should link information pertaining to a tax year and parcel in tax freeze records and quarterly payment records instead of duplicate		
BUS 100.147	System must be able to query on all fields past/present in the Tax System		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.148	System must be able to accept, load and process assessment adjustments		
BUS 100.149	System must provide a report that provides the count, the total tax amount and the total assessment amount for the specified tax year for balancing		
BUS 100.150	System must provide a way to identify any SAP parcels adjusted after the initial tax bills are rolled in June for balancing purposes		
BUS 100.151	System must be able to accept and process electronic files from the assessor's office		
BUS 100.152	System must update the fair market value, the assessment value, adjustment date, adjustment type and recalculate the tax in the tax bill record contained within the Tax System		
BUS 100.153	System must be able to receive, read and update files from the Accounts Payable department		
BUS 100.154	System should determine the base tax amounts for (TIF) and keep track of splits and combos for future years		
BUS 100.155	System must have the ability to read our previously recorded barcode as well as the barcodes from the US mail system		
BUS 100.156	System must be able to handle any number of return mail reasons and the billing that generated the return mail		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.157	<p>System must capture an audit log the following:</p> <ul style="list-style-type: none"> <li>▪ Date, time and identification of anyone updating tax records as well as the data that was changed.</li> <li>▪ Allow for parcel notes entry for the tax year and/or parcel Allow for toggling to past or future dates to see what is owed for a particular parcel, based on configuration settings Any personal information should be suppressed for security reason (both from an internal and external perspective) All the fund, fee, ward settings need to be configuration based Ability to produce ad-hoc reports as needed</li> </ul>		
BUS 100.158	System must allow for toggling to past or future dates to see what is owed for a particular parcel		
BUS 100.159	System must configure all fund, fee ward settings		
BUS 100.160	System must produce a daily Electronic Payment report		
BUS 100.161	System must produce a daily Budget vs. Actual Tax Status report daily		
BUS 100.162	System must maintain collection reports for sold delinquent revenues		
BUS 100.163	System must be able to produce a Chancery Court Collection report that itemizes all Chancery collections for the time period specified in the input parameters		
BUS 100.164	System must be able to produce a Real Estate and In-Lieu-Of Tax Collection report for current tax year and a combination of all prior tax years		
BUS 100.165	System must be able to produce Delinquent Attorney collection reports listing delinquent collections monthly		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.166	System must be able to produce a Personal Property Refund report listing personal property refunds for the previous month		
BUS 100.167	System must be able to produce a Tax Increment Financing report for all TIF types		
BUS 100.168	System must be able to produce a Miscellaneous Collection report for each charge type listing the amount added, discharged and collected		
BUS 100.169	System must be able to produce a CBID report that summarizes activity by each tax year for the dates specified in the input parameters		
BUS 100.170	System must be able to produce a Waived Fee report that itemizes all the waived fees for the tax years and time frame specified in the input parameters		
BUS 100.171	System must be able to produce an Assessment Refund report monthly		
BUS 100.172	System must be able to produce a Post Credits report that itemizes all credit transaction for the time period specified in the input parameters		
BUS 100.173	System must be able to produce a Top Taxpayers report yearly		
BUS 100.174	System must interface with the Oracle Cash Management system		
BUS 100.175	System must interface with Oracle general ledger postings		
BUS 100.176	System will need to have the flexibility to expand account code combination or new tax rate ordinances, state law requirements, management funding strategies and GAAP requirements		
BUS 100.177	System should validate figures and generate exception reports for research and review prior to posting		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.178	System should help facilitate an efficient cash reconciliation process to ensure that the total amounts recorded to the general ledger cash accounts each day agrees to the total amount deposited to the bank each day for all tender types		
BUS 100.179	System must be able to produce detail reports to support summarized balances posted to general ledger with specified input parameters		
BUS 100.180	System must have approval levels for various user defined transaction types that can be reviewed and approved in both a hierarchical or alternate approver tracks for missing approvers or escalation reasons		
BUS 100.181	System must be able to handle the migration of all current system data		
BUS 100.182	System must be able to find and verify locations using parcel or address search from GIS data via a map interface		
BUS 100.183	System must be able to display delinquent properties on a map within the GIS application		
BUS 100.184	System must be able to identify and display properties that are "tax write-offs" within the GIS application		
BUS 100.185	System must be able to identify and display TIF properties on a map within the GIS application		
BUS 100.186	System must be able to identify and display properties with return mail on a map within the GIS application		
BUS 100.187	The system must be able to calculate rollback tax, see page 2 of the RFP		
BUS 100.188	The system must be able to apply personal property assessed for a business, see pages 2&3 of the RFP		
BUS 100.189	The system must be able to apply a CBID tax, see page 3 of the RFP		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.190	The system must be able to accept and apply ILO taxes, see page 3 of the RFP		
BUS 100.191	The system must be able to accept and apply SAP taxes see page 3 of the RFP		
BUS 100.192	The system must be able to apply miscellaneous charges, see page 3 of the RFP		
BUS 100.193	The system must be able to apply miscellaneous collections, see page 3 of the RFP		
BUS 100.194	<p>The system must be able to generate bills, see page 4 of the RFP for the specific bill types</p> <p>Real Estate Tax Bill</p> <p>CBID Bill</p> <p>PILOT Bill</p> <p>SAP Bill</p> <p>Miscellaneous Charges Bill</p>		
BUS 100.195	Once the tax rate is set and real estate, personal property and tax freeze have been balance, an extract file must be saved on a CD and mailed via USPS to the State of TN.		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.196	<p>Once all of the new year tax bills are added, the system must populate the appropriate fields with the various codes from the previous tax year based on given criteria. The following are the current code types:</p> <ul style="list-style-type: none"> <li>• Quarterly Code – Code the current tax year as quarterly if the previous tax year is coded quarterly and taxes thru the previous tax year are paid in full.</li> <li>• Tax Freeze Code – Code the current tax year as pending, if the previous tax year is coded as approved.</li> <li>• Tax Sale Code – Code the current tax year as city or county tax sale if the previous tax year is coded for a city or county tax sale.</li> <li>• Tax Relief Code – Code the current tax year as relief code if the previous tax year is coded as tax relief.</li> </ul>		
BUS 100.197	The new system will must have the ability to add/change/delete code types.		
BUS 100.198	The system must be able to balance all new year tax bills loaded on the system to amounts disbursed to the general ledger.		
BUS 100.199	The system must provide the capability to create bill files, in text file format, for an outside vendor, by bill type (real estate, personal property, etc.), subtype (In-lieu of, orphan, etc.), and/or classification (commercial, residential, etc.).		
BUS 100.200	The fee for a bad check is to be imposed upon the tax account that the bad check was to pay. The parcel account will be flagged with an appropriate code: S=Stop Payment, C=Closed Account, I=Insufficient Funds, B=Bank Error and O=Other		
BUS 100.201	If the check was paying multiple accounts, the fee is charged to only one of the parcel accounts.		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.202	Upon receipt of a returned check, the taxes must be restored to the exact amount owed prior to posting the payment that was returned.		
BUS 100.203	A returned check fee is automatically calculated by the tax system and added to the parcel account.		
BUS 100.204	. If the check was returned due to a bank error, the taxpayer should not be charged a fee. However, the taxpayer will be required to present a written explanation from the bank as justification for no fee for the returned check. Returned checks are scanned into the computer system and a copy of the returned check with a letter of explanation and an updated tax bill are mailed to the taxpayer. The returned check is then shredded.		
BUS 100.205	The tax department will need to be able to add/ change/update these fee types easily.		
BUS 100.206	Personnel processing individual check amounts greater than \$10,000 process those transactions in certain assigned registers. They also enter transaction data (i.e. the processing register number, deposit number and deposit amount) into the Cash Management screen in order for the system to forward to the Accounting department the necessary Cash Management information for the same day's deposit since checks greater than \$10,000 are transmitted to First Tennessee Bank for same day deposit. The tax system will internally code into the Cash Management Module for these assigned registers to automatically load the deposit date value equal to the processing date value		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.207	The system will process mortgage payments to the current tax year only, and not apply payment to a parcel coded on a tax sale. If a parcel is already paid, the program will create a refund for that parcel. A system generated error log (a text file) giving the status of each parcel (partial pay, over paid with refund due, account not found, etc.) is sent via email to the mortgage company.		
BUS 100.208	The system will process tax relief payments via postal mail, electronic, or at the teller window. Payments accompanied by a completed state voucher will need to be mailed or delivered to the treasury, designating the state payment amount. Voucher payments are manually processed by a specialist into the tax system entering a 'V' for payment type of a state voucher and a 'Z' for payment type of a city voucher. The remaining payment type will either be by money order, check or cash or electronic payment		
BUS 100.209	The system must have the capability of generating a receipt file for the print vendor and a report can be generated by date. The data must be kept for 7 years		
BUS 100.210	The System will be able to process Hotel/Motels submitted monthly hard copy via mail... by the 20 <sup>th</sup> of each month. A completed form listing their monthly occupancy along with a check. The system must be able to track receipt of forms and payments and send out delinquent letters.		
BUS 100.211	The system will process Wholesale Beer and Alcohol, and Franchise taxes on a monthly basis. The system must be able to track receipt of forms and payments and send out delinquent letters		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.212	<p>0.5% Penalty and 1% Interest is added to all delinquent Real Estate, Personal Property, ILO, and SAP bills the first of each month. If the bill has an assessment adjustment, 1.5% interest and penalty is added on the unpaid adjustment amount every 30 days after 60 days from the adjustment date until paid in full.</p> <p>Delinquent CBID accounts accrue 1% Penalty and 1% Interest the first of each month.</p> <p>Delinquent miscellaneous fees (except for anti-neglect bills) accrue 1.5% interest and penalty every 30 days after 60 days from the invoice date. Delinquent Anti-neglect bills accrue \$10 per day after the due date.</p> <p>Accounts coded under appeal accrue 1.5% interest and penalty the first of each month if no payment is made prior to the due date. If a payment is made prior to the due date and the account is coded under appeal, no interest and penalty should accrue. When appeals are resolved, 1% interest and 0.5% penalty should be added after 60 days delinquent and every 30 days thereafter.</p> <p>Interest and penalty for accounts coded in Bankruptcy should stop the date of the bankruptcy filing and pick back up the date of bankruptcy dismissal. The filing date that is stored in the bankruptcy table in the tax system for tracking these dates. No delinquent fees (i.e. Chancery, tax sale) should be added to a delinquent bill coded in Bankruptcy.</p> <p>Accounts placed on a City tax sale will have a title search, publication and order of sale fee added. The adding of these fees is determined by the delinquent attorney. A text file is sent via email to the City from the delinquent attorneys to inform the City of the need to add this fee.</p>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.213	The system must maintain a history of former tax amounts on a parcel for the tax year and be retained		
BUS 100.214	The system must remove the appeal code is an account is coded under appeal, when processing the assessment. If an account is coded in bankruptcy or a tax sale, the codes will not be removed. If an adjustment results in an increased tax, a bill is mailed allowing 60 days from the adjustment date before interest and penalty is added on the increased tax amount. If the adjustment results in a refund, a corrected receipt is mailed showing the corrected amount paid.		
BUS 100.215	The system must process <i>Overpayment by taxpayer</i> on a particular tax bill - refund amounts greater than \$50 are processed after 4 – 6 weeks from date of payment without interest. Refunds of amounts less than \$50 must be requested. When requested to refund amounts less than \$50, the payment must be transferred from a credit to a refund and a refund record created.		
BUS 100.216	The system must process <i>Assessment change by the Assessor's Office</i> that lowers a previous assessment value for a given property where taxes have been paid – generates a refund to the taxpayer who paid that year's tax without paying interest. Assessment adjustments create overpayment refunds below \$50.00.		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.217	The system must process <i>Board of Equalization (Local or State) Appeals</i> that reduce the previous certified assessment of a property where taxes had already been paid; generates a refund to the taxpayer who paid that year's tax. In accordance with T.C.A. 67-5-1512(b)(2)(B), refunds resulting from a local or state board appeal are paid interest of 2% below composite prime rate as of the delinquency date. If paid after the due date, interest is calculated from the payment date to the date the refund is requested from Accounts Payable. If payment is made prior to the due date, interest is calculated from the due date to the date the refund is requested from Accounts Payable, and is calculated at 2% below prime rate as of the delinquency date.		
BUS 100.218	The system must process <i>Tax Relief Refunds</i> and ensure the refunds are payable to taxpayers approved for tax relief, the taxes have been paid in full by the taxpayer or their mortgage company and we have been notified via a file that the State has paid their portion to the taxpayer. The file is processed and the tax relief records are updated with the date and amount of the State payment and refunds are created to issue a City refund to the taxpayer. The City matches the State payment amount up to the full tax amount.		
BUS 100.219	The system will maintain a refund record for all refunds containing the tax year; parcel number; transaction register, number and date; refund type; taxpayer mailing information; check request date; outstanding or requested flag; issue date; issued or voided flag; re-issue date; tax, interest, penalty, interest earned and total amount; authorization code; adjustment type; mortgage code; interest date; record creation date; GL number; GL date and comments		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.220	The tax office requests refund checks from the Accounts Payable Department through a text file with an email follow-up. The Accounts Payable Department will transmit back an electronic file containing the check number, amount and date of the check. The system must read this file and updates the refund information for each parcel. This happens as required when we request and receive a file.		
BUS 100.221	The system must have the ability to not issue refunds after five years from the creation date of the refund record without approval from Accounting. Refund records should be updated to reflect this status. Any checks in the "no longer available" status are sent to Accounting to be handled. Accounting has the ability to make the refund available. Upon doing so, we can then we will issue a check.		
BUS 100.222	If a Mortgage company tries to pay a parcel that is already paid, this needs to be noted in the tax record, with the mortgage company name, payment date and payment amount so that inquiries concerning payments can be correctly answered.		
BUS 100.223	The system must able to receive a file from the Mortgage companies by June 15 <sup>th</sup> , notifying the COM which parcels they will be paying in August. The system will assign codes, created by the City (Treasury) for those parcels owned by the Mortgage company. This file will be either send via e-mail or placed on a secure COM server for pickup.		
BUS 100.224	The system will place on a secure COM server a file containing all parcels owned by the Mortgage company and the amount owed by tax at the end of July		
BUS 100.225	The system will generate a payment log including invalid parcel numbers and over payments.		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.226	Daily balancing is performed manually by deposit and Transaction Journal report comparisons. The Cash Management system must be updated with each check, the transaction register number and the deposit date.		
BUS 100.227	The system must be able to receive a file that contains parcels filed in bankruptcy, filing date and type of claim. This information is received on a weekly basis. The system must code parcels for a single tax year or for a range of tax years.		
BUS 100.228	The system will update parcel records with bankruptcy information.		
BUS 100.229	The system must allow for the following codes: B = in bankruptcy, BC = discharged from bankruptcy, BD = dismissed from bankruptcy, BW = bankruptcy written off and BS = bankruptcy surrendered.		
BUS 100.230	The system must be able to receive two files from the Bankruptcy Court via email for each payment period. One file contains payments for tax; the other file contains interest earned. Processing the interest earned file requires two passes of the file – one to add the interest amount in the interest earned field and the second pass to pay the interest earned amount.		
BUS 100.231	The system must allow for the add/modify/delete of bankruptcy codes.		
BUS 100.232	<p>The system must stop interest and penalty charges the date a bankruptcy claim is filed and resumes the date the claim is dismissed.</p> <p>Parcels filed in bankruptcy cannot be filed in Chancery or placed on a tax sale. No delinquent charges, including delinquent collection fees, can be added as long as the parcel is included an active bankruptcy claim.</p>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.233	<p>In accordance with T.C.A. 67-5-2405, delinquent Real Estate, In-Lieu-Of, CBID, SAP and Miscellaneous Charge taxes are filed, in Chancery Court, by the delinquent attorney between February and March for the delinquent tax years that are approaching 18 months of age. The Treasury must remit monthly last month's Chancery Court collections, plus court costs to the Chancery Court. A Chancery report of collections accompanies the monthly payment.</p> <p>The delinquent attorneys notify the tax office via email text file the minimum tax amount owed to be filed in Chancery for each year along with the TRD. The system must assign fees on all parcels and code parcels with a chancery code. The system will generate a chancery book report for the tax year being filed and it must include the total amount filed including tax amount, special assessments and miscellaneous charges.</p>		
BUS 100.234	<p>In accordance with T.C.A. 67-5-2003, delinquent personal taxes are turned over via email text file to the delinquent attorney for legal collection activity when they are 30 days delinquent, collection fees are added to the personal property accounts. The delinquent attorney periodically places a text file on the COM secure site containing personal properties to be filed in Chancery Court. A 10% chancery and \$42 court fee are added. Garnishments and warrants are issued on delinquent personal property accounts at the discretion of the delinquent attorney. The delinquent attorney transmits a file containing parcel account, filing code (garnishment or distress warrant) and fee information. The system will update these parcels with the information and codes the parcels as having a garnishment or warrant</p>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.235	<p>In accordance with T.C.A. 67-5-2501, city tax sales for the collection of delinquent real property taxes are conducted by the delinquent attorney when directed by the attorney. Any expense incurred in selling the property is charged back to the delinquent taxpayer. The delinquent attorney provides a text file via email containing parcel numbers and tax sale information and fees to be added to parcels included in the tax sale. A Tax Sale program is executed in the tax system to place these fees in the parcel record for the tax year being placed on the Tax sale. Tax sale fees include Title Search fee, Publication fee, and Order of Sale fee. Fees can be different for each tax sale. All years are coded under tax sale. The system should have the capability of updating the tax sale records with the results (sold/withdrawn) of the tax sale from a file. Properties that are flagged delinquent must be displayed on a map within the application.</p>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.236	<p>The system must have the ability to write off taxes. In accordance with T.C.A. 67-5-18-6, writing off taxes may fall under two categories:</p> <p><i>1. Administrative Tax Code Write-offs:</i></p> <p>Taxes which exceed the 10-year statute of limitation:</p> <p>In accordance with T.C.A. 67-5-1806, the City has no authority to pursue or undertake collections activities on property taxes exceeding 10 delinquent years of age. The system will generate a report on February 28<sup>th</sup> of each year with all properties that will be written off on April 1<sup>st</sup> of the same calendar year.</p> <p>The system will, on April 1<sup>st</sup> at 11:59 PM, write off unpaid taxes for a tax year 10 years delinquent. Reports listing parcels and the tax amount written off are executed.</p> <p><i>2. Authorized Justifiable Write-offs:</i></p> <p>Taxes can be deemed uncollectible for a specific justifiable reason, which indicates a strong likelihood of non-collection. As such certain personal property taxes may be written off with documentation from the attorneys stating the reason for the write-off. Also, taxes for government-owned properties are manually written off monthly in the Tax System when notified by the Assessor's Office of ownership change. Reports listing parcels and tax amount written off as well as the write-off reason are executed.</p> <p><i>3. Small Balance Write-offs:</i></p> <p>If a tax year is paid leaving a balance below five dollars, which is the small balance payment threshold, the small balance for that tax year is written off. The system must allow for individual write-offs as wells as batch write-offs by function (tax sale write-offs, small balance write-offs, etc.). Properties that are identified as "tax write-offs" must be displayed on a map within the application.</p>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.237	The system must have the ability to read our previously recorded barcode as well as the barcodes from the US mail system.		
BUS 100.238	The system must be able to handle any number of returned mail reasons and the billing that generated the returned mail, such as initial billing, delinquent billing, chancery billing, etc.		
BUS 100.239	Properties that are identified with return mail must be displayed on a map within the application.		
BUS 100.240	<p>The system must generate an electronic and hard copy of the reports listed below. The system will place an electronic copy of the report on the COM secure FTP site on the 15th and last day of each month. The system will also allow for these reports to be generated upon request. The reports include:</p> <ol style="list-style-type: none"> <li>1. Summary report by year range</li> <li>2. Detail report by year range</li> <li>3. Detail fee report by year range</li> <li>4. Accounting report</li> <li>5. Voucher report</li> <li>6. Adjustments report</li> <li>7. Refund report</li> <li>8. Accounting fees report</li> <li>9. Payment summary report</li> <li>10. Roll forward report</li> <li>11. Roll forward report City</li> </ol>		
BUS 100.241	The system should allow for the daily posting of tax collections and should be scheduled to automatically interface daily to the general ledger at the same time each day (4:30).		
BUS 100.242	The system should allow for a cash reconciliation process to ensure that the total amounts recorded to the general ledger cash accounts each day agrees to the total amount deposited to the bank each day for all tender types (e.g. Cash, e-payments, credit cards, checks).		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.243	<p>The City of Memphis requires an integrated COTS solution. The response should confirm if the proposed solution utilizes Oracle API and development standards; sometimes referred to as an “encapsulation methodology” which are application extensions that do not change the base application tables/code by utilizing the Oracle Application API’s (application programming interface) to populate the required E-business tables, such as, the financials (i.e., General Ledger &amp; Accounts Receivable) and CRM.</p> <p>The system will transmit data in an automated manner, the financial data on a user defined basis (hourly, daily, monthly, etc.) which would reconcile in a seamless manner with the cash management functions of the City of Memphis Finance department.</p>		
BUS 100.244	<p>The tax system must support a point of sales (POS) or equivalent function at City Hall and potentially other future city sites for the processing of cash/check payments/ credit cards, with the capability to print endorsements and notations (notes) on the checks/documents processed by the cashiers/tellers. In addition, this function needs to support bar code readers to automatically retrieve the tax information for the cashier/teller for the tax bill that is to be paid in part or full by the payer. Standard POS auditing and drawer cash balancing functions are required.</p>		
BUS 100.245	<p>The City of Memphis has a document imaging system application, <i>Application Extender</i> that should integrate to the application. Most documents are cross-referenced with a minimum of the parcel number, tax year, and other notational information, imaging indexing references, dates, etc. Vendors should include additional options for document imaging that the system can evaluate. These options should be proven, tested and implemented at referenced sites comparable to the size of the City of Memphis.</p>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.246	<p>Access to property tax records via the web with the ability to “screen” or secure parcel numbers based by user defined statuses, such as bankruptcy or other City defined criteria, are required to determine what will, or will not be available online in the public domain. This is a dynamic environment and needs to be changeable in a non-programmatic way that could entail role based and rule based tables. Our current web payment system is <i>Paymentus</i>. The new system will need to integrate with this existing system.</p>		
BUS 100.247	<p>The City of Memphis is looking for “state of the art” user interfaces, typically web browsers (MSN IE, Chrome, etc.) with icon driven options that take advantage and utilize the City’s Oracle technology stack in the most efficient and secure model. <i>Note: Ideally, the interface should be similar, if not the same approach used in the Oracle E- business suite. This is not a requirement, but the proposed tax system GUI needs to be intuitive and user friendly.</i></p>		
BUS 100.248	<p>The City has not implemented a workflow process on a citywide basis, and inherent in the Oracle 11i applications there are workflows that are mostly module specific. The proposed solution should utilize, where it is practical, and/or have workflows that are compatible with the Oracle applications, the City of Memphis document imaging system, and other systems identified in the interface section of this document (Section 3.15 Requirements – Interfacing Points). At a minimum, the proposed tax system needs to have approval levels for various user defined transaction types that can be reviewed and approved in both a hierarchical or alternate approver tracks for missing approvers or escalation reasons.</p>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.249	<p>The Vendor(s) shall provide all support options available to the City that are directed at providing the appropriate response time warranted by a City Treasury function and its personnel (property tax system). Below are parameters that need to be factored into the support options. The Vendor(s) will provide and list descriptions of all items factored into the support options and the associated costs.</p> <ul style="list-style-type: none"> <li>a. 24x7 on-call support</li> <li>b. One (1) hour resolution from the time notification is received by the Vendor(s), when processing annual tax bills and using the Vendor(s) provided solution or Cashiering functions at City Hall, including cash, checks and credit card payments.</li> </ul> <p><i>Note: Cash application, processing, and depositing is the most critical function to the City Treasury function.</i></p> <ul style="list-style-type: none"> <li>c. Two (2) hours resolution from the time of notification for IVR (Call center processing) and Lock Box transactions.</li> <li>d. Four (4) hours for all other issues.</li> <li>e. The Vendor(s) must have the ability to replace faulty hardware with locally available parts and within the time frame allotted in the above service levels.</li> </ul>		

Requirements ID	Requirements Description	Vendor Response: How does your system meet the requirement?	Vendor Response: Is customization required? Yes or No
BUS 100.250	<p>The Vendor(s) shall provide a recommended training plan; complete with agendas that will be used to train all Treasury, Accounting, and IS related personnel who work with the system</p> <p>The Vendor(s) shall provide all associated costs for the recommended training; user manuals, technical training materials, travel expense including airfare, accommodations, etc. Please include Annual trade shows/user group associations, and affiliations membership and trade show costs, if applicable.</p> <p>The Vendor(s) shall deliver, at a minimum, the following components:</p> <ol style="list-style-type: none"> <li>1. Minimum of twenty (20) days* of onsite training for both technical support staff, as well as, end-users.</li> <li>2. Items to provide training on:</li> <li>3. Installation</li> <li>4. Implementation</li> <li>5. Software/Hardware setups</li> <li>6. End User Training by Function</li> <li>7. Post implementation Support</li> </ol>		

## **Exhibit A-3 - “Proposed Contract” SERVICE AGREEMENT**

THIS SERVICE AGREEMENT (hereinafter “Agreement”) is made and entered into as of this date, month and year (the “Effective Date”), by and between the City of Memphis, with offices located at 5125 Elmore Rd. Ste. 6, Memphis, TN 38134 (hereinafter “City”), ”TBD (hereinafter "Vendor"

WHEREAS Vendor is ready, willing and able to provide the services outlined in this Agreement, under the terms and conditions described herein, and

WHEREAS, this Agreement includes and incorporates the following exhibits:

Exhibit “A”: Scope of Work

Exhibit “B”: Pricing Sheet / Payment Provisions

Exhibit “C”: Employee Acknowledgement and Confidentiality Agreement

Exhibit “D”: Living Wage Ordinance

NOW, THEREFORE, in consideration of the promises and the mutual commitments contained herein, the parties agree as follows:

### 1. Order of Precedence

In the event of any inconsistency between this Agreement, and any other conditions of sale set forth by Vendor, the order of precedence shall be as follows: this Agreement and any other conditions of sale set forth by Vendor.

### 2. Services

Vendor shall fully provide, and complete all services and deliverables set forth in Exhibit “A” – Scope of Work. All work will be performed in accordance with the specifications set forth in this Agreement. There is no guaranteed minimum or maximum amount of supplemental services to be purchased under this Agreement, and the Agreement does not grant Vendor the exclusive right to provide any products or services.

Nothing in this Agreement shall be deemed or construed to represent that the VENDOR, or any of the VENDOR’s employees or agents, are the agents, representatives, or employees of the CITY. The VENDOR acknowledges that it is an independent contractor over the details and means for performing the services hereunder. Anything in this Agreement which may appear to give the CITY the right to direct the VENDOR as to the details of the performance of its obligations hereunder or to exercise a measure of control over the VENDOR is solely for purposes of compliance with local, state and federal regulations and means the VENDOR will follow the desires of the CITY only as to the intended results of the scope of this Agreement. It is further

expressly agreed and understood by the VENDOR that neither it nor its employees or agents shall hold itself out contrary to the terms of this paragraph, and the CITY shall not be liable for any representation, act or omission of the VENDOR contrary to the provisions hereof.

Upon request, the VENDOR shall prepare and submit reports of its activities, funded under this agreement, to the CITY. The reports shall include an itemization of the use of the CITY'S funds, inclusive of specific services delivered by the VENDOR. Any such reports provided to the CITY shall be prepared with the understanding that the CITY may make such reports available to the public.

In addition, VENDOR shall submit and, as necessary, update subcontractor information (including but not limited to payments thereto), for any and all subcontractors used on City project(s), in the City's compliance tracking software, B2GNow. The City shall have the right to withhold future disbursement of funds under this Agreement and any future Agreements until the requirements of this provision have been met.

VENDOR shall take affirmative action to ensure that small, minority-owned and women-owned businesses, which have been certified by the CITY, are utilized when possible sources as source of supplies, equipment construction and services.

### 3. Personnel

All Vendor personnel performing work under this Agreement shall be subject to the prior and continuing approval of CITY OF MEMPHIS. If at any time during the term of this Agreement, any Vendor personnel are not approved by CITY OF MEMPHIS, then Vendor shall, immediately upon receipt of written notice from CITY OF MEMPHIS, replace such personnel with substitute qualified personnel or take such other action as requested by CITY OF MEMPHIS.

CITY OF MEMPHIS and Vendor both agree that it is in their best interests to keep the turnover rate of the Vendor personnel performing the services to a reasonably low level. Accordingly, if CITY OF MEMPHIS believes that Vendor's turnover rate may be excessive and so notifies Vendor, Vendor shall provide data concerning its turnover rate, meet with CITY OF MEMPHIS to discuss the reasons for, and impact of, the turnover rate and otherwise use good-faith, commercially reasonable efforts to keep such turnover rate to a reasonably low level. If appropriate, Vendor shall submit to CITY OF MEMPHIS its proposals for reducing the turnover rate, and the parties shall mutually agree on a program to bring the turnover rate down to an acceptable level. In any event, notwithstanding transfer or turnover of personnel, Vendor remains obligated to perform the services without degradation and in accordance with this Agreement.

Vendor warrants and represents that all personnel furnished by Vendor under this Agreement are the employees or agents of Vendor. Vendor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant

to this Agreement, all employee compensation and benefits. CITY OF MEMPHIS and the City shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, health, welfare and disability benefits, Federal and local taxes, or other compensation, benefits, or taxes, for any personnel provided by or on behalf of Vendor. In addition Vendor shall be solely liable and responsible for any and all workers' compensation benefits to any person as a result of injuries arising from or connected with any work performed by or on behalf of Vendor pursuant to this Agreement.

Vendor shall conduct all necessary employment eligibility verifications for the Vendor personnel performing work under this Agreement. Additionally, Vendor will perform Background Checks on any employee assigned to this agreement, upon request by the CITY OF MEMPHIS.

VENDOR shall not engage, on a full-time, part-time or any other basis, during the term of this Agreement, any professional or technical personnel who are or have been at any time during the term of this Agreement in the employ of the CITY.

#### 4. Warranties

Vendor warrants that:

- a. Vendor shall strictly comply with the specifications, requirements, standards, and representations set forth in this Agreement and the attachments thereto.
- b. All tasks, deliverables, goods, services, and other work shall be provided by the Vendor in a timely and professional manner by qualified personnel.
- c. All tasks, deliverables, goods, services, and other work performed by Vendor shall be complete, uniform in appearance, and in accordance with generally applicable standards in the industry and shall perform according to the requirements as set forth in Exhibit "A" – Scope of Work..
- d. None of the Vendor work product(s) or Vendor material(s) provided under this agreement to CITY OF MEMPHIS, nor Vendor's performance of the services will: (i) infringe on the copyrights, trademarks, service marks, trade secrets or trade names of any third party arising or enforceable under the laws of the United States, (ii) infringe on any existing patents of any third party, or (iii) contain confidential or proprietary material misappropriated from any third party.
- e. In the event that warranty or non-warranty repairs are necessary, Vendor shall respond in person on the same day as a service request on a downed system is made and no later than twenty-four hours after service is requested on a downed node.

- f. In the event that any service provided under this Agreement are found to be non-compliant with the above warranty, Vendor shall for a period of twelve (12) months from the event(s) giving rise to the claim, either: a) correct the defective service item(s) at Vendor's expense, or b) provide CITY OF MEMPHIS with an equitable adjustment in the contract price.

5. Compensation

All compensation to Vendor under this Agreement shall be paid by CITY OF MEMPHIS and shall be set forth on the Pricing Sheet annexed hereto as Exhibit "B" – Pricing Sheet.

Vendor will submit to the CITY OF MEMPHIS invoices, with supporting documentation, detailing the City's contract number and the services provided thereunder. The CITY OF MEMPHIS shall use its best efforts to remit payment based on the VENDOR'S invoice within thirty (30) calendar days after receipt of accurate invoice(s) and approval by the City. Accurate and timely invoices shall be delivered to the following address:

CITY OF MEMPHIS/Information Services  
5125 Elmore Street, Suite #6  
Memphis, TN 38134  
ATTN: Annette Glasper

The payment of an invoice shall not prejudice the CITY'S right to object to or question any invoice or matter in relation thereto. Such payment by the CITY shall neither be construed as acceptance of the goods or work provided nor as final approval of any of the costs invoiced therein, and the CITY'S payment shall not relieve the VENDOR from its obligation to replace any goods or correct any work that does not conform to this Agreement, even if the unsatisfactory character of such goods or work may have been apparent or detected at the time such payment was made. Work, data or components that do not conform to the requirements of this Agreement shall be rejected by the CITY and replaced by the VENDOR, without delay or additional cost to the CITY.

6. Term of Contract

The term of this Agreement shall commence upon the date of execution by the CITY OF MEMPHIS and shall expire on **TBD** thereafter, unless sooner terminated, in whole or in part, as provided in this Agreement.

This Agreement is subject to availability and annual appropriation of funds by the Memphis City Council. In the event sufficient funds for this Agreement are not available or appropriated by the Memphis City Council for any of its fiscal period during the term hereof, then the CITY may immediately terminate this Agreement upon written notice to the VENDOR. In the event of such termination, the VENDOR shall be entitled to receive just and equitable compensation for any satisfactory work performed up to the

termination date. Such termination by the CITY shall not be deemed a Breach of Contract by the CITY, and the VENDOR shall have no right to any actual, general, specific, incidental, consequential, or any other damages whatsoever of any description or amount that have not been earned as of the date of termination.

The VENDOR shall submit to the CITY a final contract invoice, within forty-five (45) calendar days from the termination VENDOR further acknowledges and agrees that the CITY will not be responsible for any invoices, pertaining to this Agreement, submitted after the final contract invoice deadline date. The VENDOR shall close its accounting records at the end of the Agreement period in such a manner that reimbursable expenditures and revenue collections are NOT carried forward.

## 7. Indemnification and Insurance

- a. Indemnification: Vendor shall indemnify, defend, and hold harmless CITY OF MEMPHIS and the City, its respective agents, officers, employees and elected and appointed officials from and against any and all losses, claims, suits, actions, and costs of any kind, including all reasonable costs of investigation or defense (including attorneys' fees), that arise or are alleged to have arisen out of, or in connection with, the (i) acts or omissions of Vendor or Vendor personnel, or (ii) breach by Vendor of any term of this Agreement. In addition, Vendor shall indemnify, hold harmless and defend CITY OF MEMPHIS and the City from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorney's fees, for or by reason of any actual or alleged infringement of any United States' patent, copyright, or any actual or alleged trade secret disclosure, arising from or related to the operation and utilization of Vendor's work under this Agreement.
- b. Insurance: Prior to commencing any work under this Agreement, Vendor shall provide and maintain at its own expense during the term of this Agreement the following programs of insurance covering its operations hereunder, and cause its subcontractors to procure the insurance as outlined below. Such insurance shall be provided by insurer(s) satisfactory to CITY OF MEMPHIS' Risk Manager. Evidence of such programs satisfactory to CITY OF MEMPHIS shall be delivered to the CITY contemporaneous with the execution of this Agreement and list the Certificate Holder as: City of Memphis; Attn: Risk Manager; 2714 Union Avenue Extended, Suite 200; Memphis, Tennessee 38112. Such evidence shall specifically identify this Agreement and shall contain express conditions that CITY OF MEMPHIS is to be given written notice by registered mail, return receipt requested, at least thirty (30) days in advance of any material change or termination of any program of insurance.

Such insurance shall be primary to and not contributing with any other insurance maintained by CITY OF MEMPHIS, and shall name CITY OF MEMPHIS, its officials, agents and employees as additional insured on the Commercial General Liability Policy, Business Automobile liability, and excess umbrella liability. Vendor shall include CITY OF MEMPHIS as loss payees on the property and

commercial crime insurance policies. A Separation of Insured condition shall be included in all general liability and automobile liability policies required by this Agreement.

All such insurance shall be issued by a company that is licensed to do business in the State of Tennessee and has a rating equal to or exceeding A:VI or better from A.M. Best. CITY OF MEMPHIS shall have the right to include additional requirements or modify the current requirements at any time during the term of this Agreement as it becomes necessary. Failure of the City to identify any deficiency in the evidence that is provided shall not be construed as a waiver of the Contractor's obligations to maintain such insurance. The following coverage's are the minimum amounts required but not limited to:

- i. Commercial General Liability Insurance, including Premises & Operations, Products/Completed Operations, Contractual Liability, Independent Contractor's Liability, Broad Form Property Damage, and Personal Injury with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) general aggregate. The general aggregate should apply per location or per project or both. This coverage will also include a waiver of subrogation clause in favor of CITY OF MEMPHIS.

If the above insurance is written on a Claims Made Form, such insurance shall be endorsed to provide an extended reporting period of not less than two years following the expiration or termination of this Agreement.

- ii. Business Automobile Liability Insurance, endorsed for all owned, non-owned, borrowed, leased, and hired vehicles used by VENDOR in fulfillment of its obligations under this Agreement, with a combined single limit of at least one million dollars (\$1,000,000) per accident, and containing a waiver of subrogation clause in favor of the CITY OF MEMPHIS.
- iii. Worker's Compensation in an amount and form to meet all applicable requirements of the State where the work is being performed, including employer's liability, with a minimum limit of five hundred thousand dollar (\$500,000), covering all persons performing work on behalf of VENDOR and all risks to such persons under this Agreement, and containing a waiver of subrogation clause in favor of the CITY OF MEMPHIS.
- iv. Property Insurance on its own equipment and against all risks of physical loss or damage to property in VENDOR's care, custody, or control and covering not less than the full replacement cost of any property at risk due to this Agreement.
- v. Professional Liability to cover all acts, errors, or omissions by the VENDOR with a minimum limit of one million dollars (\$1,000,000) per

claim, with an annual aggregate of at least two million dollars (\$2,000,000), inclusive of legal defense costs.

- vi. Commercial Crime: In the event that VENDOR responsibility under this Agreement involves the handling of money, checks, credit cards, securities, and/or third party property, VENDOR shall maintain a fidelity bond/commercial crime insurance policy including coverage for property of third parties in an amount equal to the estimated annual amount of funds and/or third party property that VENDOR shall have in its care, custody, or control but in any case not less than One Million Dollars (\$1,000,000) to insure against loss of money, securities, or other property referred to hereunder which may result from employee dishonesty, forgery or alteration, theft, disappearance and destruction, computer fraud, and burglary and robbery. Such insurance shall be primary and name the Customer and CITY OF MEMPHIS as loss payee as their interests may appear.
- vii. Excess Umbrella Liability Insurance with a minimum limit of five million dollars (\$5,000,000) per occurrence and listing Customer and CITY OF MEMPHIS as additional insured.

Failure to Procure Insurance: Failure on the part of Vendor to procure or maintain the required insurance shall constitute a material breach and default of this Agreement upon which CITY OF MEMPHIS may terminate or suspend this Agreement at any time, notwithstanding any contrary provision included herein. If coverage is canceled, terminates, or lapses and is not replaced with similar coverage, CITY OF MEMPHIS has the right to go out and purchase insurance. The Vendor will be responsible for all costs and deductibles associated with the purchased insurance.

Claims Procedure: The Vendor agrees to notify CITY OF MEMPHIS immediately of any claim that may involve CITY OF MEMPHIS. Notification should be sent to the CITY OF MEMPHIS' City Attorney.

#### 8. Compliance with Applicable Law/Conflict of Interest

Vendor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference. VENDOR certifies that it is qualified or will take steps necessary to qualify to do business in the State of Tennessee and that it shall take such action as, from time to time, may be necessary to remain so qualified and shall obtain, at its own expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Agreement. Such permits and licenses shall be made available to the CITY, upon request.

Vendor shall indemnify and hold harmless CITY OF MEMPHIS and the City from

and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorney's fees, arising from or related to any violation on the part of Vendor, its employees, agents, or subcontractors of any such law, rules, regulations, ordinances or directives.

All Vendor personnel providing services under this Agreement which require specific Federal, State, or local governmental licenses or credentials shall maintain such licenses or credentials current and valid throughout the period of Agreement performance. Any Vendor agent or employee who drives a vehicle in performance of contract operations shall have a valid operator's license for that vehicle class; evidence of vehicle insurance coverage for the driver will be required prior to assignment to such duties. Vendor shall maintain a file of required insurance, licenses and credentials for the business entity and for all subject employees which is current at all times and accessible for CITY OF MEMPHIS inspection.

Neither party shall engage in any conduct or activity in the performance of this Agreement that constitutes a conflict of interest under applicable federal, state or local laws, rules and regulations. VENDOR covenants that it has no public or private interest, and shall not acquire, any interest, directly or indirectly, which would conflict in any manner with the performance required under this Agreement, and the VENDOR covenants that no gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the VENDOR or any agent or representative of the VENDOR, to any officer, official, agent or employee of the CITY, in an effort to secure the Agreement or favorable treatment with respect to any determinations concerning the performance of the Agreement. The VENDOR warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to any officer or employee of the CITY as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor or consultant to the VENDOR in connection with any work contemplated or performed relative to this Agreement. For breach or violation of this provision, the CITY may cancel this Agreement without any liability to VENDOR and shall have the right to recover or withhold the full amount of such gratuities and to terminate this Agreement.

VENDOR warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the VENDOR, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the VENDOR any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this provision, the CITY shall have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

#### 9. Fair Labor Standards/Employment of Illegal Immigrants

Vendor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless CITY OF MEMPHIS and the City, their officers, employees and agents from any and all liability, including, but not

limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorney's fees arising under any wage and hour law, including but not limited to, the Federal Fair Labor Standards Act, for work performed by Vendor's employees for which CITY OF MEMPHIS or the City may be found jointly or solely liable.

VENDOR hereby certifies to comply with all applicable local, state and federal laws prohibiting the employment of individuals not legally authorized to work in the United States. VENDOR shall not knowingly (i) utilize the services of illegal immigrants; or (ii) utilize the services of any subcontractor who will utilize the services of illegal immigrants in the performance of the contract. In the event the VENDOR fails to comply with any and all local, state and federal laws prohibiting the employment of individuals not legally authorized to work in the United States, this agreement may be canceled, terminated or suspended in whole or in part by the City, and the VENDOR may be prohibited from contracting to supply goods and/or services to the City for a period of one (1) year from the date of discovery of the usage of illegal immigrant services in the performance of a contract with the City.

10. Nondiscrimination and Affirmative Action

Vendor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally without regard to or because of race, creed, color, religion, ancestry, national origin, sexual orientation, sex, age, condition of physical or mental handicap, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Vendor shall certify, at CITY OF MEMPHIS' request that it is in full compliance with all applicable EEO rules and laws.

11. Records and Audits

Vendor shall maintain accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. Vendor shall also maintain accurate and complete employment and other records relating to its performance of this Agreement. Vendor agrees that CITY OF MEMPHIS shall, upon reasonable notice and scheduling, have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, or records relating to this Agreement (i.e. invoicing/billing, incident log (s) and time card (s)). Vendor shall keep and maintain this documentation and it shall be made available to CITY OF MEMPHIS during the term of this Agreement and for a period of 5 years thereafter unless written permission of CITY OF MEMPHIS is given to dispose of any such material prior to such time. All such material shall be maintained by Vendor at a location in Memphis, Tennessee, provided that if any such material is located outside of Memphis, then, at CITY OF MEMPHIS' option, Vendor shall, at its sole expense, have such material delivered to its location in Memphis, Tennessee for inspection by CITY OF MEMPHIS and the City within five (5) days of CITY OF MEMPHIS' request for such material.

Failure on the part of Vendor to comply with the provisions of this paragraph shall constitute a material breach of this Agreement upon which CITY OF MEMPHIS may terminate or suspend this Agreement as provided in Section 19(a) of this Agreement.

12. Living Wage Ordinance

In accordance with Ordinance No. 5185, Amendment No. 5257, commonly referenced as the Living Wage Ordinance, any contractor or subcontractor holding a service agreement with CITY OF MEMPHIS on behalf of the City of Memphis must pay a living wage to each of its employees in the amount of \$10.27 per hour with health benefits for employees and their dependents or \$12.32 per hour without health benefits. Proof of such compensation must be evidenced by payroll reports which shall include information required by City (Exhibit D).

13. Governing Law; Jurisdiction and Venue

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Tennessee.

The Parties hereby submit and consent to the exclusive jurisdiction of any state or federal court located within Shelby County or the United States Western District of Federal Court within the State of Tennessee and irrevocably agree that all actions or proceedings relating to this Agreement, other than any action or proceeding required by this Agreement to be submitted to arbitration, will be litigated in such courts, and each of the Parties waives any objection which it may have based on improper venue or *forum non conveniens* to the conduct of any such action or proceeding in such court.

14. Severability

If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

15. Penalties and Liquidated Damages

Vendor recognizes that various losses, penalties (including service level penalties), and/or liquidated damages may be assessed against CITY OF MEMPHIS for certain failures to perform. In any such case where CITY OF MEMPHIS' failure to perform is due to some act or omission, or failure to perform on Vendor's part, Vendor agrees to pay or reimburse CITY OF MEMPHIS for such assessments and CITY OF MEMPHIS may deduct same from any Vendor's invoices as applicable. In any such case where Vendor is assessed penalties, such penalties will not exceed the corresponding amount for which the CITY OF MEMPHIS is penalized due to the Vendor's act, omission, or failure to perform.

16. Suspended or Debarred Entities

By signing this Agreement, Vendor certifies that it is not presently listed by any federal agency as debarred, suspended, or proposed for debarment from any federal contract activity. If, during the term of this Agreement, this information changes Vendor shall notify CITY OF MEMPHIS without delay. Such notice shall contain all relevant particulars of any debarment, suspension, or proposed debarment.

17. Prohibition Against Assignment, Delegation and Subcontracting

This Agreement or any interest herein, including, but not limited to, any claim for monies due or to become due with respect thereto, shall not be assigned or delegated, or both, by Vendor, and any assignment or delegation shall be null and void. Except as may be approved in writing by CITY OF MEMPHIS no performance of this Agreement, or any part thereof, shall be subcontracted by Vendor, and any such subcontract shall be null and void.

18. Termination and Suspension

- (a) Termination for Cause: Either Party may terminate this Agreement for cause. Events constituting cause shall include, but not be limited to: (i) commencement of bankruptcy or insolvency proceedings by or against the other party; (ii) continued, flagrantly unsatisfactory performance by either party's personnel; (iii) continued failure to meet the performance standards described in this Agreement or Exhibit "A"; or (iv) breach of any provision of this Agreement. If termination is for reasons of cause, the terminating party shall issue a written notice of intent to the other party. The terminated party shall have ten (10) days from the receipt of said notice to cure the identified defects. If, at the terminating party's sole determination, the Agreement is terminated for cause, the terminated party shall be paid for those satisfactory services provided and accepted by the terminating party up to the time of termination. The VENDOR shall be liable to the CITY for any loss, damage, or additional cost incurred thereby, including but not limited to any difference between the cost for procuring such like services and the price specified herein, attorney's fees and costs.
- (b) Termination for Convenience: CITY OF MEMPHIS may, in its sole discretion, terminate the Agreement for convenience. In the event of a termination for convenience, CITY OF MEMPHIS shall pay the Vendor for the services performed and/or materials provided and accepted in accordance with the Agreement's provisions, up to the effective time of termination as specified in the Notice of Termination for Convenience. Termination for Convenience costs shall be subject to audit by CITY OF MEMPHIS for determinations of reasonableness. If Default is later determined to be based on an event which did not constitute Cause, Termination shall be treated as if for Convenience.

Under any termination, CITY OF MEMPHIS shall provide disposition instructions to Vendor for work product paid for or otherwise belonging to CITY OF MEMPHIS or

the City, which is in the custody of the Vendor. Vendor further agrees to comply with any assistance reasonably requested by CITY OF MEMPHIS to facilitate the orderly transfer of the services to CITY OF MEMPHIS or its designee. VENDOR shall deliver to the CITY all hard copy and electronic files maintained on behalf of the CITY within fourteen (14) calendar days of termination of this Agreement.

- (c) Suspension: CITY OF MEMPHIS may, at its sole option, issue to Vendor a total or partial Notice of Suspension of Work. In the event of a suspension of project work, CITY OF MEMPHIS shall pay Vendor for the services performed and/or materials provided and accepted in accordance with the Agreement's provisions, up to the effective time of suspension as specified in the Notice of Suspension. Vendor will also deliver all the completed and partially completed deliverables to and as directed by CITY OF MEMPHIS. If Vendor does not receive written notice to continue the suspension, resume or terminate the Project within a 30 day period immediately following Vendor's receipt of CITY OF MEMPHIS' Notice of Suspension, then the Agreement will terminate automatically for the convenience of CITY OF MEMPHIS, in accordance with Section 18(b).

#### 19. No Amendments

The terms of this Agreement may not be varied or modified in any manner, except in a subsequent writing executed by an authorized representative of each party. No term or provision of this Agreement, or of any document executed pursuant hereto, shall be held to be waived, modified or deleted unless in writing and executed by the parties hereto and specifically identified as a waiver of any succeeding breach thereto or of any other provision herein contained. No delay or failure of the CITY to enforce any right or provision of this Agreement or in any document executed pursuant hereto shall operate as a waiver or relinquishment of the CITY'S right to subsequently enforce and compel strict compliance with such provision or any other provision herein or in any document related hereto.

#### 20. CITY OF MEMPHIS Facilities

Except to the extent otherwise approved by the CITY OF MEMPHIS in its sole discretion, Vendor shall use any and all items provided by the CITY OF MEMPHIS for the sole and exclusive purpose of providing the services described in this Agreement. Use of CITY OF MEMPHIS facilities by Vendor does not constitute a leasehold interest in favor of Vendor or Vendor's customers.

Vendor shall use any and all items provided by the CITY OF MEMPHIS in an efficient manner. To the extent that Vendor utilizes such items provided by the CITY OF MEMPHIS in any manner that unnecessarily increases facility costs or other costs incurred by the CITY OF MEMPHIS, City reserves the right to set-off the excess costs of such practices. Vendor shall be responsible for any damage to any and all item(s) provided by the CITY OF MEMPHIS resulting from the abuse, misuse, neglect or gross

negligence of Vendor, its employees and subcontractors or other failure to comply with its obligations respecting the such items provided by the CITY OF MEMPHIS.

Vendor, its employees and agents shall keep any and all items provided by the City and/or CITY OF MEMPHIS in good order, not commit or permit waste or damage to such items, not use such items for any unlawful purpose. Vendor shall act and comply with City's and/or CITY OF MEMPHIS' standard policies and procedures as made available to Vendor regarding access to and use of such City and/or CITY OF MEMPHIS provided items, including procedures for the physical security of the City and/or CITY OF MEMPHIS facilities.

Vendor shall permit City and its agents and representatives, including CITY OF MEMPHIS, to enter into those portions of the CITY OF MEMPHIS facilities occupied by Vendor staff at any time to perform facilities-related services.

Vendor shall not make any improvements or changes involving structural, mechanical or electrical alterations to the CITY OF MEMPHIS facilities without the City's prior written approval. Any improvements to the City facilities will become the property of the CITY OF MEMPHIS.

When the CITY OF MEMPHIS facilities are no longer required for performance of the services described in Exhibit "A", Vendor shall return such facilities to the CITY OF MEMPHIS in substantially the same condition as when Vendor began use of such facilities, subject to reasonable wear and tear.

#### 21. Due Diligence and Non-Reliance

Vendor represents, warrants and covenants that it has had opportunity to conduct, and has conducted, due diligence with respect to the City's IT environment, and all other items and conditions it deems necessary to conclude this Agreement, and Vendor represents, warrants and covenants that it has not relied upon any written or oral statement of CITY OF MEMPHIS or it's employees, directors, officers, consultants, attorneys or any elected or appointed officials in concluding this Agreement.

#### 22. Obligations Extended Beyond Period of Performance

Vendor, its employees, agents, and subcontractors shall not disclose any details in connection with this Agreement to any party, except as may be otherwise provided herein or required by law, for a period of no less than five (5) years from the termination of this Agreement and any subsequent amendments. In addition, the Warranty, Indemnification, Records and Audits, Penalties, Confidentiality and other provisions of the Agreement, which require performance after the contract termination/expiration date, shall survive for a period of five (5) years following the expiration or earlier termination of this Agreement.

### 23. Confidentiality

Vendor agrees during the term of this Agreement and thereafter that it will take all steps reasonably necessary to hold CITY OF MEMPHIS' and the City's proprietary, confidential and trade secret information in trust and confidence. Vendor shall not use or disclose to any person, firm or entity any proprietary, confidential or trade secret information of CITY OF MEMPHIS or the City without the express, prior written permission of CITY OF MEMPHIS or the City. In addition, Vendor agrees to keep the terms, conditions, and pricing contained herein confidential. The provisions of this Paragraph shall survive the expiration or other termination of this Agreement.

Vendor shall obtain an executed copy of Exhibit "B" – Employee Acknowledgement and Confidentiality Agreement – for each of its employees performing work under this Agreement. Such Employee Acknowledgement and Confidentiality Agreements shall be delivered to CITY OF MEMPHIS, on or immediately after the effective date of this Agreement but in no event later than the date any such employee first performs work under this Agreement.

### 24. Software

If in the event Vendor should develop software under this Agreement, and for which it is fully paid by CITY OF MEMPHIS (hereafter "Client Proprietary Software"), Vendor recognizes that said software is the exclusive property of the City and that the City reserves the right to use, market, license, or sell it to others. The Vendor agrees that the Client Proprietary Software is a trade secret of the City, is protected by civil and criminal law and by the law of copyright, and is very valuable to the City and that its use and disclosure must be carefully and continuously controlled. The Vendor further understands that operator manuals, training aids, and other written materials for such Client Proprietary Software are subject to the Copyright Act of the United States. Vendor shall not publish, utilize or permit others to utilize any Client Proprietary Software, or the ideas, concepts, techniques, and materials associated therewith, to provide services to others. The signing of this Agreement shall constitute a complete transfer of ownership, intellectual property and copyright of all documents from the VENDOR to the CITY.

### 25. Termination of Prior Agreements

This Agreement, together with the exhibits thereto, constitute the entire understanding between the parties with respect to the subject matter of this Agreement and supersedes any prior discussions, negotiations, proposals, agreements and understandings.

26. Conditional Agreement

This Agreement is conditioned upon the City approving the commitment of funds for this project and approving the contract through CITY OF MEMPHIS.

27. Notices

All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties at the following addresses. Contact information and addresses may be changed by either party upon giving ten days prior written notice thereof to the other party.

CITY OF MEMPHIS:

TBD

5125 Elmore, Suite #6

Memphis, TN 38134

Attn: Information Services

With a copy to:

City Attorney

125 North Main, Room 336

Memphis, TN 38103

28. Authority

The undersigned represent that they are authorized to execute this Agreement on behalf of the parties hereto, and each party has relied upon the authority of the other in executing this Agreement.

IN WITNESS WHEREOF, CITY OF MEMPHIS and Vendor have caused this Agreement to be signed by their duly authorized agents on the day and year first set forth hereinabove.

**CITY OF MEMPHIS**

**TBD**

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A C Wharton, Jr., Mayor

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Signature

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Herman Morris, Jr., City Attorney

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Printed Name

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Brent Nair, Chief Information Officer  
Director, Information Services

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Title

---

Date

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Date

**Exhibit A**  
**SCOPE OF WORK**

**EXHIBIT B**  
**PRICING SHEET / PAYMENT PROVISIONS**

**EXHIBIT C**  
**EMPLOYEE ACKNOWLEDGEMENT AND**  
**CONFIDENTIALITY AGREEMENT**

PROJECT NAME:	
VENDOR NAME:	
CLIENT:	CITY OF MEMPHIS

GENERAL INFORMATION:

Your employer has entered into a contract with the CLIENT identified herein to provide certain services to CLIENT. In order to perform services or work under this contract, your signature on this Employee Acknowledgement and Confidentiality Agreement is required.

**EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the VENDOR, referenced above, is my sole employer for purposes of the above referenced contract, I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above referenced contract.

I understand and agree that I am not an employee of the CLIENT for any purpose whatsoever, and that I do not have and will not acquire any rights or benefits of any kind from the CLIENT by virtue of my performance of work under the above referenced contract.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work related to the above referenced contract. I agree to forward all requests for the release of any data or information received by me to the CLIENT's Project Director, for the above referenced Contract, and to my immediate supervisor.

I agree to keep confidential all records and all data and information pertaining to persons and/or entities receiving services from the CLIENT.

All materials, including, but not limited to, data, information, computer program, design, and details of systems feature and marking plans, which the VENDOR gains access to or

knowledge of in the performance of this Agreement shall be deemed proprietary information of CLIENT. I hereby agree not to disclose for a period of five (5) years, commencing with the date of the termination of this Agreement, any part of the proprietary information to other persons, and I agree to keep proprietary information confidential. Information is not considered confidential if it can be obtained through open records procedures or independently through a third party who has legal authority to release the material.

I agree to return all confidential materials to my immediate supervisor upon completion of the Contract, or termination of my employment with my employer, whichever occurs first. I acknowledge that violation of this agreement will subject me to civil and/or criminal action and that the CLIENT may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

NAME (Print): \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

POSITION: \_\_\_\_\_