

**State of Nebraska Department of Revenue (DOR)
REQUEST FOR INFORMATION**

RETURN TO:
Name: State Purchasing Bureau
Address: 1526 K Street Ste. 130
City/State/Zip: Lincoln, NE 68508
Phone: 402-471-5600

SOLICITATION NUMBER	RELEASE DATE
RFI DOR-01282020	January 28, 2020
OPENING DATE AND TIME	PROCUREMENT CONTACT
March 13, 2020 2:00 p.m. Central Time	Julie Schiltz

This form is part of the specification package and must be signed in ink and returned, along with information documents, by the opening date and time specified.

PLEASE READ CAREFULLY!

SCOPE OF SERVICE

The Nebraska Department of Revenue, ("DOR") is issuing this Request for Information RFI DOR-01282020 for the purpose of gathering information to help DOR determine the necessity and scope, if any, of a potential Request for Proposal in regards to a scalable solution allowing for collections on the delinquent tax accounts for primarily non-resident taxpayers at implementation with the capability of expanding to other accounts types if needed.

Written questions are due no later than February 14, 2020, and should be submitted via e-mail to as.materielpurchasing@nebraska.gov.

Bidder should submit one (1) original of the entire RFI response. RFI responses should be submitted by the RFI due date and time.

Sealed RFI responses should be received in State Purchasing Bureau by the date and time of RFI opening indicated above.

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request For Information form, the bidder guarantees compliance with the provisions stated in this Request for Information.

FIRM: _____

COMPLETE ADDRESS: _____

TELEPHONE NUMBER: _____ FAX NUMBER: _____

SIGNATURE: _____ DATE: _____

TYPED NAME & TITLE OF SIGNER: _____

TABLE OF CONTENTS

REQUEST FOR INFORMATION.....	i
TABLE OF CONTENTS.....	ii
I. SCOPE OF THE REQUEST FOR INFORMATION.....	1
A. SCHEDULE OF EVENTS.....	1
II. RFI RESPONSE PROCEDURES	2
A. OFFICE AND CONTACT PERSON.....	2
B. GENERAL INFORMATION	2
C. COMMUNICATION WITH STATE STAFF.....	2
D. WRITTEN QUESTIONS AND ANSWERS.....	3
E. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS.....	3
F. SUBMISSION OF RESPONSE	3
G. PROPRIETARY INFORMATION.....	3
H. REQUEST FOR INFORMATION OPENING.....	4
III. PROJECT DESCRIPTION AND SCOPE OF WORK.....	5
A. PURPOSE AND BACKGROUND	5
B. CURRENT BUSINESS PRACTICES.....	5
C. SYSTEM OVERVIEW	5
D. SCOPE OF WORK.....	5
E. CAPABILITIES	6
Form A Vendor Contact Sheet.....	11

I. SCOPE OF THE REQUEST FOR INFORMATION

DOR is issuing this Request for Information, RFI DOR-01282020 for the purpose of gathering information to help DOR determine the necessity and scope, if any, of a potential Request for Proposal in regards to a scalable solution allowing for collections on the delinquent tax accounts for primarily non-resident taxpayers at implementation with the capability of expanding to other accounts types if needed.

ALL INFORMATION PERTINENT TO THIS REQUEST FOR INFORMATION CAN BE FOUND ON THE INTERNET AT: <http://das.nebraska.gov/materiel/purchasing.html>

A. SCHEDULE OF EVENTS

The State expects to adhere to the tentative procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

	ACTIVITY	DATE/TIME
1	Release Request for Information	1/28/2020
2	Last day to submit written questions	2/14/2020
3	State responds to written questions through Request for Information "Addendum" and/or "Amendment" to be posted to the internet at: http://das.nebraska.gov/materiel/purchasing.html	2/28/2020
4	RFI opening Location: State Purchasing Bureau 1526 K Street, Suite 130 Lincoln, NE 68508	3/13/2020 2:00 PM Central Time
5	Conduct oral interviews/presentations and/or demonstrations (if required)	4/6/2020

II. RFI RESPONSE PROCEDURES

A. OFFICE AND CONTACT PERSON

Responsibilities related to this Request for Information reside with the State Purchasing Bureau. The point of contact for the RFI is as follows:

Name: Julie Schiltz
RFP DOR-01282020
Agency: State Purchasing Bureau
Address: 1526 K Street Ste. 130
Lincoln, NE 68509-4818
Telephone: 402-471-6500
E-Mail: as.materielpurchasing@nebraska.gov

B. GENERAL INFORMATION

A subsequent Request for Proposal (RFP) may not be issued as a result of this RFI. There will not be a contract as a result of this RFI and the State is not liable for any cost incurred by vendors in replying to this RFI. If an RFP is issued, the information provided will assist the State of Nebraska in developing the Request for Proposal. This RFI does not obligate the State to reply to the RFI responses, to issue an RFP, or to include any RFI provisions or responses provided by vendors in any RFP.

C. COMMUNICATION WITH STATE STAFF

From the date the Request for Information is issued and until RFI opening (as shown in the Schedule of Events), contact regarding this RFI between potential vendors and individuals employed by the State should be restricted to written communication with the staff designated above as the point of contact for this Request for Information.

The following exceptions to these restrictions are permitted:

1. Written communication with the person(s) designated as the point(s) of contact for this Request for Information;
2. contacts made pursuant to any pre-existing contracts or obligations; and
3. State-requested presentations, key personnel interviews, clarification sessions, or discussions.

Violations of these conditions may be considered sufficient cause to reject a vendor's response to the RFI. No individual member of the State, employee of the State, or member of the Interview Committee is empowered to make binding statements regarding this RFI. The State of Nebraska will issue any clarifications or opinions regarding this RFI in writing.

D. WRITTEN QUESTIONS AND ANSWERS

Any explanation desired by a vendor regarding the meaning or interpretation of any Request for Information provision should be submitted in writing to the DOR and clearly marked “RFI Number DOR-01282020; Scalable Solution allowing for collections on the delinquent tax accounts Questions”. It is preferred that questions be sent via e-mail to as.materielpurchasing@nebraska.gov

It is recommended that Bidders submit questions sequentially numbered, include the RFI reference and page number using the following format.

<u>Question Number</u>	<u>RFI Section Reference</u>	<u>RFI Page Number</u>	<u>Question</u>

Written answers will be provided through an addendum to be posted on the Internet at <http://das.nebraska.gov/materiel/purchasing.html> on or before the date shown in the Schedule of Events.

E. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS

DOR reserves the right to conduct oral interviews/presentations and/or demonstrations if required at the sole invitation of the State.

Any cost incidental to the oral interviews/presentations and/or demonstrations shall be borne entirely by the vendor and will not be compensated by the State

F. SUBMISSION OF RESPONSE

The following describes the requirements related to the RFI submission, handling and review by the State.

To facilitate the response review process, one (1) original of the entire RFI response should be submitted. RFI responses should be submitted by the RFI due date and time.

A separate sheet must be provided that clearly states which sections have been submitted as proprietary or have copyrighted materials. RFI responses should reference the request for information number and be sent to the specified address. Please note that the address label should appear as specified on the face of each container. If a recipient phone number is required for delivery purposes, 402-471-5624 should be used. The Request for Information number must be included in all correspondence.

G. PROPRIETARY INFORMATION

Data contained in the response and all documentation provided therein, become the property of the State of Nebraska and the data become public information upon opening the response. If the vendor wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska’s public record statutes. All proprietary information the vendor wishes the state to withhold must be submitted in a sealed package, which is separate from the remainder of the response. The separate package must be clearly marked PROPRIETARY on the outside of the package. Vendor may not mark their entire Request for Information as proprietary. Failure of the vendor to follow the instructions for submitting proprietary and copyrighted information may result in the information being viewed by other vendors and the public. Proprietary information is defined as trade

secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. § 84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, vendors submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

H. REQUEST FOR INFORMATION OPENING

The sealed responses will be publicly opened and the responding entities announced on the date, time, and location shown in the Schedule of Events. Responses will be available for viewing by those present after the opening. Vendors may also contact the state to schedule an appointment for viewing RFI responses.

III. PROJECT DESCRIPTION AND SCOPE OF WORK

The vendor should provide the following information in response to this Request for Information.

A. PURPOSE AND BACKGROUND

This RFI is to elicit information and best analysis of knowledgeable persons in the vendor community to enable the Nebraska Department of Revenue (DOR) to craft a potential RFP for the collection of delinquent tax accounts as provided by Nebraska Revised Statutes § 77-377.01 et seq. Responses to this RFI should include information that will be useful to DOR in subsequently drafting more detailed procurement solicitation(s) related to this endeavor.

The Nebraska Department of Revenue (DOR) is responsible for the administration, assessment, and collection of personal income taxes and a variety of business taxes. Business taxes include but are not necessarily limited to sales and use taxes, employer withholding taxes, corporation income taxes, excise taxes and fees.

B. CURRENT BUSINESS PRACTICES

Currently, delinquent accounts are assigned to DOR agents. The assigned agent issues a letter informing the taxpayer that forced collections activities are to begin if taxpayer fails to address delinquent tax liability. Twenty-one days after the letter is sent, the agent would locate levy sources, if available. The agent then takes action if a levy source is found. If no levy source is found and depending on the size of the balance, a lien would be recorded and then calendared out for a future check for levy sources.

Currently all collections of delinquent taxes are performed by in-house DOR teammates. Nebraska Revised Statutes § 77-377.01 et seq allows for DOR to collect delinquent taxes through a collection agency.

C. SYSTEM OVERVIEW

The current system at DOR is an Oracle based in-house developed collection system called the Automated Collection System (ACS). This system is used to generate documents, project interest, track letters with Taxpayers, and store lien information. DOR is able to provide an electronic file with the information needed to assign collections to a third party provider. DOR will change the assignment to Collection Agency in ACS to denote which accounts will go to and/or have been assigned to the collection agency.

D. SCOPE OF WORK

Scope: DOR is in search of obtaining the best solution available, including potential managed services, for the primary purpose of collecting non-resident individual and business tax obligations due and owing to the state of Nebraska with the capability for expanding to other accounts as needed.

DOR's goal is to have a contract in place on or about March 1, 2021 to begin implementation shortly thereafter. DOR will base the performance of the solution contracted upon the amount of monies collected in comparison to the account value referred along with time taken to collect such monies. DOR will evaluate the performance of the contracted agency(s) at the end of a designated period of the contract to determine any renewal periods.

E. CAPABILITIES

Vendor should provide narrative responses to each of the following:

1.1	Describe the solution(s) proposed to enable DOR to better accomplish the collection of delinquent tax accounts as provided by Nebraska Revised Statutes § 77-377.01 et seq.
Response:	

Describe the solution's compliance with present receivables management industry standard as indicated below:

1.2	Describe the monitoring process of internal compliance including but not limited to cybersecurity standards and/or certifications to the State and Federal Information Security Laws and industry standards.
Response:	
1.3	Describe the monitoring process of internal compliance with Federal Bankruptcy Laws in relation to collection efforts.
Response:	
1.4	Describe the monitoring process of internal compliance with Identity Theft Prevention Programs in relation to the Federal Government under Red Flag Rules.
Response:	
1.5	Describe the internal process of addressing Bonding and Insurance coverage.
Response:	

Describe additional measures used to ensure the following:

2.1	Confidentiality and security of Protected Information (private and confidential).
Response:	
2.2	Protect against any anticipated hazards or threats to the integrity or security of such information.
Response:	
2.3	Protect against unauthorized access or disclosure of information.
Response:	

2.4	Prevent any other action that could result in substantial harm to the State or an individual identified with the data or information in the Contractor's custody.
Response:	

Describe the following process:

3.1	Describe your company's process for vendor management and oversight by clients? What oversight activities, processes, or interactions should DOR expect from its receivables management provider.
Response:	

Describe the following processes:

4.1	Debtor complaint management and reporting of complaints to client.
Response:	
4.2	Resolving debtor disputes.
Response:	
4.3	Internal training programs, quality programs, and operational process improvement.
Response:	
4.4	Client provision of input into the collections processes.
Response:	
4.5	Audits by the client.
Response:	
4.6	Real-time access to files by client.
Response:	
4.7	Reporting to credit bureaus.
Response:	

4.8	Out-of-state collection, litigation and lien enforcement.
Response:	

Neb. Rev. Stat. § 77-377.02 provides in part, “[f]ees for services, reimbursements, or other remuneration to such collection agency shall be based on the amount of tax, penalty, and interest actually collected... not in excess of fifty percent of the total amount of delinquent taxes, penalties, and interest actually collected.

5.1	Describe financial incentives and penalties to promote optimal performance in receivables management.
Response:	

Describe policies and practices for:

6.1	Accounting for and treatment of contract based fees related to payments directly received by DOR after a claim is placed.
Response:	

6.2	Account cancellations or recalls from the client.
Response:	

6.3	How tax amnesty programs are addressed from a fee perspective.
Response:	

6.4	Maintenance of a separate trust account for payments received for DOR.
Response:	

7.1	What aspects of a receivable management solution are most likely to determine the success of the solution in practice?
Response:	

8.1	Describe additional information DOR consider in procuring receivables management services.
Response:	

9.1	Describe all sub-contracting/outsourcing of the collection or payment process, including but not limited to which part is being outsourced and to whom.
Response:	
10.1	Describe information technology (IT) requirements needed to enable efficient transferring of information between DOR and your company.
Response:	
11.1	Is there a particular type of debt your solution has been found to excel at collecting? Describe or list the types of debt (age, dollar amount, type of tax etc.) recovery for which the solution is designed or for which it particularly excels.
Response:	
12.1	Describe the types of managed services capabilities.
Response:	
13.1	Describe software solutions that will enable DOR to monitor collection activities.
Response:	
14.1	Are you able to calculate Interest on the tax liability on an ongoing basis or will DOR need to provide updated balances? If so, what frequency would be required? Describe capabilities to calculate interest on the tax liability on an ongoing basis.
Response:	
15.1	Has your solution been utilized by other Governmental Agencies prior? Describe solutions used for Governmental Agencies.
Response:	
16.1	Describe how questions regarding the basis of the tax liability asked by the debtor are handled.
Response:	
17.1	Describe how settlements presented by taxpayers are handled.
Response:	

18.1	Describe what information DOR should supply for optimal solution performance.
Response:	
19.1	Describe the process used when receiving information from taxpayers that may change the collection amount. How will the information will be provided to DOR and will DOR be required to provide any additional information.
Response:	
20.1	Describe account updates would the solution provide to DOR? How would this information be delivered to DOR? What IT considerations/requirements would need to be made by DOR in order to receive this information most efficiently?
Response:	
21.1	Describe how the solution will provide remittances to DOR including but not limited to frequency of remittances made and net or gross remittances of funds collected.
Response:	
22.1	Describe what information on the remittances the solution would provide to DOR. Describe the format would this information be provided and what frequency the information would be provided.
Response:	
23.1	Describe other reporting options the solution could provide.
Response:	
24.1	Provide any additional information that may be beneficial to the State.
Response:	

Form A

Vendor Contact Sheet

Request for Information Number DOR-01282020

Form A should be completed and submitted with each response to this solicitation document. This is intended to provide the State with information on the vendor's name and address, and the specific persons who are responsible for preparation of the vendor's response.

Preparation of Response Contact Information	
Vendor Name:	
Vendor Address:	
Contact Person & Title:	
E-mail Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
Fax Number:	

Each vendor shall also designate a specific contact person who will be responsible for responding to the State if any clarifications of the vendor's response should become necessary. This will also be the person who the State contacts to set up a presentation/demonstration, if required.

Communication with the State Contact Information	
Vendor Name:	
Vendor Address:	
Contact Person & Title:	
E-mail Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
Fax Number:	