

Jessamine County, Kentucky

REQUEST FOR PROPOSAL

REVENUE AND COLLECTION MANAGEMENT SYSTEM FOR JESSAMINE COUNTY FISCAL COURT

ACCEPTANCE DATE: Monday, May 15, 2023

ACCEPTANCE PLACE: Jessamine County Fiscal Court
Office of Jessamine County Judge/Executive
David K. West
101 North Main Street
Nicholasville, KY 40356
11:00 a.m. EST

Requests for information related to this Invitation should be directed to *Cindy Tudor, Jessamine County Tax Administrator, 105 Court Row, Nicholasville, KY 40356; 859-885-3206.*

Issue Date: April 27, 2023

NOTICE

The Jessamine County Fiscal Court will be accepting sealed Proposals for Revenue and Collection Management System solutions. Forms, information, and specifications regarding the Request for Proposals are available at the office of Jessamine County Judge/Executive David K. West, 101 North Main Street, Nicholasville, KY 40356 or at www.jessamineco.com. Sealed Proposals will be accepted until Monday, May 15, 2023 at 11:00 a.m. EST at the Office of Jessamine County Judge/Executive David K. West, 101 North Main Street, Nicholasville, KY 40356. **No electronic copies will be accepted.**

The Jessamine County Fiscal Court reserves the right to reject any and all Proposals, to waive any informalities and to negotiate for the modifications of any Proposal or to accept that Proposal which is deemed the most desirable and advantageous from the standpoint of customer value and service and concept of operations. No Proposal may be withdrawn for a period of thirty (30) days after scheduled time of receipt of Proposal.

DISCLAIMER

Pursuant to the provisions of KRS 45A.343, the contractor or vendor is required to reveal to the County any final determination of a violation of KRS Chapters 136, 139, 141, 337, 338 and 342 by the contractor or vendor within the previous five (5) years; and further that said contractor or vendor has been and is in continuous compliance with the provisions of KRS Chapters 136, 139, 141, 337, 341, and 342 for the duration of the contract. The failure of a contractor or vendor to reveal a final determination of a violation to a local government, or to comply with the statutory requirements, is considered grounds for cancellation of a contract and disqualification of the contractor or vendor from eligibility for any County contracts for a period of two (2) years.

QUALIFICATIONS

All interested parties must possess all federal, state and/or local qualifications/licenses to provide services in Jessamine County and the Commonwealth of Kentucky.

KENTUCKY PREFERENCE LAWS

Reciprocal preference for Kentucky resident bidders

KRS 45A.490 Definitions for KRS 45A.490 to 45A.494.

As used in KRS 45A.490 to 45A.494:

- (1) "Contract" means any agreement of a public agency, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item; and
- (2) "Public agency" has the same meaning as in KRS 61.805.

KRS 45A.492 Legislative declarations.

The General Assembly declares:

- (1) A public purpose of the Commonwealth is served by providing preference to Kentucky residents in contracts by public agencies; and
- (2) Providing preference to Kentucky residents equalizes the competition with other states that provide preference to their residents.

KRS 45A.494 Reciprocal preference to be given by public agencies to resident bidders -- List of states -- Administrative regulations.

- (1) Prior to a contract being awarded to the lowest responsible and responsive bidder on a contract by a public agency, a resident bidder of the Commonwealth shall be given a preference against a nonresident bidder registered in any state that gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the nonresident bidder.
- (2) A resident bidder is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:
 - (a) Is authorized to transact business in the Commonwealth; and
 - (b) Has for one (1) year prior to and through the date of the advertisement, filed Kentucky corporate income taxes, made payments to the Kentucky unemployment insurance fund established in KRS 341.490, and maintained a Kentucky workers' compensation policy in effect.
- (3) A nonresident bidder is an individual, partnership, association, corporation, or other business entity that does not meet the requirements of subsection (2) of this section.
- (4) If a procurement determination results in a tie between a resident bidder and a nonresident bidder, preference shall be given to the resident bidder.
- (5) This section shall apply to all contracts funded or controlled in whole or in part by a public agency.
- (6) The Finance and Administration Cabinet shall maintain a list of states that give to or require a preference for their own resident bidders, including details of the preference given to such bidders, to be used by public agencies in determining resident bidder preferences. The cabinet shall also promulgate administrative regulations in accordance with KRS Chapter 13A establishing the procedure by which the preferences required by this section shall be given.
- (7) The preference for resident bidders shall not be given if the preference conflicts with federal law.
- (8) Any public agency soliciting or advertising for bids for contracts shall make KRS 45A.490 to 45A.494 part of the solicitation or advertisement for bids.

The reciprocal preference as described in KRS 45A.490-494 above shall be applied in accordance with 200 KAR 5:400.

Determining the residency of a bidder for purposes of applying a reciprocal preference

Any individual, partnership, association, corporation, or other business entity claiming resident bidder status shall submit along with its response the attached Required Affidavit for Bidders, Offerors, and Contractors Claiming Resident Bidder Status. The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

A nonresident bidder shall submit, along with its response, its certificate of authority to transact business in the Commonwealth as filed with the Commonwealth of Kentucky, Secretary of State. The location of the principal office

identified therein shall be deemed the state of residency for that bidder. If the bidder is not required by law to obtain said certificate, the state of residency for that bidder shall be deemed to be that which is identified in its mailing address as provided in its bid.

Preferences for a Qualified Bidder or the Department of Corrections, Division of Prison Industries.

Pursuant to 200 KAR 5:410, and KRS 45A.470, Kentucky Correctional Industries will receive a preference equal to twenty (20) percent of the maximum points awarded to a bidder in a solicitation. In addition, the following “qualified bidders” will receive a preference equal to fifteen (15) percent of the maximum points awarded to a bidder in a solicitation: Kentucky Industries for the Blind, any nonprofit corporation that furthers the purposes of KRS Chapter 163 and any qualified nonprofit agencies for individuals with severe disabilities as defined in KRS 45A.465(3). Other than Kentucky Industries for the Blind, a bidder claiming “qualified bidder” status shall submit along with its response to the solicitation a notarized affidavit which affirms that it meets the requirements to be considered a qualified bidder- affidavit form included. If requested, failure to provide documentation to a public agency proving qualified bidder status may result in disqualification of the bidder or contract termination.

**REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS CLAIMING RESIDENT
BIDDER STATUS**

FOR BIDS AND CONTRACTS IN GENERAL:

The bidder or offeror hereby swears and affirms under penalty of perjury that, in accordance with KRS 45A.494(2), the entity bidding is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:

Is authorized to transact business in the Commonwealth;

Has for one year prior to and through the date of advertisement

Filed Kentucky income taxes;

Made payments to the Kentucky unemployment insurance fund established in KRS 341.49; and

Maintained a Kentucky workers' compensation policy in effect.

The BIDDING AGENCY reserves the right to request documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of the bidder or contract termination.

Signature

Printed Name

Title

Date

Company Name

Address

Subscribed and sworn to before me by

(Affiant)

(Title)

of _____ this ____ day of _____, 20__.
(Company Name)

Notary Public

[seal of notary]

My commission expires:

REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS CLAIMING QUALIFIED BIDDER STATUS

FOR BIDS AND CONTRACTS IN GENERAL:

I. The bidder or offeror swears and affirms under penalty of perjury that the entity bidding, and all subcontractors therein, meets the requirements to be considered a “qualified bidder” in accordance with 200 KAR 5:410(3); and will continue to comply with such requirements for the duration of any contract awarded. Please identify below the particular “qualified bidder” status claimed by the bidding entity.

_____ A nonprofit corporation that furthers the purposes of KRS Chapter 163

_____ Per KRS 45A.465(3), a “Qualified nonprofit agency for individuals with severe disabilities” means an organization that:

- (a) Is organized and operated in the interest of individuals with severe disabilities; and
- (b) Complies with any applicable occupational health and safety law of the United States and the Commonwealth; and
- (c) In the manufacture or provision of products or services listed or purchased under KRS 45A.470, during the fiscal year employs individuals with severe disabilities for not less than seventy-five percent (75%) of the man hours of direct labor required for the manufacture or provision of the products or services; and
- (d) Is registered and in good standing as a nonprofit organization with the Secretary of State.

The BIDDING AGENCY reserves the right to request documentation supporting a bidder’s claim of qualified bidder status. Failure to provide such documentation upon request may result in disqualification of the bidder or contract termination.

Signature

Printed Name

Title

Date

Company Name

Address

Subscribed and sworn to before me by

(Affiant)

(Title)

of _____ this ____ day of _____, 20 ____.
(Company Name)

Notary Public

[seal of notary]

My commission expires: _____

Method of Award

Best Value – Ranking Approach

Jessamine County Fiscal Court intends to award a Contract to the Vendor, whose offer, conforming to the Solicitation, is the most advantageous on the basis of "best value" for all products, services, and requirements contained herein.

An evaluation committee, or a designated individual, will evaluate the information provided by the Vendor in response to the established measurable criteria contained in the Solicitation.

Measurable Criteria:

Price 95 Points

Experience 5 Points

TOTAL POINTS 100 Points

Each Vendor is responsible for submitting all relevant, factual and correct information with their offer to enable the evaluator(s) to afford each Vendor the maximum score based on the available data submitted by the Vendor. VENDOR SHALL ENTER UNIT PRICE AND TOTAL PRICE ON THE BID SHEET. If adequate space is not available, the Vendor must attach additional information that clearly cross-references the appropriate location in the solicitation (i.e. page number, paragraph, subject, etc.).

Vendors responding with the minimum Best Value requirements in this Solicitation shall not be credited with Best Value points. Vendors responding with greater than the minimum requirements shall receive Best Value points. Failure to provide adequate information will impact the evaluated points awarded to the Vendor.

Price (95 points)

The bidder with the lowest Price receives the maximum score. The bidder with the next lowest Price receives points by dividing the lowest Price by the next lowest price and multiplying that percentage by the available points. For example, 95 points is allocated to the lowest Price criteria for this procurement, Bidder "A" bids \$3.00 as the lowest bidder and receives the maximum 95 points ($\$3.00 / \$3.00 = 1.00 \times 95 = 95$). Assume Bidder "B" is the next lowest bidder at \$4.00, then "B" receives 71.3 points ($\$3.00 / \$4.00 = .75 \times 95 = 71.25$).

Experience- (5 points)

5 years experience is the minimum requirement for this criteria. Points are only given to bidders who exceed the 5 year requirement. The bidder with the greatest number of years experience (not to exceed 10 years for evaluation purposes) receives the maximum number of points. The bidder with the next largest number of years experience, receives points by dividing the next largest number of years experience by the largest number of years experience and multiplying that percentage by the available points. For example, 10 points is allocated to the largest number of years experience, over 5 years, for this procurement, Bidder "A" bids 10 years as the bidder with the largest number of years experience and receives the maximum of 10 points ($10 / 10 = 1.00 \times 10 = 10$). Assume Vendor "B" is the bidder with the next largest number of years experience at 5 years, then "B" receives 5 points ($5 / 10 = .50 \times 10 = 5$).

Vendor shall enter number of year's experience: _____ years

Best Value scoring is subject to **Reciprocal preference for Kentucky resident bidders and Preferences for a Qualified Bidder or the Department of Corrections, Division of Prison Industries (KAR 200 5:410)**.

SPECIFICATIONS

1. PURPOSE OF THIS REQUEST FOR PROPOSAL

Jessamine County Fiscal Court Occupational Tax Office (“County”) is issuing this RFP for a replacement to its existing Revenue and Collection Management System (RACS), fully described in this document. Jessamine County Fiscal Court (“COUNTY”) seeks comprehensive proposals from the recipient of the RFP (“Proposer”) believed to have the capability and capacity to satisfy the COUNTY’s requirements and a serious interest in providing the Services. This RFP provides information on the current tax process, systems, and the requirements necessary for a Proposer submitting a proposal for the COUNTY Revenue and Collection Management System (“RACS”). The goal of this project is to provide advanced functionality to improve services to taxpayers and to improve operational efficiency.

2. OVERVIEW

The mission of the COUNTY Occupational Tax Office is to apply the tax code fairly and equitably in the administration of the occupational tax laws of Jessamine County, Kentucky. The programs administered by the COUNTY Occupational Tax Office are occupational license fees on net profits and wages, insurance premium tax, transient room tax and the City of Nicholasville net profit license fees.

Annually, the Tax Office collects occupational taxes from approximately 9,000 taxpayers in the form of payroll withholding and net profit tax returns, insurance premium tax returns and transient room tax returns. These funds represent more than 50% of the COUNTY’s General Fund Budget.

- A. **Occupational License Fee on Wages:** Occupational license fees on wages are imposed on wages earned by persons working within Jessamine County. These returns with payments are collected quarterly in addition to an annual wage reconciliation form (this form needs to include W2 information).
- B. **Occupational License Fee on Net Profits for Jessamine County and the City of Nicholasville:** Any individual or business entity (resident or non-resident) engaged in business activity in Jessamine County/City of Nicholasville is required to be registered with Jessamine County and file an annual net profit tax return and make any payments required.
- C. **Insurance Premium Tax:** Any insurance company engaging in business within the unincorporated areas of Jessamine County is required to file returns and make payments quarterly.
- D. **Transient Room Tax:** Transient room taxes are imposed upon the rental fees of all short-term rental businesses. These fees are collected monthly.

Functional Area Statistics: This table reflects the approximate volume of transactions annually.

No.	Annual Processing Estimates	Estimated
1	Quarterly Payroll Withholding Returns	10,000
2	Annual Reconciliations	3000
3	County Net Profit Tax Returns	7000
4	City Net Profit Tax Returns	5000
5	Net Profit Extension Requests	2500
6	Business Registration	1000
7	Insurance Premium Returns	1200
8	Transient Room Returns	200

3. CURRENT SYSTEM ARCHITECTURE

A combination of software specific to revenue collection and databases created by tax office staff exist in the current environment to support the revenue management business processes. While several of the applications are specific to revenue management, others cross functional areas and may represent integration points in the future environment.

- **Revenue and Collection Management Application**

The County currently utilizes a KVS program for revenue management that has been customized over the past years. The County also utilizes manual paper-based processes such as printing and mailing paper returns for net profit and payroll withholding taxes.

- **Microsoft Office Tools**

The County currently relies upon Microsoft Office Tools for several business processes. These include Word, Excel, and Outlook. Examples include Excel spreadsheets used for monthly balancing, receipt of wage reconciliations and most of the correspondence with taxpayers is through letters generated by MS Word and sent via USPS.

- **Content Management System**

For the purpose of this RFP, “Content Management System” refers to the capabilities of imaging, archiving, and retrieving copies of all paper correspondence between taxpayers and the Occupational Tax Office. The County currently has no paperless document management system.

- **Business Intelligence**

Currently, the COUNTY generates simple reports and uses manual processes to track statistical reporting information, for example how many new accounts have been opened in a specific period. The COUNTY desires to obtain a system that increases COUNTY’s ability to easily craft reports and conduct Business Intelligence (BI) activities. Reports should be exportable to multiple formats, including excel, word and pdf. BI functions should require specific user rights, and access to BI restricted from unauthorized users.

4. PROJECT SCOPE/ REQUIRED FUNCTIONALITY

The COUNTY envisions a solution that provides online filing and payment capabilities and a content management system that enables the Occupational Tax Office to achieve its business objectives in a more efficient manner. The architecture will be flexible and configurable to meet current and future needs.

The COUNTY envisions department personnel accessing the system through web browser or application, and taxpayers accessing the system through a web browser or application. Added self-service capabilities for taxpayers will automate functions typically performed by staff, freeing them to focus on other critical operations. The interfaces should be intuitive and easy-to-use. For example, wizards will walk taxpayers through common functions such as the registration process to ensure that all required fields are entered. COUNTY does not currently have any self-service capabilities for taxpayers.

The COUNTY envisions that taxpayers will primarily interact with the system via internet and web browsers, so the design of highly functional and aesthetically pleasing web interfaces is extremely important. COUNTY desires that these interfaces be very user friendly. The look and feel should be customizable by COUNTY to reflect the agency’s logo and other identifying characteristics. The portal interface must allow taxpayers to register, file returns, upload any required supporting documentation, view account status, view history, make payments and correspond with the Occupational Tax Office.

5. OBJECTIVES

The COUNTY is planning to replace its current revenue management environment consisting of a mix of manual and paper-based processes with a Revenue and Collection Management System (RACS). In doing so, the COUNTY expects to achieve the following objectives through the implementation of the proposed solution.

- **Tax Administration:** Ensure the continued ability to administer the revenue laws of Jessamine County in a more efficient manner, reducing the reliance on manual and paper-based processes.
- **Taxpayer experience:** Improve service to taxpayers by implementing online and taxpayer self-service functionality.
- **Collections and Tax Compliance:** Increase collection and tax compliance through ease of access, streamlined audit management, and improved data mining capabilities resulting in the discovery of unpaid or underpaid financial obligations.
- **Technology:** To the greatest extent possible, position the COUNTY to capitalize on the availability of emerging technologies to address evolving taxpayer needs and behaviors, as well as changes resulting from the dynamic legislative and tax administration environments. The solution should provide the ability to work securely anytime and allow real-time information access for future field staff.
- **Security and Compliance:** Ensure functional security through continued compliance with privacy and security laws, regulations, policies, standards, and guidelines, as well as best practices to facilitate the COUNTY in fulfilling its role as a custodian of confidential and private taxpayer information.
- **Data Analysis and Business Intelligence:** Improve access to data and data sharing.
- **Flexible Architecture:** Obtain flexible and sustainable technology to reduce the time needed to implement legislative changes and allow programs to easily change system rules.

Functional Areas: This section lists the functionality that COUNTY is seeking from the proposed solution.

No.	Functional Area – See Attachment A
1	Taxpayer Account Maintenance
2	Cashiering
3	Tax Return Processing
4	Audit System Trail
5	Payment Plans/Case Management
6	Delinquency Management
7	Letter Module
8	Tax Reporting
9	Online Taxpayer Portal

The list of requirements in Attachment A contains the detailed functionality the County wants within each functional area in a future system.

Microsoft Office Tools

It is anticipated that reliance on Microsoft Office Tools for business processes will be greatly reduced in the future RACS environment. However, there will be a need for these tools for tasks outside of regular business processes.

Content Management System

It is anticipated that the new RACS environment will provide a solution to digitally store, archive and secure documents without manual duplication of effort in one central place. The system should provide the ability to link images to taxpayer accounts and transactions. There should be multiple ways to search and retrieve images, based on different search criteria.

Security

Safeguarding taxpayers and department data and related technology is of critical importance and is a key requirement of any proposed solution.

Access Control

Among the security requirements is user and access management capability that centralizes and simplifies the process for managing user rights. The proposed solution must be able to manage user profiles, user credentials, and system privileges.

Data protection

The proposed solution must employ mechanisms to protect the confidentiality, integrity, and availability of the operational database.

Conversion of Prior Years Data

COUNTY expects the Proposer to convert necessary data for business function from the existing system to the proposed solution.

6. REQUIRED CONTENT OF PROPOSAL

This section outlines the format in which your proposed solution should be submitted. The proposal is not limited to including only items in this section. The details you provide will be used in the evaluation of your solution. Any details outside of the items requested here should be included in an addendum to the RFP.

- A) State the full name and address of your organization and, if applicable, the branch office that will perform the proposed work, a brief history of business including the date it was established under the current name and a list of all services provided. Has your business/firm ever been disqualified from working for Jessamine County Fiscal Court or any other public entity? If yes, explain the circumstances.
- B) The County seeks an entity with extensive experience in implementation of comparable comprehensive tax system solutions or projects similar in scope for meeting the requirements of this RFP. Please list 5 projects similar in scope completed by your business during the past 3 years.
- C) Discuss your understanding of the project scope and objectives with specific references to the services requested in the RFP
 - Highlight unique services and management tools and indicate the benefits to the COUNTY.
 - Describe your quality assurance plan.
 - State approximate date your business/firm is available to begin work on the project.
 - Discuss your transition plan to begin providing the services.
 - **Ongoing System Support Requirements:** Recommend the professional IT resources that COUNTY must either maintain on staff or contract with to maintain and administer the proposed solution.
- D) For evaluation purposes and contractual terms, pricing information on all components of the proposed solution should be included. Please list each component as a separate line item. Include a brief description of the purpose of each item in the pricing. If any third-party components are included in the proposed solution, the proposal must include their cost of acquisition, implementation, and maintenance. Options that are available and offered as it relates to ongoing maintenance and/or support should also be included.
- E) The proposal should include a timeline which is based on a relative start date of the project and include major milestones, project phases, and required payment schedules. The project plan must include sufficient detail to give COUNTY an understanding of the approach to a successful implementation.
- F) The proposal should include a narrative describing how the implementation of the solution will be organized, tested and coordinated. Include descriptions for:
 - How data will be transferred from the existing system(s) to the proposed solution and explain how business functions will continue during the conversion process. Describe the vision for maintaining both old and new systems during the conversion process.
 - Consultation services Proposer will provide to COUNTY to analyze business processes, identify areas with

opportunity for improvement through use of best practices and industry standards, providing improvement recommendations, and assisting in the implementation of proposed improvements.

- The training curriculum that will be used to educate and train COUNTY staff to use, develop and support the proposed solution. Training should teach the users how to perform their job functions using the proposed solution.

7. CONTRACT/AWARD

The procurement of the contract will be through a competitive negotiation process. Due to the complex and specialized duties required under the contract, the award of the contract will not necessarily be awarded based upon the lowest price. Rather, the contract will be awarded to the entity that the Jessamine County Fiscal Court determines, in writing and in its sole discretion, is best qualified to provide the revenue and collection management system solution based upon the entity's experience, expertise, and capacity, and whose proposal is the most advantageous to the County based upon those factors and the reciprocal preference for resident bidders required by KRS 45A.494.