

**STATE OF LOUISIANA  
DEPARTMENT OF REVENUE**

**REQUEST FOR PROPOSALS  
FOR  
INFORMATION TECHNOLOGY SOFTWARE MAINTENANCE  
SERVICES**

**RFP #: 44000014067**

**PROPOSAL DUE DATE/TIME: JUNE 21, 2013 4:00 PM**

**05/15/2013**

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## **1 GENERAL INFORMATION**

### ***1.1 Purpose***

This Request for Proposals (RFP) is issued by the Department of Revenue (herein referred to as “State” or “LDR”) for the purpose of obtaining competitive proposals from bona fide, qualified proposers who are interested in providing software maintenance services within LDR’s Revenue Processing Center’s applications for processing tax returns and payments. The State seeks Proposers who must be able to supply sufficient programming and software support resources to provide quality services and meet the timelines as required by work orders.

### ***1.2 Background***

The Revenue Processing Center of the Louisiana Department of Revenue is responsible for the initial processing of all tax returns, remittances, supporting documentation and correspondence received by LDR. The Revenue Processing Center processes approximately 4 million returns and 2.4 million remittances annually.

### ***1.3 Scope of Services***

Attachment I details the scope of services and deliverables or desired results that the State requires of the selected Contractor.

## **2 ADMINISTRATIVE INFORMATION**

### ***2.1 Term of Contract***

The period of any contract resulting from this RFP is tentatively scheduled to begin on or about October 1, 2013 and to continue through September 30, 2014. The State has the right to contract for up to three years upon approval.

### ***2.2 Pre-proposal Conference***

*NOT APPLICABLE FOR THIS SOLICITATION.*

### ***2.3 Proposer Inquiries***

Written questions regarding RFP requirements or Scope of Services must be submitted to the RFP Coordinator as listed below.

Louisiana Department of Revenue  
Attention: Elizabeth Kunjappy  
Purchasing Section  
Financial Services Division  
Room Number: 6-165  
617 North Third Street  
Baton Rouge, LA 70802

E-mail: [Elizabeth.Kunjappy@la.gov](mailto:Elizabeth.Kunjappy@la.gov)

Phone: (225)219-2123

Fax: (225)219-2120

The State will consider written inquiries and requests for clarification of the content of this RFP received from potential proposers. Written inquiries must be received by 4:00 CDT on the date specified in the Schedule of Events. The State reserves the right to modify the RFP should a change be identified that is in the best interest of the State.

Official responses to all questions submitted by potential proposers will be posted by June 5, 2013 at <http://wwwprd.doa.louisiana.gov/osp/lapac/pubmain.asp> or the Department of Revenue's web site <http://revenue.louisiana.gov>.

Only the RFP Coordinator has the authority to officially respond to proposer's questions on behalf of the State. Any communications from any other individuals are not binding to the State.

## ***2.4 Definitions***

A. Agency - Any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of this state authorized to participate in any contract resulting from this solicitation.

B. "Work order" – For the purposes of this RFP, a work order is the specific description of the actual work to be performed under this contract, including the specific deadlines, acceptance criteria and any product or deliverables required for each specific work order. The maximum hours to be worked and the specific services required for each work order will be proposed by the Contractor and agreed to by the LDR prior to work being performed on any work order. Multiple work orders will be issued during the term of the contract.

C. Contractor – Any person having a contract with a governmental body.

D. Discussions- For the purposes of this RFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to this RFP.

E. LDR – Louisiana Department of Revenue.

F. May, Can - The terms "may" and "can" denote an advisory or permissible action.

G. Must, Will - The terms "must" and "will" denote mandatory requirements.

H. Proposer - The term "Proposer" refers to the respondents to the RFP

I. Shall – The term "shall" denotes mandatory requirements.

J. Should – the term "should" denotes desirable

K. State - The State of Louisiana.

L. vCapture – A remote data entry solution developed by Virtual Solutions, Inc. (now PaperFree Corp.)

M. VistaCapture – A software solution suite developed by ScanOptics. The suite is used for rapid development of data capture applications.

## ***2.5 Schedule of Events***

<b><u>Event</u></b>	<b><u>Date</u></b>
Advertise RFP and mail public announcements	May 13, 2013
Deadline for receipt of written inquiries	May 28, 2013
Issue responses to written inquiries	June 5, 2013
Deadline for receipt of proposals	June 21, 2013
Announce award of contractor selection	July 18, 2013
Contract execution	October 1, 2013

**NOTE: The State of Louisiana reserves the right to change this schedule of RFP events, as it deems necessary.**

## **3 PROPOSAL INFORMATION**

### ***3.1 Minimum Qualifications of Proposer***

Proposers must meet the following minimum qualifications:

- Personnel proposed must have experience in programming VistaCapture applications, interfacing with PaperFree Corporation's vCapture system for remote data entry, and interfacing with external applications through the use of an XML based data interchange.
- Personnel proposed must have experience in both VB.6 and VB.net programming.

### ***3.2 Determination of Responsibility***

Determination of the proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34: 136. The State must find that the selected proposer:

- Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
- Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
- Is able to comply with the proposed or required time of delivery or performance schedule;
- Has a satisfactory record of integrity, judgment, and performance; and
- Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their proposals contain sufficient information for the State to make its determination by presenting acceptable evidence of the above to perform the contracted services.

### **3.2.1 Right to Prohibit Award**

In accordance with the provisions of R.S. 39:2192, in awarding contracts after August 15, 2010, any public entity is authorized to reject a proposal or bid from, or not award the contract to, a business in which any individual with an ownership interest of five percent or more, has been convicted of, or has entered a plea of guilty or nolo contendere to any state felony or equivalent federal felony crime committed in the solicitation or execution of a contract or bid awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, professional, personal, consulting, and social services procurement under the provisions of Chapter 16 of this Title, or the Louisiana Procurement Code under the provisions of Chapter 17 of this Title.

### **3.3 RFP Addenda**

State reserves the right to change the schedule of events or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at <http://wwwprd.doa.louisiana.gov/osp/lapac/pubmain.asp>. It is the responsibility of the proposer to check the website for addenda to the RFP, if any.

### **3.4 Waiver of Administrative Informalities**

The State reserves the right, at its sole discretion, to waive administrative informalities contained in any proposal.

### **3.5 Proposal Rejection/RFP Cancellation**

Issuance of this RFP in no way constitutes a commitment by the State to award a contract. The State reserves the right to accept or reject, in whole or part, all proposals submitted and/or cancel this announcement if it is determined to be in the State's best interest.

### **3.6 Withdrawal of Proposal**

A proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the proposer must be submitted to the RFP Coordinator.

### **3.7 Subcontracting Information**

The State shall have a single prime contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables specified in the RFP and proposal. This general requirement notwithstanding, proposers may enter into subcontractor arrangements, however, should acknowledge in their proposals total responsibility for the entire contract.

If the proposer intends to subcontract for portions of the work, the proposer should identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. Information required of the proposer under the terms of this RFP is also required

for each subcontractor. The prime contractor shall be the single point of contact for all subcontract work.

Unless provided for in the contract with the State, the prime contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of the State.

### ***3.8 Ownership of Proposal***

All materials submitted in response to this request shall become the property of the State. Selection or rejection of a proposal does not affect this right.

### ***3.9 Proprietary Information***

Only information which is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, R.S. 44: 1-44 and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

### ***3.10 Cost of Preparing Proposals***

The State shall not be liable for any costs incurred by proposers prior to issuance of or entering into a contract. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP are entirely the responsibility of the Proposer and shall not be reimbursed in any manner by the State.

### ***3.11 Errors and Omissions in Proposal***

The State will not be liable for any errors in proposals. The State reserves the right to make corrections or amendments due to errors identified in proposals by State or the Proposer. The State, at its option, has the right to request clarification or additional information from the proposers.

### ***3.12 Contract Award and Execution***

The State reserves the right to enter into a contract without further discussion of the proposal submitted based on the initial offers received.

The State reserves the right to contract for all or a partial list of services offered in the proposal.

The RFP and proposal of the selected Proposer shall become part of any contract initiated by the State.

The selected Proposer shall be expected to enter into a contract that is substantially the same as the sample contract included in Attachment III. In no event shall a Proposer submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its proposal any exceptions or exact contract deviations that its firm wishes to negotiate. Negotiations may begin with the announcement of the selected Proposer.

If the contract negotiation period exceeds thirty (30) days or if the selected Proposer fails to sign the final contract within thirty (30) business days of delivery, the State may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

### ***3.13 Code of Ethics***

Proposers are responsible for determining that there will be no conflict or violation of the Ethics Code if their company is awarded the contract. The Louisiana Board of Ethics is the only entity which can officially rule on ethics issues.

## **4 RESPONSE INSTRUCTIONS**

### ***4.1 Proposal Submission***

Firms/individuals who are interested in providing services requested under this RFP must submit a proposal containing the information specified in this section. The proposal must be received in hard copy (printed) version by the RFP Coordinator on or before 4:00 pm Central Daylight Time on the date specified in the Schedule of Events. FAX or e-mail submissions are not acceptable. Proposers mailing their proposals should allow sufficient mail delivery time to ensure receipt of their proposal by the time specified. The proposal package must be delivered at the proposer's expense to:

Louisiana Department of Revenue  
Attention: Elizabeth Kunjappy  
Purchasing Section  
Financial Services Division  
Room Number: 6-165  
617 North Third Street  
Baton Rouge, LA 70802

For courier delivery, the street address is 617 North Third Street, Baton Rouge, LA and the telephone number is (225)219-2123. It is solely the responsibility of each Proposer to ensure that their proposal is delivered at the specified place and prior to the deadline for submission. Proposals received after the deadline will not be considered.

The State requests that six (6) copies of the proposal be submitted to the RFP Coordinator at the address specified. At least 1 copy of the proposal should contain original signatures of those company officials or agents duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority should be submitted if proposer is a corporation. The copy of the proposal with original signatures will be retained for incorporation in any contract resulting from this RFP.

### ***4.2 Proposal Format***

Proposers should respond to this RFP with a Technical Proposal and Cost Proposal. No pricing information should be included in the Technical Proposal.

### ***4.3 Cover Letter***

A cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer.

### ***4.3 Technical and Cost Proposal***

Proposals should be submitted as specified in Section 5, and should include enough information to satisfy evaluators that the Proposer has the appropriate experience and qualifications to perform the scope of services as described herein. Proposers should respond to all requested areas.

### ***4.4 Certification Statement***

The Proposer must sign and submit the Certification Statement shown in Attachment II.

## **5 PROPOSAL CONTENT**

### ***5.1 Executive Summary***

This section should serve to introduce the scope of the proposal. It should include administrative information including, at a minimum, Proposer contact name and phone number, and the stipulation that the proposal is valid for a time period of at least 90 days from the date of submission. This section should also include a summary of the Proposer's qualifications and ability to meet the State agency's overall requirements in the timeframes set by the agency.

It should include a positive statement of compliance with the contract terms. If the Proposer cannot comply with any of the contract terms, an explanation of each exception must be supplied. The Proposer must address the specific language in Attachment III Sample Contracts, and submit whatever exceptions or exact contract modifications that its firm may seek. While final wording will be resolved during contract negotiations, the intent of the provisions will not be substantially altered.

### ***5.2 Corporate Background and Experience***

The Proposer should give a brief description of their company including a brief history, corporate structure and organization, number of years in business, and copies of its latest financial statement, preferably audited.

This section should provide a detailed discussion of the Proposer's prior experience in working on projects similar in size, scope, and function to the proposed contract. Proposers should describe their experience in other states or in corporate/governmental entities of comparable size and diversity with references from previous clients including names and telephone numbers.

The proposer should provide information that describes prior experience:

- Configuring, customizing, modifying, maintaining and enhancing VistaCapture applications;
- With highly normalized, large, complex SQL Server databases;
- Using XML data and schema especially within SQL Server; and

- With MICR reading and check image scanning/endorsement, Image Cash Letters, and Check21 processing.

### **5.2.1 Veteran-Owned and Small Entrepreneurships**

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships (sometimes referred to as LaVet's and SE's respectively) to participate in contracting and procurement with the state. A certified Veteran-Owned and Service-Connected Disabled Veteran-Owned small entrepreneurship (LaVet) and a Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) small entrepreneurship are businesses that have been certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at [https://smallbiz.louisianaforward.com/index\\_2.asp](https://smallbiz.louisianaforward.com/index_2.asp).

Ten percent (10%) of the total evaluation points on this RFP are reserved for proposers who are themselves a certified Veteran or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurships as subcontractors.

Reserved points shall be added to the applicable proposers' evaluation score as follows:

#### **Proposer Status and Reserved Points**

- Proposer is a certified small entrepreneurship: Full amount of the reserved points
- Proposer is not a certified small entrepreneurship but has engaged one or more certified small entrepreneurships to participate as subcontractors or distributors. Points will be allocated based on the following criteria:
  - the number of certified small entrepreneurships to be utilized
  - the experience and qualifications of the certified small entrepreneurship(s)
  - the anticipated earnings to accrue to the certified small entrepreneurship(s)

If a proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), proposer shall include in their proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

During the term of the contract and at expiration, the Contractor will also be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

The statutes (R.S 39:2171 et. seq.) concerning the Veteran Initiative may be viewed at <http://legis.la.gov/lss/lss.asp?doc=671504>; and the statutes (R.S 39:2001 et. seq.) concerning the Hudson Initiative may be viewed <http://legis.la.gov/lss/lss.asp?doc=96265>. The rules for the Veteran Initiative (LAC 19:VII. Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII Chapters 11 and 13) may be viewed at <http://www.doa.louisiana.gov/osp/se/se.htm>.

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurships may be obtained from the Louisiana Economic Development Certification System at [https://smallbiz.louisianaforward.com/index\\_2.asp](https://smallbiz.louisianaforward.com/index_2.asp). Additionally, a list of Hudson and Veteran Initiative small entrepreneurships, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal [https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest\\_user=self\\_reg](https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg) may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network <http://wwwprd.doa.louisiana.gov/osp/lapac/vendor/srchven.asp>. When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

### ***5.3 Proposed Project Staff***

Proposed Project Staff will be performing work based on the following roles:

- **System Design Consultant** – Performs analysis of computer system requirements and development of procedures for implementation, programming and/or maintenance of major computer systems. The proposer should provide personnel with knowledge and experience in, but not limited to:
  - Creating logical and innovative solutions to complex problems;
  - Drawing up specific proposals for modified or replacement systems;
  - Working closely with programmers and a variety of end users to ensure technical compatibility and user satisfaction;
  - Identifying options for potential solutions and assessing them for both technical and business suitability;
  - Defining software, hardware and network requirements; and
  - Designing, testing, installing and monitoring new systems.
- **Senior Programmer/Analyst** – Analyzes user specifications and requirements; encodes, tests, debugs, and documents programs on complex projects; revises and updates programs and documentation as required. Usually requires, but is not limited to, 3-6 years relevant professional experience or equivalent education. The proposer should provide personnel with knowledge and experience in, but not limited to C++, JAVA, SQL Server, Visual Basic, XML, VistaCapture, offline OCR/ICR recognition engines, and offline barcode recognition engines.
- **Programmer/Analyst** – Analyzes user specifications and requirements; encodes, tests, debugs, and documents programs on moderately complex projects; revises and updates programs and documentation as required. Usually requires, but is not limited to, 2-4 years relevant professional experience or equivalent education. The proposer should provide personnel with knowledge and experience in, but not limited to C++, JAVA, SQL Server, Visual Basic, XML, and VistaCapture.

The Proposer should provide detailed information about the experience and qualifications of the Proposer's assigned personnel considered key to the success of the project.

This information should include education, training, technical experience, functional experience, specific dates and names of employers, relevant and related experience, past and present projects with dates and responsibilities and any applicable certifications. This should also specifically

include the role and responsibilities of each person on this project, their planned level of effort, their anticipated duration of involvement, and their on-site availability. Customer references (name, title, company name, address, and telephone number) should be provided for the cited projects in the individual resumes.

#### ***5.4 Approach and Methodology***

The Proposer should provide detailed information about the general approach and plans for performing the services required by this RFP. The information should include:

- Proposer's understanding of the nature of the project and how its proposal will best meet the needs of the state.
- Proposer should define its functional approach to providing the services.
- Proposer should define the methodology to be utilized for system design.
- Proposer should describe the approach to Quality Assurance.

#### ***5.5 Cost Information***

Attachment IV contains a cost worksheet for the services being requested by this RFP. The Proposer must complete and submit the Hourly Rates Worksheet shown in Attachment IV.

The actual hours to be used for the services to be performed will be specified in each work order.

## **6 EVALUATION AND SELECTION**

### ***6.1 Evaluation Team***

The evaluation of proposals will be accomplished by an evaluation team, to be designated by the state, which will determine the proposal most advantageous to the state, taking into consideration price and the other evaluation factors set forth in the RFP.

### ***6.2 Administrative and Mandatory Screening***

All proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in the RFP. Proposals that are not in compliance will be rejected from further consideration.

### ***6.3 Clarification of Proposals***

The State reserves the right to seek clarification of any proposal for the purpose of identifying and eliminating minor irregularities or informalities.

### ***6.4 Oral Presentations/Discussions May be Required***

*NOT APPLICABLE TO THIS SOLICITATION.*

### ***6.5 Evaluation and Review***

Proposals that pass the preliminary screening and mandatory requirements review will be evaluated based on information provided in the proposal. The Evaluation Team will compile the

scores and make a recommendation to the head of the agency on the basis of the responsive and responsible proposer with the highest score.

The Evaluation Team will evaluate and score the proposals using the criteria and scoring as follows:

CRITERIA	MAXIMUM SCORE
1. Approach and Methodology	15
2. Experience	20
3. Staff Qualifications	30
4. Veteran-Owned and Small Entrepreneurships	10
5. Cost	25
<b>TOTAL SCORE</b>	<b>100</b>

### 6.5.1 Approach and Methodology

The evaluation team will review and score the material requested in Section 5.4 above.

### 6.5.2 Experience

The evaluation team will review and score the material requested in Section 5.2 above.

### 6.5.3 Staff Qualifications

The evaluation team will review and score the material requested in Section 5.3 above.

### 6.5.4 Veteran-Owned and Small Entrepreneurships

The evaluation team will score the proposal as follows:

- Proposer is a certified Veteran or Hudson Initiative small entrepreneurship - Full amount of the reserved points;
- Proposer is not a certified Veteran or Hudson Initiative small entrepreneurship - Points will be allocated based on the following criteria:
  - The number of certified subcontractors to be utilized; and
  - The experience and qualifications of the certified subcontractors; and
  - The anticipated earnings to accrue to the certified subcontractors.

### 6.5.5 Cost

The weighted bid price (described in Attachment IV) will be used in the following formula which will be used to apply points based on cost:

$$\text{Proposal Price Points} = \frac{\text{Lowest Weighted Bid Price}}{\text{Weighted Bid Price of Proposal being evaluated}} \times 25 \text{ points}$$

The State will not accept cost proposals that require a minimum number of hours or provide any guarantees of minimum monthly/annual billing amounts.

## ***6.6 Announcement of Contractor***

The State will notify the successful Proposer and proceed to negotiate terms for final contract. Unsuccessful proposers will be notified in writing accordingly.

The proposals received (except for that information appropriately designated as confidential in accordance with R.S. 44.1 et seq), selection memorandum along with list of criteria used along with the weight assigned each criteria; scores of each proposal considered along with overall scores of each proposal considered, and a narrative justifying selection shall be made available, upon request, to all interested parties after the “Notice of Intent to Award” letter has been issued.

Any contractor aggrieved by the proposed award has the right to submit a protest in writing to the head of the agency issuing the proposal within 14 days after the award has been announced by the agency.

The award of a contract is subject to the approval of the Division of Administration, Office of Contractual Review.

## **7 SUCCESSFUL CONTRACTOR REQUIREMENTS**

### ***7.1 Corporation Requirements***

If the contractor is a corporation not incorporated under the laws of the State of Louisiana, the contractor shall have obtained a certificate of authority pursuant to R. S. 12:301-302 from the Secretary of State of Louisiana.

If the contractor is a for-profit corporation whose stock is not publicly traded, the contractor shall ensure that a disclosure of ownership form has been properly filed with the Secretary of State of Louisiana.

### ***7.2 Billing and Payment***

Billing and payment terms shall be negotiated with the successful Proposer.

### ***7.3 Confidentiality***

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the contractor. If the methods and procedures employed by the contractor for the protection of the contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The contractor shall not be required under the provisions of the

paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.

Under no circumstance shall the contractor discuss and/or release information to the media concerning this project without prior express written approval of the Department of Revenue.

## **ATTACHMENT I: SCOPE OF SERVICES**

### ***1 Overview***

The successful contractor will provide competent and qualified personnel for software support, design, documentation and maintenance services of existing applications used for the front-end processing of tax returns, remittances, supporting documentation and correspondence or new application development to implement legislative or processing changes and new initiatives from management. The services will be accomplished through a series of work orders that are deemed appropriate for the services secured through this contract as determined and approved by a team of Louisiana Department of Revenue personnel.

### ***2 Tasks and Services***

The specific tasks to be performed, due dates and priorities of each task cannot be determined at this time. Examples of projects that may be conducted under this contract include, but are not limited to:

- All software support changes necessary to implement changes to the existing processing programs resulting from form changes, policy changes or other departmental initiatives or management directives.
- Any software support services required to change existing programs or implement new programs resulting from legislation or regulatory action.
- Any software support changes necessary to interface with PaperFree's vCapture system for remote data entry.
- Services to be performed include adapting scanner and data capture programs necessary to process additional tax types through VistaCapture applications, and to transmit images and data to the department's Integrated Tax Processing System.
- Implementation of any different technology, architecture or upgrades to operating systems.
- Implementation of contractor's recommendations to improve productivity.

LDR is responsible for processing returns and payments for 32 different taxes. Changes to individual income, corporation income, and franchise tax programs are required every year, and are usually the most extensive changes required. Sales tax returns change frequently. Changes are usually required for payment processing documents and withholding tax returns. Changes to the remaining taxes occur less often. Also included would be enhancements to existing applications to improve processing controls or procedures, improve supportability, install software upgrades, and development of new reports for management information or similar reasons.

### ***3 Deliverables***

Each work order will determine the results to be achieved from the project, the deadlines for timely completion, and any special requirements for performance. The contractor will meet these requirements in the performance of the work order.

#### **4      *Functional Requirements***

The specific modifications to be performed cannot be determined at this time. Examples of prior changes that can be expected are:

1. Make the necessary modifications or enhancements to the scanner and VistaCapture applications to process tax returns for 2013 and subsequent years.
2. Modify the Key From Image (KFI) program to process all new tax forms for fiscal year 2013-2014, and subsequent years.
3. Make the necessary modifications to the tax applications to ensure that all legislative requirements are met.
4. Make the necessary code changes at the scanners and VistaCapture programs to process all Electronic Payment Vouchers for fiscal year 2013-2014 and subsequent years.
5. Update as needed any VistaCapture applications to process new/revised data transmissions to the Integrated Tax Processing System.
6. Support interfaces and data exchanges with the Integrated Tax System.
7. Support the capture, formatting, and transfer of images and metadata to the imaging component of the Department's Integrated Tax System.
8. Support interfaces and data exchanges with IBML scanners. Fairfax Imaging's Quick Review software modules, and IBML's SoftTrac software are the development tools utilized for these scanners.
9. Create a Delete Report to reflect by batch number the status of deletes. This report should reflect the batch number, processing method (KFI, Check Only, VistaCapture, Kodak), original number of transactions in the batch, total number of items sent to the Integrated Tax System, total number of items deleted, the total number different reason codes and the date the data was transmitted to the Integrated Tax System.
10. Provide approximately 4 to 6 weeks of programming and scanner on-site support during high volume periods in April and May. This support will be used as needed by the department.
11. Add all new form numbers to the image overlay programs.
12. Make the necessary code changes at the scanners and VistaCapture programs to process Individual and Corporation Declaration Vouchers for the current year.
13. On-site support for program changes as required by the work order.

Contractor will be responsible for:

1. Clarifying the assignments as needed with appropriate LDR personnel.
2. Providing responses to work order request promptly, and not more than 5 business days following receipt of request.
3. Modifying programs to accomplish requested changes in accordance with approved methodology.
4. Developing test data and scenarios to validate changes made.
5. Obtaining verification from the appropriate LDR personnel that changes were accurately made and program is functioning correctly.
6. Preparing necessary documentation to properly reflect the changes made.

## 5 *Technical Requirements*

The major components of the system to be supported include:

Component	Applications	Additional Information
Interfaces with IBML ImageTrac III and ImageTrac IV scanners	Processing of all taxes administered by LDR.	Software provide by Fairfax (Quick Review) IBML (SoftTrac)
Network Servers Applications	Indexer, Neural, Validate, SQL, Reformat, Archives, Pitcher, Sonar, CAR	Coded in Visual Basic/VistaCapture
Data Perfection programs	Field correction programs designed to perfect the data captured at the scanner; Verify and knowledge worker programs to further edit and perfect captured data; Key from image applications	Coded in Visual Basic/VistaCapture
Reporting data	Multiple reports to generate statistical and performance data for all operators and all equipment.	From the SQL database; Crystal Reports
Payment Processing	Electronic Check Processing (Deposit 21)	Software provided by ScanOptics

Equipment used to process work includes three IBML ImageTrac III scanners and two IBML ImageTrac IV scanners for ICR/OCR scanning and imaging. Payment data and images are transmitted electronically to the State's bank account for deposit. Return and/or payment data is processed by applications developed initially by ScanOptics, Inc., Fairfax Imaging, IBML, and PaperFree Corp. In addition to onsite processing, LDR uses PaperFree's vCapture solution for remote data entry. Images captured on Department scanners are fed into the vCapture solution. The network also includes a Windows 2000/Active Directory processing platform, network servers and automated background applications to output data and images to the Integrated Tax Processing System. The Integrated Tax Processing System used by LDR is the Gentax product supplied by Fast Enterprises. Data is maintained in a SQL 2008 database. All components are networked together to form a single tax processing system.

## 6 *Project Requirements*

Each work order will specify the results to be achieved from the project, the deadlines for timely completion, and any special requirements for performance. Contractor will provide day-to-day project management using best management practices for all tasks and activities necessary to complete each work order. The contractor will document and deliver to the LDR Project Manager, or designee, the results and approval by LDR personnel of each completed assignment. LDR will measure the contractor's performance by the quality of the completed assignment.

Status reports will be delivered to the LDR Project Manager as requested. The report will address assignment progress in terms of hours spent, current status of work in progress, plans for next reporting period and any significant issues.

**ATTACHMENT II: CERTIFICATION STATEMENT**

*The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.*

**OFFICIAL CONTACT.** The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the Contact name and fill in the information below: (Print Clearly)

Date \_\_\_\_\_ Official Contact Name: \_\_\_\_\_

A. E-mail Address: \_\_\_\_\_

B. Facsimile Number with area code: ( ) \_\_\_\_\_

C. US Mail Address: \_\_\_\_\_

Proposer certifies that the above information is true and grants permission to the State or Agencies to contact the above named person or otherwise verify the information provided.

By its submission of this proposal and authorized signature below, Proposer certifies that:

1. The information contained in its response to this RFP is accurate;
2. Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein;
3. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's quote is valid for at least 90 days from the date of proposal's signature below;
5. Proposer understands that if selected as the successful Proposer, he/she will have \_\_\_\_ business days from the date of delivery of final contract in which to complete contract negotiations, if any, and execute the final contract document. (Agency insert number of days to correspond to same number referenced in RFP section number 3.12 Contract Award and Execution.)
6. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, that their company, any subcontractors, or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov> .)

Authorized Signature: \_\_\_\_\_

Typed or Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

SIGNATURE of Proposer's Authorized Representative	DATE
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## **ATTACHMENT III: SAMPLE CONTRACT**

### **STATE OF LOUISIANA CONTRACT**

On this \_\_\_\_ day of 20\_\_, the State of Louisiana, [*STATE AGENCY NAME*], hereinafter sometimes referred to as the "State", and [*CONTRACTOR'S NAME AND LEGAL ADDRESS INCLUDING ZIP CODE*], hereinafter sometimes referred to as the "Contractor", do hereby enter into a contract under the following terms and conditions.

#### **1 SCOPE OF SERVICES**

##### ***1.1 CONCISE DESCRIPTION OF SERVICES***

The contractor will provide competent and qualified personnel to provide software support, design, documentation and maintenance services to provide modifications to existing applications used for the front-end processing of tax returns, remittances, supporting documentation and correspondence or new application development to implement legislative or processing changes and new initiatives from management. The services will be accomplished through a series of work orders that are deemed appropriate for the services secured through this contract as determined and approved by a team of Louisiana Department of Revenue personnel.

##### ***1.2 STATEMENT OF WORK***

Work performed by competent and qualified personnel as identified in the proposal will be in response to a written work order in a format agreed to by LDR and Contractor. The written work order will define the desired result of the change to the applications, sample forms, field edits, output record layouts, specific due dates for final specification agreement and for implementation of the changes, on-site support requirements, the deliverables and acceptance criteria. The written work order will define the number of hours and types of services needed to make the requested changes, the total cost of the change, the project plan, and may include the specific and detailed coding requirements.

Modifications to the work order may be required until LDR and contractor agree on the final coding requirements and cost of each change. The authorized representative of the contractor and the designated project manager for LDR will sign the final software specification agreement for work to proceed. It is expected that several work orders will be worked on simultaneously, or in a priority order determined by LDR.

The Contractor will be expected to perform all software maintenance and support necessary to modify existing programs or to implement additional programs, including full testing and quality assurance of the application prior to delivery to LDR. Full and complete documentation and training for LDR personnel on the revised application are required for acceptance.

Contractor will provide day-to-day project management using best management practices for all tasks and activities necessary to complete each software specification agreement. Contractor should submit written monthly progress reports to LDR no later than 10 days after the close of each calendar month.

Contractor will complete all assignments within the estimated time frame or provide reasonable explanation of why it is not possible to do so. Each work order will be evaluated for accuracy and timeliness.

Due dates set in the signed work order will determine the dates applicable changes must be in productive use.

### ***1.2.1. GOALS AND OBJECTIVES***

The contract will provide programming and software support services to meet the timelines and provide quality services as required by work orders.

### ***1.2.2. PERFORMANCE MEASURES***

The performance of the contract will be measured by the State Project Manager, authorized on behalf of the State, to evaluate the contractor's performance against the criteria in the Statement of Work and are identified as:

The contractor will document and deliver to the LDR Project Director, or designee, the results and approval by LDR personnel of each completed assignment. LDR will measure the performance by the quality of the completed assignment.

Status reports will be delivered to the LDR Project Director as requested. The report will address assignment progress in terms of hours spent, current status of work in progress, plans for next reporting period and any significant issues.

### ***1.2.3. MONITORING PLAN***

The Director of the Information Technology Division will serve as the LDR Project Director under this contract. The LDR Project Director will monitor the services provided by the contractor and the expenditure of funds under this contract. The Director of the Revenue Processing Center will serve as the State Project Manager under this contract. The State Project Manager will be primarily responsible for the day-to-day contact with the contractor and day-to-day monitoring of the contractor's performance. The monitoring plan is the following:

The contractor will document and deliver to the LDR Project Director, or designee, the results and approval by LDR personnel of each completed assignment. LDR will measure the performance by the quality of the completed assignment.

### ***1.2.4. DELIVERABLES***

Each work order will determine the results to be achieved from the project, the deadlines for timely completion, and any special requirements for performance. The contractor will meet these requirements in the performance of the work order.

### ***1.2.5. Veteran-Owned and Service-Connected Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements***

During the term of the contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

### **1.2.6.      *SUBSTITUTION OF KEY PERSONNEL***

The Contractor's personnel assigned to this Contract may not be replaced without the written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor, shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. The contractor will make every reasonable attempt to assign the personnel listed in his proposal.

## **2            *ADMINISTRATIVE REQUIREMENTS***

### **2.1          *TERM OF CONTRACT***

This contract shall begin on *[DATE]* and shall end on *[DATE]*. State has the right to contract for up to a total of three (3) years with the concurrence of the Contractor and all appropriate approvals.

### **2.2          *STATE FURNISHED RESOURCES***

State shall appoint *a* Project Manager for this Contract identified in Section 1.2.3 who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the assigned Project Coordinator shall be the principal point of contact on behalf of the State and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

Any resources of the State furnished to the Contractor shall be used only for the performance of this Contract. State will make available to the Contractor, for Contractor's use in fulfillment of this contract, resources as described below:

State will provide timely access to LDR staff and documentation as required to complete each of the deliverables.

State will provide reasonable and normal office space, LAN connection, local telephone service, miscellaneous office supplies, and limited usage of copiers. The State will provide safe and free access to those facilities needed to conduct requested services.

State will make available use of computer facilities at reasonable times and in reasonable time increments to support system development, test, and installation activities. Special facility requirements, such as stress testing or conversion, shall be addressed in the appropriate planning documents or documented by the Contractor in a memorandum.

### **2.3          *TAXES***

Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract. Contractor's federal tax identification number is \_\_\_\_\_.

## **3            *COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT***

### **3.1 PAYMENT TERMS**

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a maximum fee of *\$/[TO BE INSERTED]*. Payments are predicated upon successful completion and written approval by the State of the described tasks and deliverables as provided in Section 1.1. Payments will be made to the Contractor after written acceptance by the State of the payment task and approval of an invoice. State will make every reasonable effort to make payments within 30 days of the approval of invoice and under a valid contract. Payment will be made only on approval of *(Name of Designee)*.

During the execution of tasks contained in the Statement of Work, the Contractor may submit invoices, not more frequently than monthly. The payment terms are as follows:

*(ENTER THE NEGOTIATED HOURLY RATES OR PAYMENT TERMS)*

Such payment amounts for work performed must be based on at least equivalent services rendered, and to the extent practical, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices. Contractor will not be paid more than the maximum amount of the contract.

Ten percent (10%) of the invoice amount approved by the LDR Project Director shall be withheld as retainage pending successful completion of each work order. Upon completion of all tasks contained in the work order as defined in Statement of Work to the satisfaction of the State, appropriate approval of satisfaction not to be unreasonably withheld, any amounts previously withheld as retainage will be paid within thirty (30) days of the State's approval of the completed work.

## **4 TERMINATION**

### **4.1 TERMINATION FOR CAUSE**

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the state to cure the defect.

### **4.2 TERMINATION FOR CONVENIENCE**

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor an effective date. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

### **4.3      *TERMINATION FOR NON-APPROPRIATION OF FUNDS***

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

## **5           *INDEMNIFICATION AND LIMITATION OF LIABILITY***

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State.

If applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing

equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.

The State and Authorized User may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

## **6        *CONTRACT CONTROVERSIES***

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1524-26.

## **7        *FUND USE***

Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

## **8        *ASSIGNMENT***

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

## **9        *RIGHT TO AUDIT***

The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract for a period of three (3) years from the date of the last payment made under this contract. Records shall be made available during normal working hours for this purpose.

## ***10 CONTRACT MODIFICATION***

No amendment or variation of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract is binding on any of the parties.

## ***11 CONFIDENTIALITY OF DATA***

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the contractor. If the methods and procedures employed by the contractor for the protection of the contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.

## ***12 SUBCONTRACTORS***

The Contractor may, with prior written permission from the State, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or State Agency for any breach in the performance of the Contractor's duties. The contractor will be the single point of contact for all subcontractor work.

## ***13 COMPLIANCE WITH CIVIL RIGHTS LAWS***

The contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

## ***14 INSURANCE***

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI.

This rating requirement shall be waived for Worker's Compensation coverage only.

**Contractor's Insurance:** The Contractor shall not commence work under this contract until he has obtained all insurance required herein. Certificates of Insurance, fully executed by officers of the Insurance Company written or countersigned by an authorized Louisiana State agency, shall be filed with the State of Louisiana for approval. The Contractor shall not allow any sub-contractor to commence work on his subcontract until all similar insurance required for the subcontractor has been obtained and approved. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the State of Louisiana before work is commenced. Said policies shall not hereafter be canceled, permitted to expire, or be changed without thirty (30) days' notice in advance to the State of Louisiana and consented to by the State of Louisiana in writing and the policies shall so provide.

**Compensation Insurance:** Before any work is commenced, the Contractor shall maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed at the site of the project. In case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide for any such employees, and shall further provide or cause any and all subcontractors to provide Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.

**Commercial General Liability Insurance:** The Contractor shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect him, the State, and any subcontractor during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, whether such operations be by himself or by a subcontractor, or by anyone directly or indirectly employed by either or them, or in such a manner as to impose liability to the State. Such insurance shall name the State as additional insured for claims arising from or as the result of the operations of the Contractor or his subcontractors. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of \$1,000,000.

**Insurance Covering Special Hazards:** Special hazards as determined by the State shall be covered by rider or riders in the Commercial General Liability Insurance Policy or policies herein elsewhere required to be furnished by the Contractor, or by separate policies of insurance in the amounts as defined in any Special Conditions of the contract included therewith.

**Licensed and Non-Licensed Motor Vehicles:** The Contractor shall maintain during the life of the contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. Such insurance shall cover the use of any non-licensed motor vehicles engaged in operations within the terms of the contract on the site of the work to be performed there under, unless such coverage is included in insurance elsewhere specified.

Subcontractor's Insurance: The Contractor shall require that any and all subcontractors, which are not protected under the Contractor's own insurance policies, take and maintain insurance of the same nature and in the same amounts as required of the Contractor.

### ***15 APPLICABLE LAW***

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, parish of East Baton Rouge, State of Louisiana.

### ***16 CODE OF ETHICS***

The contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this contract. The contractor agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this contract.

### ***17 SEVERABILITY***

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

### ***18 COMPLETE CONTRACT***

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

### ***19 ENTIRE AGREEMENT & ORDER OF PRECEDENCE***

This contract together with the RFP and contractor's proposal which are incorporated herein; shall, to the extent possible, be construed to give effect to all of its provisions; however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals, its amendments and the Proposal; second priority shall be given to the provisions of the Request for Proposals and its amendments; and third priority shall be given to the provisions of the Contractor's Proposal.

### ***20 CONFIDENTIALITY OF STATE TAX DATA***

In its handling of any returns of taxpayers or other records and files of the Department of Revenue, or information derived therefrom, the Contractor recognizes and acknowledges the confidential nature of said information, and shall comply with all the confidentiality restrictions embodied in La. R.S. 47:1508. Furthermore, the Contractor recognizes that La. R.S. 47: 1508.1 imposes fines and /or imprisonment upon conviction for the disclosure of information in violation of La. R.S. 47: 1508.

The Contractor shall first make every effort to perform its analysis without the review of confidential taxpayer information. Thereafter, the Contractor shall disclose or make available said confidential information only to those of its employees, agents and representatives whose duties clearly justify the need to know or be exposed to such information, and then only on the basis of a clear understanding by said employees, agents and representatives of their obligation to maintain the confidential status of such information and to restrict its use in accordance with this contract.

The Contractor agrees and assures that data, material, and information gathered based upon this contract or disclosed to the Contractor for the purpose of this contract will not be disclosed to other parties or discussed with other parties without the prior written consent of the State.

The Contractor further agrees that any and all third parties who receive, learn, use or otherwise review any said confidential information shall also be bound by this confidentiality provisions and shall be subject to the provisions, fines and penalties enumerated by La. R.S. 47:1508 et. seq. and any violations of said provision shall be reported to the State within ten(10) days of its discovery and/or occurrence thereof.

## ***21 IRS CONFIDENTIALITY PROVISIONS***

### **(a). PERFORMANCE**

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

(i) All work will be done under the supervision of the contractor or the contractor's employees.

(ii) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.

(iii) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.

(iv) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.

(v) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

(vi) All computer systems receiving, processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.

(vii) No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.

(viii) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.

(ix) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

**(b). CRIMINAL/CIVIL SANCTIONS:**

(i) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(ii) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

(iii) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

(iv) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and Exhibit 5, IRC Sec. 7213 Unauthorized Disclosure of Information). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

**(c). INSPECTION:**

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

THUS DONE AND SIGNED on the date(s) noted below:

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CONTRACTOR'S SIGNATURE

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STATE'S SIGNATURE

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DATE

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DATE

## ATTACHMENT IV: HOURLY RATES WORKSHEET

The Proposer shall provide hourly rates for the services to be performed. The hourly rate must include any and all costs the Contractor expects to be paid, including labor, per diem, travel, overhead, account management, and any other costs related to providing the services requested. Travel time is not billable. The actual hours to be used for services under the contract will be specified in each work order.

Proposer must provide the rate per hour for each job title. The state will multiply the rate per hour for each job title by a relative usage percentage which has been derived from past experience. The weighted rates per hour for each job title will be summed in order to arrive at a weighted bid price. The weighted bid price will be used in the cost evaluation.

<b>Job Title</b>	<b>Relative Usage %</b>	<b>Rate per hour</b>	<b>Weighted Rate per hour</b>
System Design Consultant	17.43%		
Senior Programmer/Analyst	42.86%		
Programmer/Analyst	39.71%		
Weighted Bid Price			