



**STATE OF MARYLAND  
COMPTROLLER OF MARYLAND (COM)  
REQUEST FOR PROPOSALS (RFP)  
INTEGRATED TAX SYSTEM  
RFP NUMBER E00B8400029**

**ISSUE DATE: APRIL 16, 2018**

**NOTICE**

A Prospective Offeror that has received this document from a source other than eMarylandMarketplace (eMM) <https://emaryland.buyspeed.com/bsol/> should register on eMM. See **Section 4.2 eMaryland Marketplace**.

**MINORITY BUSINESS ENTERPRISES ARE ENCOURAGED TO  
RESPOND TO THIS SOLICITATION.**

**STATE OF MARYLAND**  
**NOTICE TO VENDORS**

To help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, take a few minutes and provide comments and suggestions regarding this solicitation. Please return your comments with your response. If you have chosen not to respond to this solicitation, please email or fax this completed form to the attention of the Procurement Officer (see Key Information Sheet below for contact information).

**Title: Integrated Tax System**  
**Solicitation No: E00B8400029**

1. If you have chosen not to respond to this solicitation, please indicate the reason(s) below:

- ☐ Other commitments preclude our participation at this time
- ☐ The subject of the solicitation is not something we ordinarily provide
- ☐ We are inexperienced in the work/commodities required
- ☐ Specifications are unclear, too restrictive, etc. (Explain in REMARKS section)
- ☐ The scope of work is beyond our present capacity
- ☐ Doing business with the State is simply too complicated. (Explain in REMARKS section)
- ☐ We cannot be competitive. (Explain in REMARKS section)
- ☐ Time allotted for completion of the Proposal is insufficient
- ☐ Start-up time is insufficient
- ☐ Bonding/Insurance requirements are restrictive (Explain in REMARKS section)
- ☐ Proposal requirements (other than specifications) are unreasonable or too risky (Explain in REMARKS section)
- ☐ MBE or VSBE requirements (Explain in REMARKS section)
- ☐ Prior State of Maryland contract experience was unprofitable or otherwise unsatisfactory. (Explain in REMARKS section)
- ☐ Payment schedule too slow
- ☐ Other: \_\_\_\_\_

2. If you have submitted a response to this solicitation, but wish to offer suggestions or express concerns, please use the REMARKS section below. (Attach additional pages as needed.)

REMARKS:

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Vendor Name: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

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

E-mail Address: \_\_\_\_\_

**STATE OF MARYLAND**  
**COMPTROLLER OF MARYLAND (COM)**  
**KEY INFORMATION SUMMARY SHEET**

<b>Request for Proposals</b>	IT - Integrated Tax System
<b>Solicitation Number:</b>	E00B8400029
<b>RFP Issue Date:</b>	April 16, 2018
<b>RFP Issuing Office:</b>	Comptroller of Maryland (COM or the "Agency")
<b>Procurement Officer:</b>  <b>e-mail:</b> <b>Office Phone:</b>	Patti Tracey 80 Calvert St., Room 215, Annapolis, MD 21401 ITPROCUREMENT@comp.state.md.us (410) 260-7220
<b>Proposals are to be sent to:</b>	Patti Tracey 80 Calvert St., Room 215, Annapolis, MD 21401
<b>Pre-proposal Conference:</b>	April 30, 2018 at 10:00 AM Local Time 80 Calvert Street, Assembly Room, Annapolis, MD 21401 See <b>Attachment A</b> for directions and instructions.
<b>Proposal Due (Closing) Date and Time:</b>	June 1, 2018 at 2:00 PM Local Time Offerors are reminded that a completed Feedback Form is requested if a no-bid decision is made (see <b>page ii</b> ).
<b>MBE Subcontracting Goal:</b>	5% with no subgoals
<b>VSBE Subcontracting Goal:</b>	0%
<b>Contract Type:</b>	Firm Fixed-Price with Contingent Work Orders of Firm Fixed-Price.
<b>Contract Duration:</b>	Ten (10) year base period with one five (5) year option period.
<b>Primary Place of Performance:</b>	45 Calvert Street, Annapolis, MD 21401 and hosting location(s).
<b>SBR Designation:</b>	No
<b>Federal Funding:</b>	No
<b>Questions Due Date and Time</b>	June 1, 2018 at 2:00 PM Local Time

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## 1 Minimum Qualifications

### 1.1 Offeror Minimum Qualifications

To be considered reasonably susceptible of being selected for award, an Offeror<sup>1</sup> must provide, with its Proposal, proof all Minimum Qualifications listed below have been met. This proof shall be provided on **Appendix 3 Offeror Minimum Qualifications Response Form**. A reference may be used to demonstrate more than one minimum qualification.

- 1.1.1 Offeror shall have a minimum of three (3) years of experience in the development and implementation of a Commercial off-the-shelf (COTS) Integrated Tax System (ITS).
- 1.1.2 Within the past seven (7) years, the Offeror must have implemented in production, at least one (1) COTS ITS in a state revenue department within the US or the District of Columbia that provides tax processing and collection functionality for personal income tax plus at least one (1) of the following Tax Types:
  - A. Corporate Income Tax;
  - B. Sales and Use Tax; or
  - C. Employer Withholding.
- 1.1.3 Offeror shall have managed a minimum of one (1) implementation of a large-scale IT project that included data conversion, system integration, and interfaces.
- 1.1.4 Within the past seven (7) years, Offeror shall have performed a minimum of one (1) integration of its COTS ITS with an existing Business Intelligence (BI) / Data Warehouse (DW) in a state revenue department within the US or the District of Columbia.
- 1.1.5 Offeror shall have experience in at least one (1) implementation of its COTS ITS using iterative phased project management methodologies.

Note: Subcontractor experience may not be used by Offeror to meet Minimum Qualifications.

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<sup>1</sup> Definitions for defined terms used in this RFP can be found at Appendix 1.



## 2 Contractor Requirements: Scope of Work

### 2.1 Summary Statement

- 2.1.1 The Comptroller of Maryland (COM or the "Agency") is issuing this Request for Proposals (RFP) in order to procure a COTS Integrated Tax System Solution ("ITS Solution" or "Solution"). The ITS Solution shall include an Integrated Tax System (ITS) to replace the State of Maryland's existing tax administration, tax processing, imaging, accounting, collections, and Abandoned Property (AP) systems, and all necessary hardware, software, and services required for implementation of the Solution. The Solution shall be implemented in a hosting environment provided and managed by the Contractor and shall also integrate with the COM's existing Teradata DW.
- 2.1.2 The ITS shall include, but not be limited to:
- A. Administration, registration, processing, accounting, collection, and online functionality for all Tax Types;
  - B. Efficient business rule modeling and modification;
  - C. Image scanning, data capture, and document management;
  - D. Online taxpayer self-service and Account management via a Web Portal;
  - E. Decision analytics and reporting capabilities;
  - F. Integration with the COM's existing Teradata DW;
  - G. Administration and management of Motor Carrier Tax in compliance with the International Fuel Tax Agreement (IFTA); and
  - H. Administration and management of Abandoned Property, including processing claims and making distributions.
- 2.1.3 The COM seeks a tax and revenue management and accounting system which will facilitate the rapid addition of new taxes/fees and also processes its specific business rules and information storage requirements. The new Solution shall also include the ability to efficiently modify existing rules for existing taxes. Included in this project will be a solution for image scanning, data capture, and document management.
- 2.1.4 All functionality provided is to be managed by the Contractor. All equipment and systems, with the exception of image scanning and high speed printing, is to be hosted at facilities provided and managed by the Contractor.
- 2.1.5 It is the State's intention to obtain goods and services, as specified in this RFP, from a Contract between the selected Offeror and the State.
- 2.1.6 The Agency intends to make a single award as a result of this RFP. See **Section 4.9 Award Basis** for more Contract award information.
- 2.1.7 An Offeror, either directly or through its Subcontractor(s), must be able to provide all goods and services and meet all of the requirements requested in this solicitation and the successful Offeror (the Contractor) shall remain responsible for Contract performance regardless of Subcontractor participation in the work.
- 2.1.8 The State does not wish to procure a software application still under development. The off-the-shelf software utilized in the Solution shall be operational (i.e., not under development) and generally available by the due date of the Proposal.

- 2.1.9 A Contract award does not assure a Contractor that it will receive all State business under the Contract.

## **2.2 Background and Purpose**

This section provides background information about the Comptroller of Maryland. The section also provides an overview of enterprise IT architecture and standards, current COM systems and processes, and the COM's current IT operating environment.

### **2.2.1 Project Goals**

The COM initiated the Compass Program to modernize the technologies utilized to support the primary mission of the COM – executive leadership for Maryland's financial management services through the fair and efficient collection of taxes, regulation of businesses, accurate forecasting and accounting of revenues and expenses, and the provision of exemplary taxpayer services, and technological services to State agencies.

The ITS will allow for efficient tax processing and collection necessary to support this mission and the Agency's strategic goals: (1) provide public services in ways that achieve the highest level of individual and business customer satisfaction; (2) take advantage of existing and emerging IT applications to enhance business processes that currently use little or no technology, and improve the infrastructure for efficient implementation of these new technologies; and (3) vigorously enforce tax laws essential to the fair treatment of all taxpayers.

- 2.2.1.1 The ITS will replace the State of Maryland Tax (SMART) tax processing system, the Computer-Assisted Collection System (CACS), and the COM Central Registration (CR) Application. The ITS will perform all functionality in the current systems. It will also incorporate several tax and fee types currently administered in other stand-alone systems. Consolidation of all taxes and fees into a uniform system of administration will streamline processing for the COM resulting in better customer service to Maryland taxpayers.
- 2.2.1.2 The ITS Solution will allow the COM to maximize audit, collection, reporting, and estimating functionality either from within the provided ITS or via integration with the COM's DW. Applying analytics to processing data will result in more efficient audit selection, targeted collections, flexible reporting, and more refined estimating.
- 2.2.1.3 The ITS Solution will centralize all document processing, imaging, and storage. COM users will be able to Access all Returns and Reports filed, Account information, payment information, Correspondence, and related documents within the Solution. This will reduce the number of systems which must be maintained and will allow the COM to migrate business processes to more modern, flexible, and supportable technology.
- 2.2.1.4 The ITS Solution will allow COM to improve fraud detection and prevention programs. The availability of additional information in a centralized system will allow the COM to utilize more complete and complex fraud models. This will reduce the number of fraudulent refunds issued and streamline the pursuit and recovery of refunds obtained by fraud.
- 2.2.1.5 The ITS Solution will allow COM to maximize compliance with required and recommended Security standards, internal controls, and policies by centralizing Security. The COM will continue to improve its Security posture by implementation of industry standard Security controls (e.g., NIST SP 800-53, CyberSecurity Evaluation Framework) and Internal Revenue Services (IRS) Office of Safeguards guidelines (Publication 1075).

- 2.2.1.6 The ITS Solution will increase automation of business processes where possible in order to increase efficiencies, eliminate inefficiencies, and better utilize available resources. The COM will realize a reduction in manual processing and increased time savings due to automation of Work Queues and approval processes and consolidation of all Tax Types and fees into the ITS Solution. Centralization will also allow for the automation of business collections processes.
- 2.2.1.7 The ITS Solution will increase the ability for taxpayers to manage their Accounts via online self-service applications. The ability for taxpayers to manage their Accounts online will provide them with enhanced visibility into Account transactions. After an initial learning period, the COM anticipates that the increase in online services will result in a reduction in call center and Correspondence volumes.
- 2.2.1.8 The ITS Solution will include imaging and document processing to replace the current imaging equipment and processes. Offeror's imaging solution may leverage the COM's existing scanning equipment, if Offeror desires.
- 2.2.1.9 The ITS Solution will include an electronic filing capability to replace the current Modernized e-File (MeF), Online Individual Tax Filing (iFile), Online Business Tax Filing (bFile), and Fed/State Employment Taxes (FSET) processes.
- 2.2.1.10 The ITS Solution will provide a comprehensive content management capability to replace the COM's current document management tools (Cabinet SAFE, OpenText, HighVIEW).
- 2.2.1.11 The ITS Solution will include the processing of AP Reports and claims, and leverage the efficiencies of an integrated solution for the purposes of administration and offsets.

## **2.2.2 Comptroller of Maryland – General Information**

The COM has approximately 1,100 employees. The Agency administers the tax laws of the State and collects the revenue necessary to support State services. On an annual basis, the COM collects approximately \$16 billion dollars in revenue from 2.8 million individual taxpayers and 500,000 active businesses. Please see **Section 2.2.6 Taxes and Fees Administered** for the list of taxes, licenses, and fees administered by the COM.

The COM distributes funds to 23 counties, Baltimore City, and 157 municipalities throughout the State.

## **2.2.3 Comptroller of Maryland Organizational Structure**

The Comptroller is organized into the following 13 divisions:

1. Office of Administration and Finance (A&F)
2. Bureau of Revenue Estimates (BRE)
3. Central Payroll Bureau (CPB)
4. Office of Communications (OoC)
5. Compliance Division (CD)
6. Office of the Comptroller
7. Office of Fair Practices (OFP)
8. Field Enforcement Division (FED)
9. General Accounting Division (GAD)
10. Office of Human Resources (OHR)
11. Information Technology Division (ITD)
12. Revenue Administration Division (RAD)
13. Office of Risk Management (ORM)

The Agency anticipates over 900 employee users of the ITS. The following divisions are major stakeholders in the ITS Solution Project:

**2.2.3.1 Office of Administration and Finance (A&F)**

A&F provides fiscal and administrative support to all divisions of the COM, the Registers of Wills, and the Board of Public Works. A&F is responsible for Agency procurements, as well as expense reimbursement, travel arrangements, fleet services, accounts payable and receivable, and parking. The division also is responsible for the accounting records of the Capital Grants and Loans program and records concerning debt service for the state's General Obligation Bonds.

**2.2.3.2 Bureau of Revenue Estimates (BRE)**

The BRE is responsible for forecasting State revenues and monitoring and explaining revenue performance. The BRE also estimates the impact of State and federal legislation on State revenues, provides statistical reports on State revenues, and is generally responsible for reports on tax/revenue issues required of the COM by the General Assembly. The BRE oversees the operations of the COM's data warehouse.

**2.2.3.3 Compliance Division (CD)**

The CD is responsible for enforcing all tax laws and fees administered by the COM and for administering the Uniform Disposition of Unclaimed Property Act. Primary functions include: auditing, collections, and various discovery activities. In conjunction with these activities, the division handles the levying of assessments, license renewal liability matches, tax appeals, and legal enforcement. The CD operates from the Baltimore and Annapolis offices. CD field auditors work at locations throughout the state and perform on-site audits both in Maryland and out of state.

**2.2.3.4 Field Enforcement Division (FED)**

The FED is granted police powers for enforcing the State's revenue laws relating to the taxes administered by the COM and State Business Licenses. Enforcement agents investigate untaxed alcohol entering the state, and combat the illegal smuggling of untaxed cigarettes by conducting investigations, arresting violators and making sure retail businesses are licensed properly and complying with record keeping regulations. The FED regulates slot machines for compliance with non-profit gaming statutes. Field inspectors also monitor the transportation and storage of motor fuel, and verify that retail locations are complying with regulations governing pricing, labeling, and registration. Fuel samples are also collected and tested at the Maryland Motor Fuel Testing Lab in Jessup to ensure quality standards. The State License Bureau is part of the FED and is responsible for administering the business licenses required for many Maryland business activities.

**2.2.3.5 General Accounting Division (GAD)**

The GAD exercises financial control on a statewide basis. It accounts for all State funds received and disbursed, and prepares monthly and annual financial and statistical reports as required by law or fiscal policy. This includes the preparation of the Comprehensive Annual Financial Report (CAFR) of the State, which contains the State's financial statements and is accompanied by an independent auditor's report. The GAD provides accounting and certain check distribution services to State agencies and is responsible for the approval and processing of vendor payments. Additionally, the GAD performs backup withholding collections, annual 1099 reporting, and liability offsets, both statewide and federal. The GAD also administers the statewide corporate purchasing card program.

#### 2.2.3.6 Information Technology Division (ITD)

The ITD provides IT services to the Comptroller's Agency as well as IT coordination for all 24 Registers of Wills offices throughout the State. The ITD also operates the largest data center in Maryland State government, the Annapolis Data Center (ADC), which provides mainframe processing for many State agencies as well as for the Comptroller. Some of the larger external users are the Department of Budget and Management, the Department of Health, the Department of Labor, Licensing, and Regulation, the State Department of Assessments and Taxation, and the State Retirement System.

#### 2.2.3.7 Revenue Administration Division (RAD)

The RAD is responsible for receiving and processing tax Returns and payments for all taxes and fees administered by the COM that include: personal, corporate, fiduciary, pass-through entity, employer withholding, sales and use, motor fuel, alcohol, tobacco, admissions and amusements, tire fee, bay restoration fee, and estate and inheritance taxes. The RAD is responsible for taxpayer service, taxpayer accounting, administration of offset programs, tax processing systems application control, revenue accounting, issuing refunds, and the distribution of tax revenues to the subdivisions of Maryland. Remittances are received electronically or by mail; mailed Returns and remittances are imaged and deposited through a centralized remittance processing center and a lockbox facility. The RAD administers laws and regulations, including registration, licensing, and permitting, pertaining to the manufacture, storage, transportation, sale, and distribution of alcoholic beverages, tobacco, and motor fuel.

#### 2.2.3.8 Register of Wills

In addition to the above major stakeholders, the Maryland Register of Wills, consisting of 24 local jurisdictions (twenty-three counties and Baltimore City), are required to send the COM a monthly report providing the previous month's financial statement, expenditures and receipts for the current month, and list of new estates with inventories in excess of one million dollars.

### 2.2.4 Comptroller Locations

#### Major Facilities

The COM's operations are conducted at two major facilities. These facilities also host walk-in Taxpayer Service Centers.

**Annapolis**  
Revenue Administration Center  
110 Carroll Street  
Annapolis, MD 21401

**Baltimore**  
State Office Building  
301 W. Preston Street, Room 206  
Baltimore, MD 21201

#### Taxpayer Service Centers

The COM has other Taxpayer Service Centers throughout the state. These centers provide services to taxpayers outside Annapolis and Baltimore.

**Cumberland**  
Allegany Museum  
3 Pershing Street, Suite 101  
Cumberland, MD 21502-2302

**Elkton**  
Upper Chesapeake Corporate Center  
103 Chesapeake Blvd., Suite D  
Elkton, MD 21921-6313

**Frederick**  
Courthouse/Multiservice Center  
100 West Patrick Street, Room 2603

**Greenbelt**  
6401 Golden Triangle Drive, Suite 100  
Greenbelt, MD 20770-3201

Frederick, MD 21701-5646

**Hagerstown**

Crystal Building  
1850 Dual Highway, Suite 201  
Hagerstown, MD 21740-6686

**Salisbury**

Sea Gull Square  
1306 South Salisbury Blvd., Suite 182  
Salisbury, MD 21801-6846

**Towson**

Hampton Plaza  
300 East Joppa Rd., Plaza Level 1A  
Towson, MD 21286-3020

**Upper Marlboro**

Prince George's County Courthouse  
14735 Main St., Rm. 083B  
Upper Marlboro, MD 20772-9978

**Waldorf**

1036 Saint Nicholas Drive, Suite 202  
Waldorf, MD 20603-4760

**Wheaton**

Westfield Wheaton South Building  
11002 Veirs Mill Rd, Suite 408  
Wheaton, MD 20902-5919

**Other Locations**

In addition to the Taxpayer Service Centers listed above, the COM also has several locations which do not offer walk-in taxpayer services.

**Hagerstown Call Center**

33 West Franklin St., Suite 302  
Hagerstown, MD 21740-4832

**Maryland Motor Fuel Testing Lab**

7275 Waterloo Rd., #B  
Jessup, MD 20794-9795

**Salisbury Call Center**

Sea Gull Square  
1306 South Salisbury Blvd., Suite 186  
Salisbury, MD 21801-6846

**Compass Project Office**

45 Calvert Street  
Annapolis MD, 21401

## **2.2.5 Overview of Current Business Processes and Systems**

There are numerous mainframe applications, distributed systems, and stand-alone workstation applications used to administer and enforce the taxing statutes. The COM has two primary data processing systems for tax administration and collections (SMART and CACS).

Descriptions of current COM systems are shown below.

### **2.2.5.1 The State of Maryland Tax System (SMART)**

SMART is a consolidated tax administration mainframe-based computer system that provides centralized processing for personal income tax, corporate income tax, pass-through entity income tax, fiduciary income tax, employer withholding tax, sales and use tax, the tire fee, and the bay restoration fee. SMART includes Case functionality currently used for managing certain audit programs and the collection of personal income tax. SMART was implemented in 1992 by Andersen Consulting using their Tax Administration System (TAS) product. It is an IBM DB2-based application written in COBOL for a CICS environment.

### **2.2.5.2 The Computer-Assisted Collection System (CACS)**

CACS provides collection functionality for four (4) Tax Types: corporate income tax, employer withholding, sales and use tax, and admissions and amusement tax. CACS is a mainframe-based system



that was implemented in 1987. CACS is currently supported by CGI Group, Inc. (CGI) and is written in COBOL for a CICS/VSAM environment.

#### 2.2.5.3 Case Management System (CAMS)

CAMS provides Case management functionality supporting audit selection and management for certain individual and business tax audit programs. The application supports audit selection and assignment, Case notes, noticing, and attaching audit work papers and images of documentation provided by taxpayers. The CAMS application was developed by Teradata and is supported and maintained by The Sartell Group.

#### 2.2.5.4 Remittance Processing

The RAD uses three (3) ibml Imagetrac 5450 scanners in conjunction with Fairfax Imaging's Check21 processing system to scan and process payment documents, certain tax forms, and checks using Optical Character Recognition (OCR). The data is then uploaded to SMART. For taxes not included in SMART, payments must be manually posted to the appropriate accounting system or placed into a Lockbox for posting.

#### 2.2.5.5 Imaging

The RAD uses two (2) of the three (3) ibml Imagetrac 5450 scanners in conjunction with the Intelligent Forms Processing System (IFPS) to handle the front end processing of paper tax Returns for personal and business taxes.

The IFPS is a Windows based client/server application which provides data capture, data validation, and data export to SMART on the mainframe. The backend data repository is an IBM DB2 database system for MVS. Tax Return data is written directly to the mainframe DB2 tables by IFP application programs using IBM DB2 Connect.

#### 2.2.5.6 Other Mainframe Systems

The COM maintains separate mainframe systems for Admissions and Amusement Tax, Motor Fuel Tax, Licenses, and Fees, Alcohol Tax, Licenses and Fees, Tobacco Tax Licenses, and Fees, CR, State License Bureau, Audit Tracking (A45S), License Clearance, and the Lien Card Tracking System. The programs, developed in-house, are all written in COBOL for a CICS/VSAM environment.

#### 2.2.5.7 Estate Tax Application

Estate Tax Unit personnel use the HighVIEW GUI to input and retrieve estate data and document images. The database platform is SQL Server. Documents are scanned, indexed, and linked to the appropriate Account. The Estate Tax application has a letter generation feature, and provides individual Account and system reports.

An Estate Tax Account is established as a result of Correspondence received from entities such as the Register of Wills, IRS, and estate representatives. An estate tax Return's due date is calculated based on the decedent's date of death.

#### 2.2.5.8 Compliance and Audit Programs

The COM has developed many compliance and audit programs, which will be converted as the associated Tax Type/fee type is converted to the ITS Solution. These programs utilize data from SMART and external sources, including the IRS, CAMS, and the DW, to generate Leads, notices, and collections. Detailed reporting on all aspects of these programs, including monies collected, is required. See **Appendix 17 Audit Program Inventory** for current program overviews.

#### 2.2.5.9 Abandoned Property

Abandoned Property Holder Reports, formatted according to National Association of Unclaimed Property Administrators (NAUPA) standards, can be uploaded to CICS through the COM's web portal, hand keyed into the web portal, and uploaded from electronic media through Time-Sharing Option (TSO). Holders and COM personnel can both enter data through the web portal. Holder Reports in CICS are printed and then scanned into HighVIEW for storage.

Once the Reports are loaded, CICS assigns control numbers to those owner records that are valued over \$100. A list of all owner names and addresses are uploaded monthly to the COM's web portal search page, and also sent to [www.missingmoney.com](http://www.missingmoney.com) to be uploaded into that search engine.

All AP claims and supporting documents received from owners are scanned, indexed, and linked to the appropriate control numbers in HighVIEW. Once claims are approved in CICS, a nightly job sends the pertinent information into the Maryland State Financial Management and Information System (FMIS) for payment. Original claims are sent to Fiscal Administration for approval in FMIS. Claims involving the sale of stock or dividends are calculated and entered into CICS to be distributed by control number.

#### 2.2.5.10 Web Applications

The COM maintains several interactive Internet and Intranet web applications that provide taxpayer services and functions. These applications are used by taxpayers, representatives, businesses, citizens, and by Agency employees in the performance of their work. These include:

- Filing of Returns and payments for personal and some business taxes;
- Business registration;
- Credit control reporting for managing retailer credit information;
- Payment methods using credit cards (through a third party) or direct debit;
- Filing of appeals; and
- Inquiry functions.

Web applications use the Microsoft Development Platform (multiple versions of ASP and .NET). MS Visual Studio is used to develop the applications and MS SQL Server is the relational database used for the web applications.

#### 2.2.5.11 Electronic Filing

The COM provides electronic filing capabilities for both personal and business taxes. Approximately 80% (2.5 million out of 3 million) of all Maryland individual Returns processed are filed electronically. The MeF application supports the pre-processing of business and individual income tax Returns, forms, and payment transactions. MeF integrates with web services hosted by the IRS. The application is a .NET system developed in-house. Electronic submissions are also received from various other sources including iFile, bFile, Automated Clearing House (ACH), Interactive Voice Response (IVR), and third parties.

#### 2.2.5.12 Predictive Dialer

The Predictive Dialer is an automated dialing system for inbound and outbound calls to contact delinquent and deficient taxpayers, using predictive dialing software created by MS Technologies. The predictive dialer interfaces with the CACS application and allows an administrator the ability to determine which campaigns will be worked on a daily basis to achieve the Business Collections Section's goals.



### 2.2.5.13 Reporting

The COM generates internal and external reports throughout the Agency. Examples of the types of reports are operational reports, control reports, financial reports, performance reports, statistical reports, Case tracking reports, and revenue reports.

Data sources for reports include DB2 and VSAM (for the mainframe), SQL server (for distributed systems), Teradata (for the DW), and Microsoft Office Access, Excel, and Word.

The COM uses web apps for distributed batch processing of SQL reports as well as Business Objects (BOBJ) for both SQL and Teradata. Mainframe reporting is accomplished through batch processing, IBM SPUFI and QMF.

Reports may be generated automatically or manually, retained for historical reference, and distributed via system generated email (*i.e.*, distributed processing) or paper. Certain reports may be configured and stored for future reference while others may be run based on a set of parameters but not preserved.

The COM's various system reports will automatically display notification of Federal Tax Information (FTI) on both electronic and paper reports. Presently, the COM handles FTI print restrictions via internal policy.

### 2.2.6 Taxes and Fees Administered

The following table contains a list of the tax, license, and fee types administered by the Agency.

<b>TAX / LICENSE / FEE TYPE</b>	<b>APPLICATION</b>
Personal Income	SMART
Fiduciary Income	SMART
Corporate Income	SMART, CACS
Pass-through entity	SMART
Employer Withholding	SMART, CACS
Sales and Use	SMART, CACS
Pre-Paid Wireless E-911	SMART
Environmental Surcharge on Electricity	SMART
Telecommunications Access Surcharge	SMART
Tire Fee	SMART
Bay Restoration Fee	SMART
Admissions and Amusement	Admissions and Amusement Tax System, CACS
Boxing and Wrestling	Admissions and Amusement Tax System
Motor Fuel	Motor Fuel Tax System
Alcohol	Alcohol Tax System & Manual
Tobacco	Tobacco Tax System
Estate	CACI's HighVIEW
State Property Tax remitted from local governments	Manual
Motor Carrier (IFTA)	IPC / Explore
Transportation Network Services Assessments	Manual
Abandoned Property	CICS, CACI's HighVIEW

It is the intent of COM to incorporate all tax, license, and fee types listed above into the ITS Solution. See **Appendix 14 Forms Inventory** for a list of forms and additional information associated with each tax, license, and fee type.

## 2.2.7 As-Is Business Process Diagrams

The COM's legacy Business Process Models (BPMs) are listed in **Appendix 18 As-Is Business Process Model Inventory**. The BPMs (**Appendix 19 As-Is Business Process Models**) are located in the confidential reading room. Prior to requesting access to the reading room, Offerors must complete **Appendix 5 Non-Disclosure Agreement (Offeror)**. No more than two (2) individuals from each Offeror company will be granted access to the reading room. Please contact the Procurement Officer to schedule a time to view content in the reading room.

**Please note, materials in the reading room may not be copied or removed. Photography, use of cell phones, and any other recording devices are strictly prohibited in the reading room.**

## 2.2.8 Information Technology Infrastructure

The content of **Section 2.2.8 Information Technology Infrastructure** is located in the confidential reading room. Prior to requesting access to the reading room, Offerors must complete **Appendix 5 Non-Disclosure Agreement (Offeror)**. No more than two (2) individuals from each Offeror company will be granted access to the reading room. Please contact the Procurement Officer to schedule a time to view content in the reading room.

**Please note, materials in the reading room may not be copied or removed. Photography, use of cell phones, and any other recording devices are strictly prohibited in the reading room.**

## 2.2.9 State Staff and Roles

### 2.2.9.1 Compass Program Governance and Management Roles

The COM has a governance structure in place to provide oversight for the Compass Program. The Executive Steering Committee (ESC), which is composed of the executive leadership of the COM, is responsible for the overall governance of the project. The COM also has a Program Oversight Committee (POC), staffed with senior members of the COM that works with the Compass Program team to provide overall management of Program activities. The Program team consists of a mixture of staff from the Agency (indicated as COM below) and the Task Order IT Management Consultant (indicated as TO below). Both the POC and the Program team report to the ESC and are responsible for the management of the Compass Program. Upon award of this Contract, the Key Personnel from the Contractor will become imbedded with the Program team, providing supervision of Contractor staff, as well as reporting to, and coordinating and collaborating with, the existing Program team. The roles and responsibilities of the Program leadership are as follows:

#### A. Program Sponsor

The Program Sponsor is the visible champion of the Compass Program with the COM management team and is the ultimate decision-maker, with final approval on all phases, deliverables and scope changes. The Program Sponsor is accountable for enabling Program success, and is responsible for ensuring that ongoing funding, resources, and support for the Compass Program are provided. The Program Sponsor's duties include carrying ultimate responsibility for the overall Program, approving all changes to the Program scope, providing additional funds for scope changes, addressing challenges to the success of the Program, promoting the benefits the Program brings, and approving Program deliverables (may be delegated). The Program Sponsor is responsible for selecting individuals from the COM executive leadership team to serve as members of the Executive Steering Committee (ESC), serving as the chair of the ESC, and collaborating closely with the Program Managers to ensure Program success.

#### B. COM Program Manager

The COM Program Manager serves on behalf of the COM as the primary point of contact regarding day-to-day Compass Program operations. The COM Program Manager serves in a management capacity directing the activity of all Program and Project Managers participating in the Compass Program. The COM Program Manager serves as the chair of the POC, and as the Contract Monitor/Contract Manager for Program-related procurements. This position shall oversee and direct all resources provided for and engaged in the Program. The COM Program Manager's responsibilities shall include overall Program governance, ensuring that COM business objectives are fully met by the Program, managing communications with executives and stakeholders, and planning, executing, controlling, and reporting Program budget and financial performance.

**C. Task Order (TO) Program Manager**

The TO Program Manager serves as the primary point of contact for the COM Program Manager regarding day-to-day Compass Program operations on the various project teams. This position shall oversee and direct all resources provided for and engaged in project management services, System Integration Services (SIS), and Cultural Change Management (CCM) Services, and shall also be responsible for managing the activities of the Contractor Project Manager and collaborating with the Independent Verification & Validation (IV&V) Project Manager to facilitate acceptable performance of their teams. The TO Program Manager shall collaborate with the COM Program Manager to provide project scheduling, budgeting, execution, monitoring, control, staffing, methodology determination, quality assurance, reporting, and implementation of course corrections as needed. The TO Program Manager shall cooperate with all requests from the Compass Program's Risk Officer and IV&V PM.

**D. COM and TO Program Management Assistants**

The COM and TO Program Management Assistants collaborate with the COM and TO Program Managers to provide support and assistance with overall Program direction, communication, planning, execution, monitoring, and control as required. At the direction of the Program Managers, the Program Management Assistants shall be authorized delegates for any and all Program activities and deliverables.

**E. COM Functional Lead**

The COM Functional Lead shall provide ongoing functional expertise and COM business knowledge throughout the course of the Compass Program, and shall serve as the primary functional resource for the Program. The COM Functional Lead works in partnership with the COM and TO Program Managers and the Contractor Functional Lead to plan and perform day-to-day management of deliverables, tasks, and activities related to the functional requirements of the Compass Program. The COM Functional Lead serves as the Team Lead for all resources in the Functional Team. The COM Functional Lead works with the COM and TO Program Managers to plan, monitor, and facilitate the execution of tasks performed by the COM, the Contractor, and TO functional resources, and shall report status and progress up to the Program Managers. The COM Functional Lead collaborates closely with the COM Technical Lead to ensure that the efforts of the functional and technical teams remain synchronized and that the technical solutions align with functional requirements. The COM Functional Lead's responsibilities encompass the implementation of functional requirements across the entire ITS Solution, and include validation that implementation of functional requirements across the Solution satisfies the COM's business and technical needs.

**F. COM Technical Lead**

The COM Technical Lead shall provide ongoing technical expertise and COM systems knowledge throughout the course of the Compass Program, and shall serve as the primary

technical resource for the COM. The COM Technical Lead works in partnership with the COM and TO Program Managers, the Contractor Project Manager, and the Contractor Technical Lead to plan and perform day-to-day management of deliverables, tasks, and activities related to the technical requirements of the ITS Solution. The COM Technical Lead works in partnership with the TO SIS Architect to plan and perform day-to-day management of deliverables, tasks, and activities related to the SIS activities. The COM Technical Lead serves as the Team Lead for all COM resources on the Technical Team. The COM Technical Lead works with the COM and TO Program Managers to plan, monitor, and facilitate the execution of tasks performed by the COM, the Contractor, and TO technical resources, and shall report status and progress up to the Program Managers. The COM Technical Lead collaborates closely with the COM Functional Lead to ensure that the efforts of the technical and functional teams remain synchronized and that the technical solutions align with functional requirements. The COM Technical Lead's responsibilities include validation that implementation of technical requirements across the ITS Solution satisfies the COM's business and technical needs.

**G. TO System Integration Services Architect**

The TO SIS Architect is responsible for analyzing, architecting and overseeing development efforts regarding existing COM system, technical infrastructure, process, application, and data integration with the ITS Solution. This includes the following system integration activities: data cleanup; data conversion (extract); temporary interfaces; system retirement; and system architecture. Quality management of the legacy integration activities is also the responsibility of the TO SIS Architect. The TO SIS Architect will collaborate with the Conversion Leads to support the mapping and conversion of legacy data to the ITS Solution and will collaborate with other Contractor technicians to establish temporary interfaces where needed to ensure business continuity during the phased implementations.

**H. TO Cultural Change Management Lead**

The TO CCM Lead is responsible for planning and delivering CCM initiatives in support of the Compass Program. The TO CCM Lead is supported in these efforts by the COM CCM Lead. In addition, the TO CCM Lead will be responsible for all internal and external CCM communications for the Compass Program, providing CCM meeting management and documentation services, and creating CCM training and development plans. The TO CCM Lead works with the Contractor and COM Training Leads to identify, analyze, and oversee the effectiveness of overall knowledge transfer and training for the purpose of identifying, assessing, and planning additional Compass-related CCM training needs.

**I. COM Cultural Change Management Lead**

The COM CCM Lead will partner with the TO CCM Lead in delivering effective change management services associated with the Compass Solution. The COM CCM Lead supports the TO CCM Lead in delivering internal and external CCM communications for the Compass Program, providing CCM meeting management and documentation services, and creating CCM training and development plans.

**2.2.9.2 Compass Program Additional Roles**

In addition to the Governance and Management roles listed above, the COM anticipates supplying other resources on a full-time or part-time basis that may be identified by the Contractor in its proposed and approved Staffing Plan. Examples of these resources include:

- |                        |                           |
|------------------------|---------------------------|
| A. Business Analyst    | D. Database Administrator |
| B. Communications Lead | E. Developer              |
| C. Conversion Lead     | F. Documentation Lead     |

- |   |  |
|---|--|
| G. Forms & Correspondence<br>Lead             | M. Product Owners                              |
| H. Functional Subject Matter<br>Experts (SME) | N. Risk Officer                                |
| I. Functional Data Warehouse<br>Lead          | O. Technical Data Warehouse<br>Lead            |
| J. Identity and Access<br>Management Lead     | P. Technical SME                               |
| K. Network Specialist                         | Q. Training Lead                               |
| L. Operations Support / Help<br>Desk          | R. Change Ambassador                           |
|   | S. Compass Change Control<br>Board Facilitator |
|   | T. Communications Lead                         |

#### 2.2.9.3 Compass Program Oversight

The COM has created the following management and oversight committees for the Compass Program. These committees serve as resources for the Compass Program team, and provide overall guidance and support for program activities. The committees are as follows:

##### A. Compass Executive Steering Committee

The Compass ESC serves as a consultative body to the Program Sponsor. The ESC has the responsibility for ensuring that Program functional, technical, and business goals are achieved. The ESC is responsible for approving budgetary strategy, defining and realizing benefits, and monitoring risks, quality and timeliness. The ESC is responsible for the Program's business plan, feasibility, and achievement of outcomes. It ensures the Program scope aligns with the requirements of the COM stakeholder groups, provides guidance to the POC on Program-related business and technical issues, and ensures that effort, expenditures, and personnel allocation support Program objectives. The ESC will address any risk or issue that it, the Program Managers, or the POC feels has major implications for Program success, and will control Program scope as emergent issues force changes to be considered. It will also reconcile differences of opinion or approach that may arise, and will be responsible for identifying, monitoring, and potentially resolving any Agency or government-wide issues affecting the Program. ESC members monitor Program status, review applicable Program artifacts (may be delegated), and advise or act on recommendations of the Program Managers regarding technical, functional, or organizational issues, options, and requests for decisions or information related to the Program.

##### B. Compass Program Oversight Committee

The Compass POC serves as a consultative body to the COM Program Manager, who serves as its chair. Additionally, members of the POC serve in a consultative capacity to the ESC. The POC is comprised of selected stakeholders appointed by the ESC and key staff selected by the COM Program Manager, including the TO Program Manager and the Contractor PM. The POC is responsible for monitoring the ongoing activities being managed by the Program Managers, measuring and reviewing Program key performance indicators, advising on the management of Program risks, issues, and decisions, and providing support services for requests for decisions or information. POC members contribute to overall Program objectives, complete individual tasks as assigned, provide subject matter expertise, provide resources to fill Compass Program roles, and collaborate with business stakeholders to establish and meet business needs. POC members perform analysis and present options to the Program Managers in support of decisions regarding changes to scope, schedule, or budget, which are to be forwarded to the ESC for final authority. Additionally, POC members may serve in other roles in support of Program objectives in collaboration with the any of the Compass Program Managers.



## **2.2.10 Other State Responsibilities**

- 2.2.10.1 The State will provide normal office working facilities and equipment reasonably necessary for the Contractor's performance under this Contract. Any special requirements (e.g., reprographic services, computer time, key data entry) shall be identified.
- 2.2.10.2 The State is responsible for providing required information, data, documentation, and test data to facilitate the Contractor's performance of the work, and will provide such additional assistance and services as is specifically set forth.
- 2.2.10.3 The COM will provide training facilities that are computer equipped with appropriate network/internet Access. The training environment and all training logistics shall be delivered in accordance with the approved schedule. The following project classrooms will be available to reserve for training:
  - A. Project classrooms with Personal Computers (PCs);
  - B. Room with maximum seating capacity of twenty-six to thirty (26-30) personnel;
  - C. Room with seating capacity of twelve (12) persons;
  - D. Room with seating capacity of twenty-four (24) persons;
  - E. Backup rooms: Room with seating capacity of twenty-two (22) persons, and room with seating capacity of twelve (12) persons;
  - F. Lecture room without PCs (can be used for System Overview classes) with maximum seating capacity of eighty (80) persons.

## **2.3 Responsibilities and Tasks**

### **2.3.1 At a minimum, the Contractor shall:**

- A. Furnish such activities necessary to fully implement the ITS Solution that meets all COM requirements as stated in this RFP, in all environments necessary to support full lifecycle activities, and ensure that it operates properly and in a manner that supports COM SLAs, business policies and procedures, and Security requirements;
- B. Provide a full complement of resources, services, and commodities to accomplish the design, development, installation, configuration, testing, implementation, training, knowledge transfer, and ongoing maintenance of the COM's ITS Solution. Contractor Personnel, with the exception of managed hosting services, shall be on-site at COM facilities to implement ongoing Solution changes and resolve defects. Contractor Personnel may work remotely per COM approval;
- C. Complete the implementation of all Iterative Releases of the ITS Solution and conclude Implementation Period Transition-Out, to the satisfaction of the Contract Monitor, within five (5) years of the Notice to Proceed (NTP) Date;
- D. Consolidate all existing COM document imaging capabilities into a single, integrated, intelligent scanning capability, with attendant content management functionality and migration of existing document imaging data and content;
- E. Provide and install new (or leverage existing COM) high-speed printers, at COM-designated locations, capable of supporting noticing and Correspondence from ITS Solution;
- F. Deliver and install patches and software upgrades for all software, hardware, middleware, and firmware provided as part of the ITS Solution, including patches and upgrades applicable to managed hosting components;

- G. Provide for the integration of the ITS Solution with the existing COM Teradata Data Warehouse;
- H. Further elaborate functional and technical requirements, and clarify and adjust COM business processes for streamlined automated operations;
- I. Collaborate with the COM to create To-Be BPMs for the new ITS Solution, and link these to requirements and the As-Is BPMs;
- J. Redesign all COM Forms, Returns, schedules, Reports, Correspondence, and notices to standardize appearance and branding, provide efficient processing within the ITS Solution, and optimize OCR performance;
- K. Convert and migrate legacy data necessary for each release of the ITS Solution, as detailed in **Appendix 15 Data Sources and Conversion Parameters**;
- L. Perform data cleanup where necessary before conversion and migration;
- M. Create, implement, and retire temporary interfaces required to provide interaction between the systems replaced by the ITS Solution and systems that have not yet been replaced during the iterative implementation phases;
- N. Provide an interactive online taxpayer portal that fulfills all functional, technical, and Security requirements defined in this RFP;
- O. Provide recommendations on sequence of Tax Types within Iterative Releases and collaborate with the COM to achieve the most efficient implementation strategy;
- P. As more fully described in **Section 2.4.5 Deliverables Schedule**, perform such activities as are necessary to support COM's retirement of legacy systems and data. The Contractor shall collaborate with the COM to identify the most logical and efficient approach for viewing historical legacy data (e.g., leaving the data in the legacy system with view-only capability, move data to the COM DW and prepare reports for viewing, move the data to the ITS, prepare a stand-alone viewing system). Contractor shall be responsible for the development and implementation of any stand-alone viewing system determined to be necessary for viewing historical legacy data not migrated to the ITS Solution after the Solution assumes responsibility for processing;
- Q. Collaborate with the COM data warehouse team to develop recommendations on redesigning and optimizing the COM's existing data warehouse data models and processes for integration with the ITS, and assuring the continuance of all functionality of the COM's existing fraud model;
- R. Provide and maintain release management and version control procedures and tools for all development that fully support industry standard release management and version control procedures, and integrates with vendor supplied and/or COM-implemented management tools;
- S. Provide all required services, documentation, and training necessary to accomplish knowledge transfer that enables ongoing COM and Contractor resources with the ability to maintain the ITS Solution after implementation, including error handling routines, interfaces, and Application Program Interfaces (APIs); and
- T. Provide hosting and management services necessary to implement and maintain the ITS Solution as described in this RFP, beginning with the initial implementation of any ITS instance, and continuing throughout the life of the Contract. Managed hosting includes management of all components provided for the ITS Solution, including those physically installed in distributed locations.

Offeror shall provide a detailed description of its managed hosting solution(s), for all environments included in this RFP, including:

- 1) Managed hosting infrastructures (e.g., hardware, operating systems, network, communications, connectivity, backup, fail-over, D/R components); and
- 2) Managed hosting services (e.g., software and hardware installation, updating, patch application, monitoring, tuning, D/R and backup support, emergency and planned network, system, application maintenance).

### 2.3.2 Development Approach / Methodology

The COM is interested in incremental delivery of the ITS Solution functionality, with multiple releases of capability into the production environment. In addition to incremental delivery, given the nature of the COM's business, accuracy, Security, and quality of each production delivery and its data is critical for not only new but previously deployed capability.

Incremental delivery can be accomplished through one of several methodologies, including agile. It will be the Contractor's responsibility to provide the methodology it feels is best suited to its products and services. The State is currently in a period of transition from its legacy waterfall methodology to more hybrid agile approaches. Where methodology, approach, or deliverables set forth in this RFP vary from an Offeror's preferred methodology, the Offeror should provide a crosswalk between RFP language used and services or artifacts proposed.

In the context of this RFP, the following methodology terms are used, as defined in **Appendix 1 Abbreviations and Definitions**:

- Project Phase (or "Phase") – As more fully described in **Section 2.4.5 Deliverables Schedule**, Project Phases consist of: Phase 1: Project Preparation; Phase 2: Iterative Releases; Phase 3: Implementation Period Transition-Out, and Phase 4: Maintenance and Support. Contractors desiring an overlap or alternative arrangement of Project Phase activities should describe the desired modifications and obtain COM approval.
- Iteration – As more fully described in 2.4.5., Iterations are generally described in this RFP as "Phase 2.1 - 2.x Iterative Release." In agile terminology, the Iterative Release collects the work output of a set of Sprints and collectively completes certain types of activities such as integration testing, User Acceptance Testing (UAT), and training, as part of a production Release.
- Sprint (if used by the Contractor's methodology) – Sprints may be deployed into controlled non-production environments incrementally for the purposes of regression testing and UAT.

### 2.3.3 Supporting Role but Not Direct Responsibility

The Contractor shall provide support, but shall not be directly responsible, for the following:

- A. Cultural Change Management (as more fully described in **Section 2.3.8.3 Cultural Change Management**);
- B. Project Documentation not related to the implementation: unless specifically listed in **Section 2.4 Deliverables**, project planning documentation developed by the COM team prior to award of this Contract will continue to be the responsibility of the COM team, with Contractor support for updates required by the implementation;
- C. Risk and Issue Management will be provided by the COM team, with strategic support as required from the Contractor, particularly in the area of data migration risk;



- D. Responsibilities for coding changes to legacy systems and the COM DW are the responsibility of the respective support teams furnished outside of this Contract.

#### 2.3.4 Functional Requirements

Functional requirements describe what the ITS Solution must do and the processes that must occur for the Solution to be considered complete and successful. These requirements relate the entities and attributes from the data to the end users' needs. In this document, Functional Requirements are grouped into the Critical Capabilities described below, based on the functionality provided to the end user. **Appendix 6 Functional Requirements Matrix** provides a complete list of functional requirements for the ITS Solution.

##### 2.3.4.1 General Usability

The initial group of requirements contains the COM's expectations of the overall functionality and user experience throughout the Offeror's ITS Solution. The requirements documented in this section apply to many or all of the Critical Capability areas.

##### 2.3.4.2 Entity Registration

This Critical Capability enables agencies to register Entities by recording personal identification details, such as name and address for individuals, or business status and industry classification code for companies. This capability also enables the creation of Accounts by Tax Type, the establishment and tracking of relationships within and across Entities, such as family members and Responsible Persons or shareholders. Processes include, but are not limited to:

- A. Register individuals;
- B. Register businesses;
- C. Create and maintain Accounts by Tax Type;
- D. Establish and maintain relationships;
- E. Track relationships;
- F. Account validation;
- G. Process International Fuel Tax Agreement (IFTA) registrations.

##### 2.3.4.3 Returns and Payments Processing

This Critical Capability allows the COM to process Returns and payments within an automated system. It also allows the COM to update taxpayer and revenue Accounts based on finalized assessments. Processes include, but are not limited to:

- A. Process payments;
- B. Receive files
- C. Process Returns, Reports, and Amendments;
- D. Identify duplicate Returns;
- E. Add and update notes;
- F. Reverse Returns;
- G. Transfer Returns;
- H. Hold Returns;
- I. Release Returns;
- J. Identify exceptions;
- K. Audit and track adjustments;
- L. Compare offset Returns;
- M. Update taxpayer Accounts;
- N. Amnesty processing.

##### 2.3.4.4 Taxpayer Accounting

This Critical Capability allows the COM to manage payments and liabilities on taxpayer Accounts. Adjustments include but are not limited to:

- A. Apply and allocate payments (by Tax Type);
- B. Account adjustments;
- C. Adjust payments;

- D. Record balances;
- E. Accrue interest;
- F. Reverse interest;
- G. Impose penalties;
- H. Waive interest and penalties;
- I. Carry forward payments;
- J. Manage refunds;
- K. Process Offsets and Intercepts.

#### 2.3.4.5 Billing and Collection

This Critical Capability allows the COM to manage the activities associated with collecting deficient and delinquent tax liabilities for both individual and business taxes, based on approved collection flows.

Processes include, but are not limited to:

- A. Create and manage payment plans;
- B. Create bill notices;
- C. View, update bill notices;
- D. Identify deficiencies and delinquencies;
- E. Manage deficiencies / delinquencies;
- F. Initiate collection activities;
- G. Hold or defer collection actions;
- H. Process property liens, wage garnishments, and Bank Attachments;
- I. Process Bankruptcy.

#### 2.3.4.6 Revenue Accounting

This Critical Capability allows for the COM's accounting of revenue for the State of Maryland. It provides the ability to report revenue and payments by period, revenue category, jurisdiction and the largest taxpayers. It also allows the Agency to forecast revenue and to drill down into transactions by linking into taxpayer Accounts. Processes include, but are not limited to:

- A. Recognize revenue;
- B. Account for received cash;
- C. Apportion amounts;
- D. Distribute Revenue
- E. Reconcile to GL;
- F. Report revenue.

#### 2.3.4.7 Customer Relationship Management

This Critical Capability allows authorized COM employees to provide assistance to taxpayers by being able to view their Account information, liabilities, payments and abatements. Processes include, but are not limited to:

- A. View statements;
- B. View liabilities;
- C. View payments;
- D. View abatements;
- E. View filed tax Returns and Reports;
- F. View filing history;
- G. View Entity and Account attributes;
- H. Create and view notes;
- I. View Correspondence.

#### 2.3.4.8 Case Management

This Critical Capability provides generic functionalities to manage all types of tax Cases handled by the COM. It also can provide preconfigured types of Cases such as collections, field audit, office audit, delinquency, bankruptcy and appeal. Case Management includes Audits, Compliance Programs, Field Enforcement, Hearings and Appeals, Innocent Spouse Claims, Offers in Compromise, Responses to Tax Payer Legal Inquiries, Voluntary Disclosure Agreements, and Attorney General Areas. Processes include, but are not limited to:

- A. Create Case;
- B. Assess Case;
- C. Update Case;
- D. Cancel Case;
- E. Reactivate Case;
- F. Hold Case;
- G. Delay Case;
- H. Release Case;
- I. Assign/reassign Case;
- J. Schedule/reschedule Case;

- K. Provide preconfigured types of Cases (field audit, office audit, etc.);
- L. Process audits;
- M. Create and manage Workflows;
- N. Manage approvals.

#### 2.3.4.9 Abandoned Property

This Critical Capability provides necessary functionality to manage the COM's Abandoned Property inventory and claims. Processes include, but are not limited to:

- A. Process holder Reports;
- B. Process Abandoned Property claims;
- C. Liquidate stocks;
- D. Liquidate physical property (via eBay);
- E. Generate necessary information for Abandoned Property advertisement;
- F. Notify property owners;
- G. Disbursements.

#### 2.3.4.10 Correspondence

This Critical Capability provides functions for generating outgoing Correspondence and processing incoming Correspondence. Processes include, but are not limited to:

- A. Define Correspondence types and associated forms rules;
- B. Generate outgoing Correspondence;
- C. Deliver outgoing electronic Correspondence;
- D. Process incoming Correspondence and returned mail;
- E. Generate pre-defined Correspondence types (editable and non-editable);
- F. Maintain version history for all Correspondence.

#### 2.3.4.11 Content Management

This Critical Capability provides functions for capturing, storing, indexing, tagging, and retrieving images of paper and electronic documents. Processes include, but are not limited to:

- A. Create, store, index, track, archive, retrieve for display and/or print, distribute, authenticate/approve, and protect paper and electronic documents and images;
- B. Capture images of paper documents;
- C. Store images;
- D. Retrieve images;
- E. Capture data from images;
- F. Validate data captured from images;
- G. Import captured data into the ITS;
- H. Initiate Workflows.

#### 2.3.4.12 Reporting

This Critical Capability provides functionality for the gathering, analyzing, and reporting on data from processes within the ITS Solution. Processes include, but are not limited to:

- A. Gather information from ITS Solution processes;
- B. Analyze and report information gathered;
- C. Utilize interactive, intuitive tools for graphical and geographical display of report results;
- D. Maintain a Forms inventory, with the ability to create or update Forms;
- E. Provide a variety of data analysis tools that allow users (regardless of technical expertise) to perform online ad-hoc queries, "what if", trend, comparison, and other types of analysis.

#### 2.3.4.13 Application Administration

This Critical Capability provides functionality to allow the COM to manage and control the execution of automated processes. Processes include, but are not limited to:

- A. Manage and control the execution of automated processes;
- B. Schedule batch processes;
- C. Configuration of business rules related to the execution of the automated processes;
- D. Manage business rules and Workflow.

#### 2.3.4.14 Inventory Management

This Critical Capability provides functionality for acquiring, maintaining, tracking and delivering inventory items such as cigarette tax stamps, keg registration booklets, numbered receipt books, slot machine decals, IFTA decals, Vehicle ID Cards for common carriers delivering alcohol. Processes include, but are not limited to:

- A. Inventory acquisition;
- B. Inventory maintenance;
- C. Inventory tracking;
- D. Disbursement of inventoried items;
- E. License and permit management (issuance, distribution, renewal).

#### 2.3.4.15 Online Services

This Critical Capability allows external stakeholders to create, update, and manage certain of their tax data via a public-facing website or portal, or it enables intermediaries, such as tax advisors and accountants, to perform those operations on behalf of their customers. Processes include, but are not limited to:

- A. Create and update identification data;
- B. File Returns;
- C. View Accounts;
- D. Search / query information;
- E. Enable intermediaries.

#### 2.3.4.16 Data Warehouse

This Critical Capability allows tax reviewers, tax processors and automated systems to store and access information in a secure electronic repository integrated with the ITS Solution, supporting complex data analytics, processing flows, and reporting. Processes include, but are not limited to:

- A. Use results of data analytics to influence processing in the ITS Solution (e.g., flagging Returns for audit selection);
- B. Perform statistical analysis and illustrate in graphic format;
- C. Perform trend analysis;
- D. Perform fraud scoring;
- E. Maintain data repository;
- F. Perform data analytics;
- G. Support BI functions;
- H. Self-help reporting.

#### 2.3.4.17 International Fuel Tax Agreement (IFTA)

This Critical Capability allows the COM to maintain and monitor its participation in the International Fuel Tax Agreement and to comply with the IFTA Articles of Agreement and Procedures Manual. Processes include, but are not limited to:

- A. Create Accounts and generate licenses;
- B. Fulfill requests for IFTA decals;
- C. Perform updates to the Commercial Vehicle Information Exchange Window (CVIEW);
- D. Collect, receive, and distribute funds; and
- E. Process bi-directional transmittals from the IFTA Clearinghouse in compliance with IFTA-defined information exchange protocols.

### **2.3.5 Technical Requirements**

Technical requirements describe the State's expectations regarding the non-business characteristics of the ITS Solution. The technical requirements apply to all aspects of the ITS Solution, including managed hosting services. These requirements are found in **Appendix 7 Technical Requirements Matrix**, organized into the following categories:

- A. Core ITS product;
- B. Policy;
- C. Security;
- D. Integration;
- E. Error handling;
- F. Operations;
- G. Data; and
- H. Audit and accountability.

### **2.3.6 Managed Hosting Requirements**

Managed hosting requirements describe the specific expectations regarding hosting and management services that are in addition to the technical requirements listed in **Appendix 7 Technical Requirements Matrix**. These requirements are found in **Appendix 8 Managed Hosting Requirements Matrix**, organized into the following categories:

- A. Infrastructure;
- B. Security;
- C. Operations;
- D. Performance,
- E. Data; and
- F. Disaster recovery.

### **2.3.7 Test Requirements**

The State defines testing as the process of evaluating a system and its components to verify that it meets established requirements. The Contractor shall establish and follow testing protocols that meet the following requirements for development and implementation of all components of the ITS Solution:

- A. The Contractor shall execute all levels of testing described below for each delivered module, component, and Iterative Release to be implemented.
- B. Unit Testing - The Contractor Personnel shall perform and oversee, as necessary, Unit Testing (typically by the developers) to verify the functionality of a software unit.
- C. System and Integration Testing - The Contractor shall perform System and Integration Testing to verify the functionality and operability of delivered components as they are integrated with other components. This includes verifying interfaces between independently delivered systems and modules to ensure that the integrated components continue to meet functional and operational requirements.
- D. Interface Testing – The Contractor shall perform testing of inbound and outbound data exchanges during each Iterative Release, to confirm that correct data in the correct layout is produced or consumed by the ITS Solution component. Temporary interfaces that are required by Iterative Releases shall also be tested.
- E. Quality Assurance (QA) Testing – The Contractor shall perform testing to ensure the quality of delivered components of the ITS Solution. For components of the Taxpayer Portal or any other public-facing functions, QA shall include testing to ensure compliance with the Non-Visual Access Clause noted in COMAR 21.05.08.05.

- F. Data Conversion Testing - The Contractor shall test data conversion progressively with mock conversion testing that simulates actual data conversions. For this testing the Contractor shall check record counts and other control values, and shall perform review of the converted data.
- G. Security Testing - The Contractor shall perform testing of the Solution's Security components, features, and functions throughout the entire testing cycle for each Iterative Release, and shall be responsible for remediating any defects in Security components, features, or functions.
- H. Regression Testing - The Contractor shall perform regression testing to ensure components or functionality in the Iterative Release about to be implemented do not negatively impact components and functionality implemented in previous Iterative Releases.
- I. User Acceptance Testing - All modules and configurations submitted by the Contractor will be subject to UAT, to assess readiness for implementation from the perspective of the end-user experience. UAT will be performed by COM staff under the planning, direction, and scheduling of the Contractor. The Contractor shall assist the COM in developing and executing the UAT plans. The COM will report defects to the Contractor for remediation.
- J. Performance and Stress Testing - The Contractor shall plan, execute, and document the results of Performance and Stress Tests to ensure that system performance requirements are met using production volumes of data. Performance and Stress Testing shall be conducted for each individual Iterative Release and against the combined Iterative Releases implemented.

### **2.3.8 Training, Knowledge Transfer, and CCM Requirements**

#### **2.3.8.1 Training**

- A. The Contractor shall provide initial and ongoing training throughout the implementation of the ITS Solution, and during the Operations and Maintenance phase, to ensure that State personnel are properly trained in all aspects of the ITS Solution for their specific job functions. Number of personnel, furnished in Table 1, is subject to change.
- B. Offeror shall provide training for the ITS Solution which should include a combination of on-site instructor-led classroom training, web-based or Computer Based Training (CBT), follow-up training and support, and knowledge transfer for State personnel. Training should include how to use any tools associated with CBT, as well as the online taxpayer portal.
- C. The Contractor shall employ the most effective training content delivery mechanisms, such as story boards, screen shots, written content, presentations, graphics, hands-on exercises, and e-learning, based on industry best practice, Contractor training experience, and student feedback.
- D. The Training Plan shall include, and the Contractor shall execute, an evaluation process in order to improve the training deployment throughout the life of the project.
- E. The Training Plan shall detail the expected target audiences and the format, nature and content of the training to be offered to each audience.

**Table 1 – Personnel Volumes for Potential Target Audiences**

Training Category	Approximate No. of Employees
<b>Contractor Furnished Training</b>	
End Users	1200
Train-the-Trainers	30
Super Users	125
Technical Users	50

Training Category	Approximate No. of Employees
Testers	30
Executive Management Overview	50
<b>Knowledge Transfer</b>	
Technical Users	50
Application Administrators	15

**Note that numbers of employees and categories are subject to change.**

2.3.8.2 Knowledge Transfer

- A. The Contractor shall provide knowledge transfer throughout the Contract period as detailed in **D09 Knowledge Transfer Plan**. Knowledge transfer shall include delivering all information necessary for the ongoing maintenance and management of the ITS Solution to identified State employees and contractual resources anticipated to be involved in ongoing ITS Solution activities.
- B. The Contractor shall provide knowledge transfer for up to 50 technical resources. These resources' responsibilities include, but are not limited to the following technical tasks:
- 1) User account maintenance;
  - 2) Business rules configuration;
  - 3) Taxpayer portal maintenance;
  - 4) Content Management maintenance;
  - 5) Interface maintenance;
  - 6) ITS configuration;
  - 7) Maintenance of eForms, fillable forms, and document templates;
  - 8) Print services jobs (third-party printing interfaces)
  - 9) Report and query functions;
  - 10) System operations, batch processing, scheduling, and error resolution;
  - 11) Performance monitoring, troubleshooting, and fine-tuning;
  - 12) Documentation maintenance – system administration, technical, and user;
  - 13) Data Analytics Tools;
  - 14) Scoring and ranking models;
  - 15) BI project data interfaces;
  - 16) Data conversion planning, testing, and execution.
- C. The Contractor shall provide knowledge transfer for approximately fifteen (15) State Application Administrators who will perform administration of various aspects of the ITS Solution.
- a. These resources' responsibilities shall include, but are not limited to:
    - 1) System and application performance auditing;
    - 2) Disaster Recovery/Restoration Plan execution;
    - 3) User activity audit reviews and reporting; and
    - 4) Application Security administration (addition, revocation, and maintenance of users, user groups, profiles, roles, and permissions).
  - b. The Contractor shall include hands-on experience for the State application administrators in the test environment as part of the knowledge transfer process.



#### 2.3.8.3 Cultural Change Management

In collaboration with the COM CCM Leads, the Contractor shall provide support for the changes employees will experience during the transition of the new ITS Solution. Change brought about by the ITS Solution will directly impact most divisions and employees within the COM. The State has developed an extensive CCM Plan and CCM Communications Plan to guide the COM employees through those changes. That plan includes a Change Ambassador Program which utilizes approximately eighty (80) Change Ambassadors throughout the Agency to support employees and to champion the new ITS Solution at the grass-roots level.

The Contractor shall support the CCM activities by providing insight into the changes that are to be expected throughout the Contract period, and especially during the Iterative Releases defined in **Section 2.4.5 Deliverables Schedule**. The Contractor shall also provide recommendations on process improvement opportunities that the ITS Solution will make available, and shall assist the COM in implementing those improvements and achieving their benefits.

#### 2.3.9 Contractor-Supplied Hardware, Software, and Materials

- A. All applications proposed shall be accessible from various client devices through a thin client interface such as a Web browser (e.g., Web-based email) or a program interface.
- B. The Contractor is responsible for the acquisition, operation, and management of all hardware, software and network support related to the services being provided, and shall keep all components current. The COM will retain responsibility for the acquisition, operation, and management of network support within State facilities.
- C. The Contractor is responsible for providing, at its own cost, all personal computing equipment (desktops, laptops, tablets) for all Contractor personnel assigned to the project. Computers must utilize a Windows 10 Long Term Service Branch operating system and Microsoft Office 2013 or later. Contractor shall be responsible for providing any additional software required to be installed on Contractor personnel equipment. Contractor is responsible for maintaining all software licenses for software used on its own equipment. See **Section 3.7.5 Data Protection and Controls** regarding network connectivity and virtual desktop environment.
- D. The Contractor shall be responsible for acquiring any other necessary hardware and software that are installed on COM systems and other materials necessary to complete its work under the Contract. All such necessary hardware, software, materials, and any associated licenses shall become the property of the COM. All such licenses shall be current, including payment of all license fees, as of the date of transfer of possession. Material costs must be approved in advance by the COM and shall be passed through with no mark-up by the TO Contractor.
- E. All Contractor-provided hardware and software shall comply with all applicable COM group policy objects as defined by the COM.
- F. The Contractor shall permit remote Access by the COM to all Contractor-provided hardware and software for the purposes of installing, monitoring, and maintaining necessary group policy objects and malicious code protection mechanisms.
- G. All upgrades and regulatory updates to Contractor-supplied hardware and software shall be provided at no additional cost.
- H. The State requires that the Offeror provide fully functional, continually available software and multiple-user licenses for purchase as needed throughout the life of the Contract.



- I. The Contractor shall install and provide documentation for all software furnished under this Contract. Documentation shall be provided in a mutually agreed upon format.
- J. Material costs shall be passed through with no mark-up by the Contractor.
- K. The Contractor shall prepare software releases and stage them for Agency validation in the system test environments. The Agency will provide authorization to proceed. The Agency will have the ability to manage the distribution of these releases to the appropriate sites. To support this requirement, the Contractor shall propose, provide and fully describe their solution for updating all sites with any new software releases.
- L. The Contractor shall provide warranty information for all purchased hardware, software, and materials. Any warranty period for goods and services will not commence until acceptance of the products or services by the Agency. Notwithstanding anything to the contrary, all defective items must be replaced at no additional cost to the State. All warranties of goods and services purchased in support of this proposal must be transferrable to the State, and contain a full replacement clause for defective items.

### **2.3.10 Required Project Policies, Guidelines and Methodologies**

The Contractor shall be required to comply with all applicable laws, regulations, policies, standards and guidelines affecting Information Technology projects, which may be created or changed periodically. Offeror is required to review all applicable links provided below and state compliance in its response.

It is the responsibility of the Contractor to ensure adherence and to remain abreast of new or revised laws, regulations, policies, standards and guidelines affecting project execution. These include, but are not limited to:

- A. The State of Maryland System Development Life Cycle (SDLC) methodology at: <http://doit.maryland.gov/SDLC/Pages/agile-sdlc.aspx>;
- B. The State of Maryland Information Technology Security Policy and Standards at: <http://doit.maryland.gov/support/pages/securitypolicies.aspx>;
- C. The State of Maryland Information Technology Non-Visual Standards at: <http://doit.maryland.gov/policies/Pages/NVAGuidance.aspx>;
- D. The State of Maryland Information Technology Project Oversight at: <http://doit.maryland.gov/epmo/Pages/MITDP/oversight.aspx>;
- E. IRS requirements for the protection of Federal Tax Information as described in IRS Publication 1075 at: <https://www.irs.gov/pub/irs-pdf/p1075.pdf>;
- F. Security requirements as defined in NIST 800-53 Release 4 at: <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>; and
- G. Compass Program SDLC documentation.

### **2.3.11 Product Requirements**

- A. Offeror's ITS Solution must be a fully integrated and configurable COTS product.
- B. Offeror shall be authorized to furnish the proposed goods and services. Offerors proposing to resell services of another entity must be authorized by such other entity (See **Section 5.3.2.P.2 Technical Proposal - Required Forms and Certifications**).
- C. No international processing for State data: As described in **Section 3.7 Security Requirements**, Offerors are advised that any processing or storage of data outside of the continental U.S. is prohibited.

- D. Offerors shall clearly indicate which features are part of the base offering and which include additional charges.
- E. Consistent expiration dates: A purchase order for a service already being delivered to the Agency under this Contract shall terminate on the same calendar day as the prior product/service. As appropriate, charges shall be pro-rated.
- F. Any Contract award is contingent on the State's agreement, during the Proposal evaluation process, to any applicable terms of use and any other agreement submitted under the guidelines stated in **Section 5.3.2.P.2 Technical Proposal – Required Forms and Certifications**. Such agreed upon terms of use shall apply consistently across services ordered under the Contract.
- G. The Contractor shall not establish any auto-renewal of services beyond the period identified in Contract documents.
- H. In addition to any notices of renewal sent to the Agency, Contractors shall email notices of renewal to the e-mail address designated by the Contract Monitor.
- I. Offerors may propose open source software for product features that do not process State or Federal tax information; however, the Offeror must provide operational support for the proposed software as part of its Proposal. Any open source software proposed is subject to review and approval by the Contract Monitor.

### **2.3.12 Maintenance and Support**

Maintenance and support, and Contractor's ongoing maintenance and support obligations, are defined as follows:

- A. Maintenance commences at the start of the project and continues throughout the term of the Contract (base period and any option period(s) if exercised).
- B. The Contractor shall, as necessary, work closely with the Agency and any other vendor used by the Agency to implement, support, trouble-shoot, and resolve problems related to the ITS.
- C. Software maintenance includes all future software updates and system enhancements applicable to system modules licensed without further charge to all licensed users maintaining a renewable software support contract. This includes keeping the Solution current with new versions of operating systems, database management systems, and any third-party products that are required for operations or maintenance.
- D. In the event that support for a back release that is still in use by the Agency will be discontinued, the Contractor will negotiate a mutually agreeable transition plan and timeline with the State prior to suspending support for that version.
- E. For the first year and all subsequent Contract years, the following services shall be provided for the current version and one previous version of any Software provided with the deliverables, commencing upon initial setup of the ITS Solution:
  - 1) Error Correction. Upon notice by State of a problem with the Software (which problem can be verified), reasonable efforts to correct or provide a working solution for the problem.
  - 2) Material Defects. Contractor shall notify the State of any material errors or defects in the Deliverables known, or made known to Contractor from any source during the life of the Contract that could cause the production of inaccurate or otherwise materially incorrect results. The Contractor shall initiate actions as may be commercially necessary or proper to effect corrections of any such errors or defects.

- 3) Updates. Contractor will provide to the State at no additional charge all new releases and bug fixes (collectively referred to as “Updates”) for any software Deliverable developed or published by the Contractor and made available to its other customers.
- F. Managed hosting services including:
- 1) Systems operations and administration;
  - 2) Security and compliance;
  - 3) Systems monitoring and reporting;
  - 4) Performance monitoring and tuning; and
  - 5) Activity logging and reporting.
- G. Support for application configuration and customization shall include:
- 1) Providing on-site application developers to supplement Agency staff in maintaining system customizations and configurations implemented as part of the ITS Solution; and
  - 2) Providing application database administrators to supplement Agency staff as needed.
- H. User support (Help Desk)
- 1) Contractor shall furnish Help Desk services for all operations supporting the ITS Solution.
  - 2) For production systems, the Contractor shall provide telephone support 24 hours a day, 365 days a year. For non-production systems, the Contractor shall provide telephone support during Normal State Business Hours.
  - 3) Contractor shall provide both on-site support and secure remote Access support throughout the implementation of the ITS Solution.
  - 4) Contractor shall provide secure remote Access support post implementation for the duration of the Contract.
  - 5) Contractor shall provide, maintain, and utilize a help desk ticketing system to record and track all help desk calls. The ticketing system shall record with a date and timestamp when the ticket was opened and when the ticket was closed.
  - 6) The Contractor shall submit weekly reports in a mutually agreed upon format to the Agency that detail the current status of all help desk tickets.
  - 7) The Contractor shall make help desk ticket history reports available to the Agency on request.
  - 8) The Contractor shall provide central points of contact for calls from the Agency on troubleshooting and problem resolution for the ITS Solution and the hosting environment.

#### 2.3.12.1 Technical Support

- A. “Technical Support” means Contractor-provided assistance for the services or Solution furnished under this Contract, after initial end-user support confirms a technical issue that requires additional troubleshooting capabilities; sometimes referenced as Tier II – IV support.
- B. For production systems, the Contractor shall provide Technical Support 24 hours a day, 365 days a year. For non-production systems, the Contractor shall provide Technical Support during Normal State Business Hours.

- C. The Contractor shall provide central points of contact for communications from the Agency regarding the ITS Solution, which includes the hosting environment.
- D. Contractor shall return calls for service of emergency system issues (see **Section 2.6 Service Level Agreement**) within one (1) hour.
- E. Calls for non-emergency IT service requests related to production systems will be returned within three (3) hours. Calls for non-emergency IT service requests related to non-production systems will be returned within three (3) hours during Normal State Business Hours.
- F. The Contractor shall track all communications made to the central point of contact. The Contractor shall keep a record of each communication received.
- G. The Contractor shall submit weekly reports in a mutually agreed upon format to the Agency that detail the current status of all problem tickets.
- H. The Contractor shall make problem ticket history reports available to the Agency on request.
- I. The State shall be provided with information on software problems encountered at other locations, along with the solution to those problems, when relevant to State software.
- J. The State shall be provided with information on known problems at the hosting site that affect (or have the potential to affect) State interests including the solution to those problems.
- K. The Contractor shall have immediate access to its appropriate technical support personnel per terms of the SLAs.

#### 2.3.12.2 Production Backup

The Contractor shall:

- A. Perform backups for all information needed in order to restore the production ITS Solution to full operability. This includes:
  - 1) All State data along with any data currently in the custody of the State;
  - 2) Logs;
  - 3) Server installations and configurations; and
  - 4) Product installations and configurations.
- B. The backups shall consist of at least:
  - 1) Incremental hourly backups, retained for a minimum of one (1) month;
  - 2) Full daily backups, retained for a minimum of three (3) months;
  - 3) Full monthly backups performed on COM specified schedules, maintained for a minimum of two (2) years;
  - 4) One (1) full annual backup, performed on a COM specified date, maintained for a minimum of ten (10) years; and
  - 5) Other full or incremental backups requested by the COM, with retention periods specified by the COM.
- C. Preserve backups electronically in a separate facility preapproved by the State per Disaster Recovery requirements (see **Appendix 8 Managed Hosting Requirements Matrix**).
- D. Encrypt the backups using a shared key;

- E. Perform a backup recovery test at least semi-annually and provide the State with a report of the results;
- F. Provide support for the State's recovery of a backup set, per terms of the SLA; and
- G. Ensure referential integrity is preserved during recovery across all data elements within the ITS Solution.

#### 2.3.12.3 Non-Production Backup

The Contractor shall:

- A. Perform backups for all information needed in order to restore the development and user acceptance test environments for the ITS Solution to full operability on suitable hardware. This includes:
  - 1) All State data along with any data currently in the custody of the State;
  - 2) Logs;
  - 3) Server installations and configurations; and
  - 4) Product installations and configurations.
- B. The backups shall consist of at least:
  - 1) Incremental hourly backups, retained for a minimum of one (1) week;
  - 2) Full daily backups, retained for a minimum of one (1) month;
  - 3) Full monthly backups performed on COM specified schedules, maintained for a minimum of two (2) months;
  - 4) One (1) full annual backup, maintained for a minimum of two (2) years; and
  - 5) Other full or incremental backups requested by the COM, with retention periods specified by the COM.
- C. Preserve backups electronically in a separate facility preapproved by the State per Disaster Recovery requirements;
- D. Encrypt the backups of any environments potentially containing production-like data using a shared key;
- E. Provide on demand support for the State's recovery of a backup set.

## 2.4 Deliverables

### 2.4.1 Deliverable Submission

- A. For every deliverable, the Contractor shall request the Contract Monitor confirm receipt of that deliverable by sending an e-mail identifying the deliverable name and date of receipt.
- B. A standard deliverable review cycle will be elaborated and agreed upon between the COM and the Contractor, and may be modified based on approved project methodology. The approved review process is entered into when the Contractor completes a deliverable.
- C. For any written deliverable, the Contract Monitor may request a draft version of the deliverable, to comply with the minimum deliverable quality criteria listed in **Section 2.4.3 Minimum Deliverable Quality**. Drafts of each final deliverable, except status reports, are required at least one week in advance of when the final deliverables are due.

## 2.4.2 Deliverable Acceptance

- A. A final deliverable shall satisfy the scope and requirements of this RFP for that deliverable, including the quality and acceptance criteria for a final deliverable as defined in **Section 2.4.4 Deliverable Descriptions / Acceptance Criteria**.
- B. The Contract Monitor shall review a final deliverable to determine compliance with the acceptance criteria as defined for that deliverable. The Contract Monitor is responsible for coordinating comments and input from various team members and stakeholders. The Contract Monitor is responsible for providing clear guidance and direction to the Contractor in the event of divergent feedback from various team members.
- C. The Contract Monitor will issue to the Contractor a notice of acceptance or rejection of the deliverable in the DPAF (see example at <http://doit.maryland.gov/contracts/Documents/CATSPPlus/CATS+DPAFSample.pdf>).
- D. For deliverables tied to contractual payments, the Contractor shall submit an invoice in accordance with the procedures in **Section 3.3 Invoicing** following the return of the DPAF indicating “Accepted” and signed by the Contract Monitor. The invoice must be accompanied by a copy of the executed DPAF or payment may be withheld.
- E. In the event of rejection, the Contract Monitor will formally communicate in writing any deliverable deficiencies or non-conformities to the Contractor, describing in those deficiencies what shall be corrected prior to acceptance of the deliverable in sufficient detail for the Contractor to address the deficiencies. The Contractor shall correct deficiencies and resubmit the corrected deliverable for acceptance within the agreed-upon time period for correction.

## 2.4.3 Minimum Deliverable Quality

The Contractor shall subject each deliverable to its internal quality-control process prior to submitting the deliverable to the State.

### 2.4.3.1 Minimum Deliverable Quality – Technical Deliverables

Each technical deliverable shall meet the following minimum acceptance criteria:

- A. Component shall fulfill all applicable functional, technical, hosting and Security requirements;
- B. Component shall have undergone all applicable levels of testing, and any defects discovered shall have been corrected to the satisfaction of the COM; and
- C. Component satisfies all Compass Program standards, policies, and procedures (see **D18 Software Development Plan**).

### 2.4.3.2 Minimum Deliverable Quality – Written Deliverables

Each written deliverable shall meet the following minimum acceptance criteria:

- A. Be presented in a format appropriate for the subject matter and depth of discussion;
- B. Be organized in a manner that presents a logical flow of the deliverable’s content;
- C. Represent factual information reasonably expected to have been known at the time of submission;
- D. In each section of the deliverable, include only information relevant to that section of the deliverable;
- E. Contain content and presentation consistent with industry best practices in terms of deliverable completeness, clarity, and quality;
- F. Meets the acceptance criteria applicable to that deliverable, including any applicable State and federal policies and procedures, or industry standards;



- G. Contains no structural errors such as poor grammar, misspellings or incorrect punctuation; and
- H. Must contain the date, author, and page numbers. When applicable for a deliverable, a revision table must be included.

A draft written deliverable may contain limited structural errors such as incorrect punctuation, but shall represent a significant level of completeness toward the associated final written deliverable. The draft written deliverable shall otherwise comply with minimum deliverable quality criteria above.

#### **2.4.4 Deliverable Descriptions / Acceptance Criteria**

The following technical and written deliverables will be developed or, if previously developed, updated as necessary during each phase of the project. In addition to the items identified below, the Contractor or the COM may suggest other artifacts or deliverables to improve the overall quality and success of the project implementation.

Contractor shall produce or update technical and written deliverables in accordance with the timelines defined in **Section 2.4.5 Deliverables Schedule**.

Contractor shall also assist the COM in updating existing Compass Program management documentation to reflect details associated with Contractor activities during implementation. This documentation includes, but may not be limited to:

- A. Project Management Plan;
- B. Risk Management Plan;
- C. Change Management Plan;
- D. Communication Management Plan;
- E. Staffing Management Plan;
- F. Test Master Plan;
- G. Risk, Issues, Decision, and Opportunities Registers; and
- H. Quality Management Plan.

##### **2.4.4.1 D01 Status Reports**

Beginning during Phase 1: Project Preparation, and continuing throughout the duration of the Contract, Contractor shall provide Status Reports and submit such reports to the COM per the Compass Communication Management Plan. At a minimum, Contractor's Status Reports will include:

- A. Ongoing project activities and status;
- B. Activities completed in the current reporting period;
- C. Activities planned for the upcoming reporting period;
- D. The completion status of project deliverables;
- E. Issues and risks with corresponding resolution efforts and mitigation strategies; and
- F. Opportunities for increased organizational efficiencies.

##### **2.4.4.2 D02 Meeting Minutes**

As directed by the COM, Contractor shall attend planned meetings as described in the Compass Project Communications Management Plan. Meeting minutes shall be required for all meetings that result in action items, schedule or documentation updates, or updates to the Compass Project's Risk, Issue, Decision, or Opportunity Registers. Producing minutes will be the responsibility of the meeting organizer(s), unless otherwise planned. At a minimum, minutes must record attendees, agenda, discussion points, action items (prior and new), and decisions.



#### 2.4.4.3 D03 Status Meetings

As defined in the Compass Communication Management Plan, the Contractor shall continue to schedule and facilitate ongoing status meetings, with agenda topics appropriate to the purpose of the meeting. Contractor shall ensure that all teams throughout the duration of the project have regularly scheduled status meetings and shall provide output from those meeting up to the Compass Program team to be included in status reports and other appropriate documents for the Compass Program.

Contractor shall coordinate with Compass Program staff to plan and deliver a kickoff status meeting between Contractor Key Personnel and the Compass Program team to review timelines, responsibilities, requirements, and deliverables as defined in **Section 2.4.5 Deliverables Schedule**. At the kickoff meeting, the COM will turn over to the Contractor selected project management documentation and other necessary documents that require updates to include Contractor activities and responsibilities. Contractor shall review their activities to be completed during Phase 1: Project Preparation and schedule as proposed, as well as all other deliverables included with their proposal.

#### 2.4.4.4 D04 ITS Solution Project Schedule

The Contractor shall prepare and maintain the ITS Solution Project Schedule, which shall be presented in Gantt or similar format and shall contain known tasks and time frames for completing the ITS Solution Implementation Period. The ITS Solution Project Schedule shall clearly document tasks, task estimates, resource assignments, critical path(s), milestones, and dependencies for both COM and Contractor activities, with tasks at a sufficient level of detail to facilitate accurate tracking and reporting. The ITS Solution Project Schedule shall reflect Contractor's proposed organization of the COM's Tax Types, features, and critical capabilities into Iterative Releases as defined in **D15 Implementation Strategy**, the recommended sequencing of the Iterative Releases, and the duration and recommended timing of each Iterative Release. The ITS Project Schedule shall include activities contained in each Iterative Release, along with any necessary planning, documentation, and training, and shall be resource loaded, showing responsibilities for both the COM and the Contractor.

The ITS Solution Project Schedule shall also include maintenance and support tasks necessary for the ongoing operations of the Solution.

The Contractor shall collaborate with the COM to validate and finalize the ITS Solution Project Schedule components and integrate them into the Compass Program's Integrated Master Project Schedule, which will be maintained by the TO Contractor.

#### 2.4.4.5 D05 ITS Solution Design Document (SDD)

The Contractor shall provide an ITS SDD detailing hardware, software, data, Security, and system architectures for the ITS Solution. The ITS SDD shall describe all base components and configurations, as well as all specific configurations, customizations, interfaces, and system integrations for the ITS Solution, for all environments, including Production, Development, Test, QA, UAT, and Training. The ITS SDD shall contain the architectural components listed below, or other components reasonably representative of the same content.

##### I. Hardware Architecture

The ITS SDD shall detail the overall hardware architecture for the ITS Solution. The architecture shall address all components (e.g., hardware, network, Security, communication, information, operational management and performance) and physical interactions. The architectural diagram(s) shall depict the specific components and dependencies between them, including definition of specific external interfaces. Firewalls, zoning (e.g., Security zones), ports and protocols, topologies and other industry standard architectural details, are included where applicable.

##### J. Software Architecture

The ITS SDD shall define all software components required to support the ITS Solution, and the integrations required for all components and common services to work seamlessly together. The architecture shall describe logical components, including such information as coding languages, versions, database platforms, compilers, utilities, operating systems, and communications software, and shall identify configuration items, and APIs as applicable. The architecture shall specify any foreign languages supported and describe how the software meets federal and State accessibility requirements.

**K. Data Architecture**

The ITS SDD shall detail all data used by the system, data structures and relationships, data formats, data storage media and mechanisms, data storage locations, data encryption protocols, and data backup and recovery processes. The architecture shall include Entity Relationship Diagrams, Data Flow Diagrams, and Data Models. It shall describe data storage and the types and use of data and image encryption. The SDD shall specify projected SAN storage needs for all database instances for a minimum of ten (10) years into the future.

**L. Security Architecture**

The ITS SDD shall describe the software components and configurations supporting the Security and privacy of hardware, software, and data used by the ITS Solution. The SDD shall specify the architecture for user authentication and authorization, encryption protocols, malicious code protection mechanisms, and logging and auditing design. The SDD shall effectively demonstrate that federal, State, and COM Security requirements are met.

**M. Security Plan**

The ITS SDD shall describe how the Contractor shall protect State data according to the Security policies, procedures and guidelines enforced by the COM, the State, and Publication 1075. The Security Plan shall detail the steps and processes employed by the Contractor as well as the features and characteristics which will ensure compliance with the Security requirements of the Contract.

**N. System Architecture Diagram**

Using the hardware, software, data, and Security architectures described above, the SDD shall depict a diagram of the overall, integrated structure of the Solution in terms of presentation, application, and data regions. The diagram shall document all environments and supporting infrastructure and their locations. Additionally, the ITS SDD shall describe user interfaces and the types of interfaces supported (e.g., standard, in-house, standalone, public), including any interfaces designed for mobile devices.

Contractor may recommend additional or modified components of this document. Throughout the Contract duration, the Contractor shall provide updates as needed to ensure that the ITS SDD remains fully aligned with all COM-specific requirements.

**2.4.4.6 D06 Hardware Procurement Plan**

Contractor shall provide a Hardware Procurement Plan in table format. For each hardware component to be provided as part of the ITS Solution, the table shall detail, at a minimum:

- A. Name of the hardware component;
- B. Hardware manufacturer and model number;
- C. Hardware component quantity;
- D. Hardware purpose;
- E. Timeline for hardware acquisition;

- F. Location where the hardware will be installed;
- G. Manufacturer's recommended maintenance cycle; and
- H. Assumptions/comments.

The Hardware Procurement Plan shall recommend components in quantities that are appropriate to the size and scale of the COM.

**NOTE: DO NOT INCLUDE ANY PRICING INFORMATION IN THE HARDWARE PROCUREMENT PLAN.**

**2.4.4.7 D07 Software Procurement Plan**

Contractor shall provide a Software Procurement Plan in table format. For each software component to be provided as part of the ITS Solution, the table shall detail, at a minimum:

- A. Name of the software component;
- B. Software manufacturer and version number;
- C. Type of license/subscription;
- D. Quantity of licenses/subscriptions;
- E. Software purpose;
- F. Timeline for software acquisition;
- G. Location where the software will be installed; and
- H. Assumptions/comments.

The Software Procurement Plan shall recommend licenses and subscriptions in quantities that are appropriate to the size and scale of the COM.

**NOTE: DO NOT INCLUDE ANY PRICING INFORMATION IN THE SOFTWARE PROCUREMENT PLAN.**

**2.4.4.8 D08 Staff Procurement Plan**

Contractor shall provide a Staff Procurement Plan that details the processes, sources, required skills, and timing of the on-boarding for all staff required to implement the ITS Solution and continue maintenance and support activities post-implementation. The Staff Procurement Plan shall clearly detail staff requirements for each phase of the project as described in **Section 2.4.5 Deliverables Schedule**. To the extent that the Staff Procurement Plan affects the existing Compass Staffing Management Plan (e.g., requirements for COM staff acquisition that may differ from this plan), Contractor shall collaborate with Compass Program staff to ensure that the plans are synchronized.

**2.4.4.9 D09 Knowledge Transfer Plan**

Contractor shall provide a Knowledge Transfer Plan that formalizes, for each COM role, what knowledge needs to be transferred, the skills that need to be developed, the approach to knowledge transfer, the manner for accomplishing the transfer, types and samples of exercises, and target dates for knowledge transfer to occur, based on **D15 Implementation Strategy**.

The Knowledge Transfer Plan will provide the details necessary for the State and the Contractor to objectively and proactively plan, manage, and monitor the knowledge transfer activities to completion. The Contractor shall deliver knowledge transfer in person whenever possible, utilizing hands-on mentoring methodologies, and shall utilize approved electronic media that most effectively facilitates the knowledge transfer activities and mimics colocation when colocation is not possible.

State personnel who will be recipients of the knowledge transfer activities include, but may not be limited to ITS application administrators, the Compass Program team, technical staff, and help desk staff. The Knowledge Transfer Plan shall detail the various stages of the Compass Program lifecycle when the Contractor will deliver knowledge transfer. These stages shall include, but are not limited to, setup, configuration, testing, implementation and system maintenance. The Knowledge Transfer Plan shall describe any specific techniques the Contractor will use to transfer knowledge to Super Users and technical personnel, such as day-to-day observation and individualized instruction between Contractor personnel and COM personnel.

#### **2.4.4.10 D10 Requirements Gap Analysis Report**

Contractor shall conduct requirements review sessions with the COM staff and SMEs to verify requirements and Business Process Models (BPMs) documented by the COM, discover additional requirements needed to ensure completeness, clarify understanding of the requirements, and confirm the assignment of requirements to the planned Iterative Releases.

Contractor shall then perform an analysis of any differences between the verified requirements and Contractor's Solution. This analysis shall be documented in the Requirements Gap Analysis Report, which shall clearly identify Contractor's plan for providing resolution to gaps identified by the analysis, and any alternatives the COM should consider.

#### **2.4.4.11 D11 Requirements Traceability Matrix (RTM)**

Contractor shall utilize the finalized ITS Solution requirements to develop and maintain the RTM, which links requirements to the ITS Solution throughout the project lifecycle. The RTM shall be housed in a COM-approved tool and shall be managed through COM-approved processes. The Contractor shall ensure that all requirements defined for the Solution are reflected in the design, are accurately developed, fully tested, and successfully implemented. As design specifications, configurations, test plans, and test scenarios are developed, the RTM shall be updated. Contractor shall provide a final and traceable disposition for each requirement identified in this RTM.

#### **2.4.4.12 D12 ITS Solution To-Be Business Process Models**

Contractor shall provide To-Be BPMs, in MS Visio, that are fully synchronized with the ITS Solution, and encompass all COM business functionality currently documented in the As-Is BPMs. The To-Be BPMs shall reference system interfaces, identify data sources and locations within the Solution, identify automated or manual processes that act on that data. The Contractor shall link the ITS Solution To-Be BPMs to requirements within the RTM to ensure validation of requirements during functional testing and UAT.

#### **2.4.4.13 D13 Data Conversion Plan**

In conjunction with the Compass Program team, the Contractor shall provide a Data Conversion Plan which shall detail all aspects of data conversion for each Iterative Release. The Data Conversion Plan shall include, but not be limited to:

- A. Tools and technologies required to support conversion activities;
- B. Strategy for securing the data during conversion;
- C. Identification, locations, and descriptions of data to be converted;
- D. Strategy for converting data;
- E. Mock conversion and testing processes;
- F. Data mapping from the source system to the ITS data structures for all data in scope for conversion;

- G. A detailed plan for resolving data issues (e.g. duplicate data elements, unexpected values), including transformation business rules;
- H. Data transformation processes needed to adhere to the new ITS structures;
- I. Description of the verification process, acceptance criteria and validation reports, logs, reconciliations and audits that will be used to ensure all data was migrated;
- J. Descriptions of all files required by the ITS and data sources for those files; and
- K. Roles and responsibilities of Contractor and State personnel.

#### 2.4.4.14 D14 Data Warehouse Model

The Contractor shall provide logical and physical data models for the new ITS structures. These data models will be used by COM DW technical staff for the restructuring of applicable COM DW data. The Contractor shall provide a data dictionary for the logical and physical data models. The physical data model dictionary shall minimally include table name, field name, field description, short description, field type, field size, specifications (e.g., whole number 1-10), and data source of record. The Contractor shall work collaboratively with COM's DW staff to ensure the data models provided are compatible with the COM DW.

The Contractor, in consultation with the COM's DW staff, shall maintain the logical and physical data models with each Iterative Release to ensure any changes to the underlying ITS data structures are reflected in the data extracted to the COM DW.

#### 2.4.4.15 D15 Implementation Strategy

Contractor shall provide an implementation strategy that describes the overall methodology for successfully implementing the proposed ITS Solution. The implementation strategy details and defines the approach for delivering and implementing the complete portfolio of the COM's Tax Types, fees and licenses, critical capabilities, and associated features. At a minimum, the Implementation Strategy shall include the following:

- A. Recommended order of implementation for the Tax Types, fees and licenses, critical capabilities, and other features organized into Iterative Releases;
- B. Recommended schedule of Iterative Releases;
- C. Recommended data to be converted per Iterative Release;
- D. Recommended communication activities per Iterative Release;
- E. Staffing requirements, by role and responsibilities, for both Contractor and COM staff for all implementation activities;
- F. The process for identifying, communicating, and resolving risks that may affect the scheduled implementations;
- G. The process for developing a contingency plan to maintain current production capability if the implementation is delayed; and
- H. Activities required for effectively operating and maintaining the implemented tax functions.

#### 2.4.4.16 D16 Data Warehouse Integration Plan

The Contractor shall provide a Data Warehouse Integration Plan. The Contractor shall work in consultation with the COM to assess the current COM DW platform and make recommendations including, but not limited to: data exports to the COM DW; data imports from the COM DW; real-time integration for fraud analytics during Returns processing; and connecting to the COM DW as part of the ad-hoc reporting solution. The Contractor, in consultation with the COM, shall evaluate the integration recommendations and prepare a DW integration plan for all interfaces between the ITS Solution and the COM DW. The plan will include, at a minimum: the approach to integration; tools and technologies to be used; any changes required within the COM DW (e.g., infrastructure, applications, tools); roles and responsibilities (the

COM's DW staff will be responsible for implementing necessary changes to the COM DW); and implementation schedule.

The Contractor, in consultation with the COM, will update the Data Warehouse Integration Plan with each Iterative Release to ensure any new integration points are included.

#### 2.4.4.17 D17 Comprehensive Training Plan

Contractor shall provide a Comprehensive Training Plan that is informed by **D15 Implementation Plan**, **D09 Knowledge Transfer Plan**, and **Section 2.3.8 Training, Knowledge Transfer, and Cultural Change Management Requirements**. The Comprehensive Training Plan shall detail the training for COM functional and technical users, contractors, and other stakeholders on any and all components of the ITS Solution (e.g., hardware, software, infrastructure, configurations, customizations, interfaces, Workflows, and other features and functions of the Solution). Training shall be customized for each Iterative Release, as documented in **D15 Implementation Strategy** and **Section 2.4.5.3 Phase 2.1 – 2.x Iterative Releases**.

The Comprehensive Training Plan shall include details of training to be performed for each role, skills to be developed, approach to training, manner for accomplishing training, schedule, and tracking of progress against goals.

At a minimum, the Training Plan shall include:

- A. Training objectives and target audiences;
- B. Course topics and curriculum for each target audience for each Release;
- C. Course prerequisites and necessary skills and knowledge for each Release;
- D. Identification of functional and technical skills to be provided through the training program;
- E. Required training environment and logistics, including tools, equipment, and class sizes;
- F. Technologies to be used for instructor-led training, CBT training, and video conferencing (e.g., GoToMeeting, Zoom, WebEx);
- G. Approach and details for each type of training, including system overview, end-user, super-user, technical, application administrator, train-the-trainer;
- H. Approach and details for UAT training, including both application and test process training;
- I. Approach to follow-up support and/or remedial training when end-users require additional training sessions to acquire the skills necessary to achieve required competency;
- J. Training documentation, artifacts, and examples of forms to be used;
- K. Training roles and responsibilities;
- L. Approach to client knowledge evaluations and metrics for knowledge measurement; and
- M. Approach to audience course evaluations.

#### 2.4.4.18 D18 Software Development Plan

Contractor shall provide a Software Development Plan that documents all software development procedures, technologies, environments, and processes applicable to any configurations and customizations performed during implementation of the ITS Solution, at a level of detail sufficient to allow the use of the Software Development Plan as the default guidance for the development teams. At a minimum, the Software Development Plan shall include:

- A. Standards, methods, tools, and strategies to be used during development;
- B. Roles and responsibilities for development teams;
- C. Structures of development teams;
- D. Techniques to be used to manage development activities;
- E. Change management tools, policies, and procedures;
- F. Technical environments to be built for application development and testing;



- G. Descriptions of Security and Access management for development environments;
- H. QA strategies to be employed for each phase of development; and
- I. Techniques for ensuring minimal effects of future releases on COM customizations.

#### 2.4.4.19 D19 Software Licenses, Subscriptions, and Warranties

Contractor shall be responsible for establishing the licenses, subscriptions, warranties and service / maintenance agreements for all software procured as part of the ITS Solution. The requisite licenses, subscriptions, and warranties shall be delivered to the State in accordance with the ITS Solution Project Schedule.

For any licenses, subscriptions, and warranties to be held by the State, Contractor shall provide said contracts and evidence of purchase to the State and shall maintain evidence of them in a format and location agreed upon by the State. For licenses, subscriptions, and warranties held by Contractor or one of its Subcontractors, Contractor shall provide executed copies of said contracts and shall maintain evidence of them in a format and location agreed upon by the State.

#### 2.4.4.20 D20 Hardware Licenses, Subscriptions, and Warranties

Contractor shall be responsible for establishing licenses, subscriptions, and warranties for all hardware, network components, and hosting solution components procured as part of the ITS Solution. The requisite licenses, and warranties shall be delivered to the State in accordance with the approved ITS Solution Project Schedule.

For any licenses, subscriptions, and warranties to be held by the State, Contractor shall provide said contracts to the State and shall maintain evidence of them in a format and location agreed upon by the State. For licenses, subscriptions, and warranties held by Contractor or one of its Subcontractors, Contractor shall provide executed copies of said contracts and shall maintain evidence of them in a format and location agreed upon by the State.

#### 2.4.4.21 D21 Environment Setup – Development, Test, UAT

Contractor shall be responsible to plan, design, build, and test all technical environments needed to successfully begin the development and test activities in Phase 2.1 – 2.x Iterative Releases, working closely with Compass Program staff. These environments include, but may not be limited to, the Development, Test, and UAT. For each environment implemented, Contractor shall deliver all related application and network installations and configurations, necessary databases, change control and code management functionality, backup and recovery processing, user Access management, role-based authorization, and all necessary application, data, and network Security, resulting in a fully functioning operational ITS Solution environment.

Upon implementation of each environment, Contractor shall update the corresponding portions of **D05 ITS Solution Design Document** to reflect the architecture of that environment.

#### 2.4.4.22 D22 ITS Solution Test Plan

Contractor shall provide an ITS Solution Test Plan that delineates the test procedures, methodologies, tools, and techniques used for testing of each Iterative Release in Phase 2.1 – 2.x Iterative Releases. The ITS Solution Test Plan will be incorporated into the Compass Test Master Plan. At a minimum, the ITS Solution Test Plan shall include:

- A. Approach, standards, and methodology for each type of testing described in **Section 2.3.7 Test Requirements**.
- B. Test readiness approach to ensure that each environment is fully functional and ready for testing;



- C. Technical requirements for test execution, including browsers, firmware, and operating system;
- D. Test training;
- E. Test data preparation;
- F. Test tools;
- G. Defect tracking and resolution procedures;
- H. Test results tracking and documentation procedures;
- I. Testing schedule;
- J. Planned meetings and communications;
- K. Entrance and exit criteria for each test type with testing metrics;
- L. Definition of defect severity levels; and
- M. Roles and responsibilities for each test type.

Contractor shall, in collaboration with the Compass Project team, review and update the Plan as necessary to accurately reflect any changes to the testing components discovered during development and implementation.

#### 2.4.4.23 D23 Data Warehouse Data Model Optimization

Contractor shall collaborate with the COM DW team to optimize the COM's existing Teradata DW model and processes for integration with the ITS Solution. The optimized DW model will assure the continuance of all existing functionality of the COM's fraud model, while incorporating any enhanced functionality available through integration with the ITS Solution. DW model optimization must be performed in such a way that continued functionality associated with existing memoranda of understanding between the COM and other agencies is assured.

#### 2.4.4.24 D24 Environment Setup – Training, Production

Contractor shall be responsible to plan, design, build, and test all technical environments needed to successfully begin the training and production implementation activities in Phase 2.1 – 2.x Iterative Releases, working closely with Compass Program staff. These environments include, but may not be limited to, the Training and Production environments. For each environment implemented, Contractor shall deliver all related application and network installations and configurations, necessary databases, change control and code management functionality, backup and recovery processing, user Access management, role-based authorization, and all necessary application, data, and network Security, resulting in a fully functioning operational ITS Solution environment.

Upon implementation of each environment, Contractor shall update the corresponding portions of **D05 ITS Solution Design Document** to reflect the architecture of that environment.

#### 2.4.4.25 D25 Test Tracking and Reporting Tool

Contractor shall provide and implement a tool(s) and associated processes for testing efforts tracking and reporting. The tool(s) and processes shall be available to Contractor and assigned COM staff, and shall track expected and actual test results, defects, problems, and resolutions, final dispositions of test cases, test scenarios, use cases, and user stories. The Contractor shall provide a tool(s) to perform stress and system performance testing. The tool(s) and processes shall track testing tasks, assigned resources, statistics on completed tests, defects identified, rework efforts, retesting efforts, and final disposition of tests.

#### 2.4.4.26 D26 Release 2.x Planning

Contractor shall conduct planning activities at the beginning of each Iterative Release during Phase 2.1 – 2.x Iterative Releases. The outcome of the planning activities shall provide the following details for Tax

Types, fees and licenses, critical capabilities, and other features that will be implemented with the Iterative Release:

- A. Backlog of requirements, features, functionalities to be implemented in the Release;
- B. Detailed elaboration of requirements or user stories, as needed;
- C. Organization of backlog into sub-releases (“Sprints”), if required;
- D. Temporary interfaces to be built;
- E. System interfaces to be built;
- F. Data to be converted;
- G. Imaged content and data to be migrated;
- H. Data requiring clean-up prior to conversion;
- I. Document imaging capabilities to be implemented;
- J. Responsibilities for configuration and custom development;
- K. Effort estimates for configurations and customizations;
- L. Resources needed, including business stakeholders and UAT participants; and
- M. Iterative Release acceptance criteria.

#### 2.4.4.27 D27 Release 2.x Implementation Plan

Contractor shall develop and submit an Implementation Plan for each Iterative Release during Phase 2.1 – 2.x Iterative Releases which describe how requirements, features, and functionalities planned for the Iterative Release will be deployed, installed, and transitioned into production. At a minimum, the Implementation Plan shall detail the approach for delivering the following components to be implemented with the Iterative Release:

- A. Description of tasks involved;
- B. Detailed instructions, including dependencies;
- C. Resources required, responsibilities, and contact information;
- D. Disaster Recovery environment updates and testing;
- E. Technical preparation and Iterative Release turnover activities;
- F. Implementation timeline;
- G. Implementation activity checklist, including audit processes;
- H. Criteria for successful implementation, including User validation; and
- I. Roll-back and contingency plan in the event that the Iterative Release proves unsuccessful.

#### 2.4.4.28 D28 Release 2.x Data Conversion and Load (Development, Test, UAT Environments)

Contractor shall deliver a successful load of converted data into the ITS Solution development, test, and UAT environments for each Iterative Release, and shall provide refreshes of the databases as required by the COM. Data shall be converted and migrated in accordance with **D13 Data Conversion Plan**, and in collaboration with Compass Program staff and COM SMEs. The Contractor shall ensure that a sufficient amount of data at the required level of detail has been converted and loaded to facilitate the full scope of testing planned for the environment and Iterative Release. Contractor shall ensure that all data loaded comply with data Security requirements.

#### 2.4.4.29 D29 Release 2.x Implementation of Solution Software, Components, Configurations, and Customizations

For each Iterative Release in Phase 2.1 – 2.x Iterative Releases, the Contractor shall provide, install, and implement a fully operational portion of the ITS Solution software and components. Each Iterative Release shall successfully implement the requirements, functionalities, and features defined for that Iterative Release. In addition, each Iterative Release shall deliver the application and system configurations, customizations, temporary and system interfaces, and data conversion and migration

necessary to ensure all functionality for that Iterative Release, and seamless integration with existing legacy components, if applicable.

For each Iterative Release, the Contractor shall deliver all applicable software and hardware components, configurations, and customizations as follows:

**A. Software and Hardware Components**

The Contractor shall implement all base code, modules, interfaces, required to satisfy the full range of requirements for each Iterative Release. In addition, the Contractor shall install any necessary hardware, such as scanners and printers, to ensure full success of the installed software.

**B. Configurations**

Wherever possible, the Contractor shall satisfy COM functional, technical, process, Workflow, and Security requirements via software configurations. The Contractor shall demonstrate the configured software as required during each stage of the project to allow COM personnel to review and approve it.

**C. Customizations**

For requirements that cannot be fulfilled via the ITS base code or associated configurations, such as temporary interfaces necessary to integrate the functionality in the Iterative Release with legacy systems still in operation, the Contractor shall develop customizations according to COM approved specifications. The Contractor shall deliver customizations simultaneously with other components of each Iterative Release. Customizations shall be developed in such a way that they can be maintained without modification when upgrades or new releases are applied to the ITS base code.

**D. Data Conversion and Migration**

Contractor shall deliver and populate a fully configured production database for each of the Releases in Phase 2.1 – 2.x Iterative Releases, in accordance with **D13 Data Conversion Plan**. Contractor shall include all necessary backup and recovery procedures as described in the requirements included with this RFP and in **Section 3.5 Disaster Recovery and Data**.

**2.4.4.30 D30 Release 2.x System Interfaces**

For each Iterative Release, Contractor shall develop, test, and implement the required temporary and permanent interfaces. Temporary interfaces will be built according to details documented in **D26 Release 2.x Planning**, and permanent interfaces, including bi-directional DW interfaces, will be developed as documented in **Appendix 16 Interface Inventory**, as applicable for the scope of the Iterative Release.

The interfaces shall be developed in accordance with **D18 Software Development Plan** and **D15 Implementation Strategy** and in collaboration with the external entities receiving or generating the interface data. During Phase 2.1 – 2.x Iterative Releases, the system interfaces must be evolved to collect and deliver data according to the requirements, functions, and features included in the Iterative Release being implemented.

**2.4.4.31 D31 Release 2.x Test Analysis and Defect Report**

Contractor shall provide a Test Analysis and Defect Report documenting results of unit, system, integration, user acceptance, Security, and performance testing for each Iterative Release. The report shall include the results of all test scripts and scenarios, requirements implemented, deficiencies detected and full details of deficiency resolution, defect remediation, and error correction.

#### 2.4.4.32 D32 Release 2.x Training Materials

The Contractor shall create, print, and distribute all training materials appropriate to each Iterative Release. Training materials shall coordinate with the trainers' lectures and demonstrations and shall be delivered according to **D17 Comprehensive Training Plan**. Training Materials shall enable the trainees to follow the class flow and to record notes. Training Materials shall reflect applicable COM-specific configurations and customizations to the ITS Solution, and shall include changes and updates suggested by the COM training staff. Throughout the course of the Contract, the Contractor shall ensure that Training Materials are updated to reflect the current implemented software in production.

Contractor shall provide one printed copy of training materials to each trainee and Access to an electronic version of all training materials in formats updatable by the COM (e.g., MS Office products).

#### 2.4.4.33 D33 Release 2.x Training Schedule

Contractor shall provide a Training Schedule for each Iterative Release, detailing the development of training materials and the delivery of **D35 Release 2.x Training Sessions**. The Training Schedule shall reflect the activities outlined in **D17 Comprehensive Training Plan**, and session delivery shall be scheduled according to **D26 Release 2.x Planning**. Contractor shall notify the COM of the schedule, number of classes, and the number of users and user roles to be trained for each session.

#### 2.4.4.34 D34 Release 2.x Data Load (Training Environment)

Contractor shall deliver a fully configured training database for each Iterative Release, for hands-on use by trainees. This training database shall contain a sufficient variety of sample test data to exercise all parts of the system that are included in the training, and shall comply with all data Security requirements. All training shall be designed to use a refreshed copy of this training database for examples and exercises. There shall be a method to simulate an interface to and from other systems when needed to demonstrate a function during training. Contractor shall establish a schedule for refreshing the training database that ensures the most up-to-date data for the training schedule. If needed, and at the request of the State, Contractor shall configure multiple copies of the training database to accommodate multiple classes.

#### 2.4.4.35 D35 Release 2.x Training Sessions

Contractor shall provide formal hands-on training sessions for each Iterative Release. In these sessions, Contractor shall train ITS Solution Users, technical staff, application administrators, and other support staff as required in the requirements, functionalities, and features of the Iterative Release to be implemented. Sessions shall contain an overview of the features of the Iterative Release, and step-by-step instruction on how to use the functions and features. In addition, Contractor shall provide training in error handling and train-the-trainer instruction. The Contractor shall conduct sessions led by qualified facilitators and instructors who have application knowledge and are experienced in delivering classroom training.

Contractor shall be responsible for training room configuration and setup, distribution of materials, class deployment, training environment set-up, and cleanup. Contractor shall deliver training sessions remotely through the use of web-enabled teleconferencing software in those instances where in-person training is not possible for COM staff. Contractor shall record attendance, administer course evaluations, and deliver post-training reporting of sessions and evaluation results.

#### 2.4.4.36 D36 Release 2.x Release Manual

For each Iterative Release in Phase 2.1 – 2.x Iterative Releases, Contractor shall deliver a release manual which details the components delivered for that Iterative Release, how they interact with any legacy systems, and any changes made to other parts of the ITS Solution previously delivered. At a minimum, the release manual shall include:

- A. Requirements implemented;
- B. Tax Types, Fees, Licenses implemented;
- C. Other features and functionalities implemented;
- D. Identification and location of software and hardware components;
- E. Temporary interfaces implemented;
- F. System interfaces implemented;
- G. Configurations implemented;
- H. Customizations implemented;
- I. Access management and user Access implemented;
- J. Security rules implemented;
- K. Reports, Forms, Correspondence implemented;
- L. Versions of any software implemented;
- M. Summary of changes to the baseline software from previous Releases.

After the final Iterative Release has been delivered and approved by the State, Contractor shall consolidate all release manuals into a single document for final approval by the State.

#### 2.4.4.37 D37 Release 2.x Solution Applications Operations Manual

Contractor shall deliver a complete set of Solution Applications Operations Manuals detailing the processes, functions, skills, and tools required to successfully operate the applications provided by the ITS Solution. The Solution and Applications Operations Manuals shall be delivered or updated as part of each Iterative Release outlined in Phase 2.1 – 2.x Iterative Releases. Solution and Applications Operations Manuals shall include troubleshooting, standard operations, reports generation, conduct of system interfaces, how to input data into the system, and all other functions necessary for the Iterative Release to function correctly.

#### 2.4.4.38 D38 Release 2.x Application Maintenance Manual

Contractor shall deliver a complete Application Maintenance Manual detailing the processes, functions, skills, and tools required to support and maintain the applications within the ITS Solution. The Application Maintenance Manual shall be delivered or updated with each Iterative Release in accordance with Phase 2.1 – 2.x Iterative Releases, and should include routine daily, weekly, monthly, quarterly, and annual maintenance, troubleshooting, data maintenance, and other functions necessary for the Iterative Release to be maintained.

#### 2.4.4.39 D39 Release 2.x Post-Implementation Review Report

Contractor shall provide a Post-Implementation Review Report after successful implementation of each Iterative Release. The Post-Implementation Review Report will present an assessment of the Iterative Release implementation in terms of functionality, performance, cost-benefit analysis, lessons learned, and the effectiveness of the life-cycle development activities that produced the Iterative Release. The Post-Implementation Review Report shall be provided within five (5) Business Days of COM acceptance of each Iterative Release implementation. The final Post-Implementation Review Report shall be a consolidation of the Post-Implementation Reports from all Iterative Releases, and shall be delivered within ten (10) Business Days of COM's acceptance of the final Iterative Release.

#### 2.4.4.40 D40 Release 2.x Data Conversion and Load (Production)

Contractor shall deliver a successful load of converted data into the ITS Solution production environment for each Iterative Release, and shall provide refreshes of the databases as required by the COM. Data shall be converted and migrated in accordance with **D13 Data Conversion Plan**, and in collaboration with Compass Program staff and COM SMEs. The Contractor shall ensure that the full set of data has

been converted and loaded to facilitate successful implementation of the Iterative Release. Contractor shall ensure that all data loaded comply with data Security requirements.

#### 2.4.4.41 D41 Application Administration Documentation

Contractor shall provide Application Administration Documentation that includes all information required by Application Administrators to administer and manage the installed ITS software, configurations, Security, and customizations. Application Administration Documentation topics shall include, but not be limited to:

- A. Application performance auditing;
- B. Disaster Recovery/Restoration Plan execution;
- C. User activity audit reviews and reporting;
- D. Troubleshooting guidelines; and
- E. Application Security administration (addition, revocation, and maintenance of users, user groups, profiles, roles, and permissions).

#### 2.4.4.42 D42 ITS Solution User Manuals

Contractor shall provide documentation describing end-user operation of all ITS Solution functionality, including a complete and easy-to-read User manuals. The User manuals must cover all aspects of the Solution operation, including all procedures, methods of operation and other functions. The User manuals must be written in clear English text, and shall not utilize overly technical language or pseudo-code. The User manuals shall include, but are not limited to:

- A. Application narrative overviews and diagrams;
- B. Step by step user instructions for manual and automated processes;
- C. Form template descriptions and usage;
- D. Sample screen displays for each key function;
- E. Screen navigation;
- F. Error messages and procedures for correction; and
- G. List of reports, including descriptions, usage, sample layouts and input parameters.

Contractor shall update User manuals for each Release during Phase 2.1 – 2.x Iterative Releases, and shall ensure that information presented is current and up-to-date with implemented requirements, features, and functions of the ITS Solution.

#### 2.4.4.43 D43 ITS Solution Technical Documentation

Contractor shall provide technical documentation that includes all information required by the technical staff to maintain and support the installed ITS Solution, including all third-party products. This documentation will serve both the technical and application administration staff. The technical documentation must include operating, servicing, and installation instructions, troubleshooting guidelines and software manuals. Technical Documentation shall include, but is not limited to:

- A. Customization procedures;
- B. Fully documented program source code (for customized components);
- C. Application configuration procedures;
- D. Descriptions of software versions for all installed products;
- E. Data interfaces and exchanges;
- F. Workflow, imaging, and printing processes and technologies;
- G. Logical and physical data models (or equivalent) for customized functions or modules;
- H. Logical and physical data models (or equivalent) of core product;
- I. Business rule maintenance procedures;



- J. Reports and Forms configurations and configuration procedures;
- K. Electronic web Forms creation and maintenance instructions;
- L. Configurations and procedures for documents, letters, and other Correspondence;
- M. Job scheduling;
- N. Table maintenance (e.g., user account maintenance);
- O. Access privilege management;
- P. Troubleshooting guidelines; and
- Q. Data analytics software documentation.

#### 2.4.4.44 D44 ITS Solution Technical Training

Contractor shall provide on-site, instructor-led, training for the State technical staff. There are approximately one hundred twenty-five (125) technical personnel to be trained. The goal of the technical training is to train the technical staff so they can functionally operate, maintain, configure, and customize the ITS Solution post implementation. Technical training topics include, but are not limited to:

- A. Application Configurations;
- B. Business Rules;
  - 1) Creation, testing, storage, and maintenance of business rules;
  - 2) Use of the rules engine tools (e.g., to perform impact analysis, tuning);
- C. Performing year-end processing (e.g., duplicating prior years business rules, setting up rules for new tax season);
- D. Data Query and Reporting;
  - 1) Design, development, testing and production of end-user reports and queries;
  - 2) Design, development, testing and implementation of query templates;
  - 3) Design, development, testing and production of complex reports, dashboards, and analysis reports that require programming;
  - 4) Use of new scoring methodology and tools;
  - 5) Maintenance and modification of scoring, discovery and ranking models;
- E. Use of job scheduling tool (add, modify, delete scheduled jobs);
- F. Interfaces;
  - 1) Design, development, testing and implementation of interface programs;
- G. Application customizations;
- H. Data Warehouse integration;
- I. Forms;
  - 1) Design, development, testing and implementation of Forms;
  - 2) Creation, testing, storage and maintenance of Forms templates;
  - 3) Design, development, testing and deployment of fillable Forms;
- J. Print Services - Development and implementation of print file extract programs; and
- K. Web Portal Services - Technical training on the design, development and maintenance of the taxpayer portal (e.g., adding and deleting a new tax Return, graphics, a link, new content, a new online service).

#### 2.4.4.45 D45 System Performance and SLA Reports

Commencing at the start of the project and continuing throughout the term of the Contract (base period and any option period(s) if exercised), the Contractor shall prepare and submit System Performance and SLA reports on a monthly basis, or as directed by the State. The reports shall detail the performance of the implemented ITS Solution, including but not limited to the following key performance indicators:

- A. SLA compliance;
- B. System throughput;
- C. Functional accuracy;



- D. Technical efficiency; and
- E. Security compliance.

Contractor shall also produce all other reports and maintain procedures associated operations and maintenance requirements defined in this RFP, on COM-defined frequencies. These reports and procedures include, but are not limited to:

- A. Business continuity and disaster recovery plans;
- B. Commercial off-the-shelf and third-party software releases;
- C. Problem ticket status report;
- D. Disaster recovery testing reports;
- E. Hosting Change Management Procedures;
- F. Quarterly Usage Reports;
- G. Annual Storage Projection Report;
- H. Patch Management Plan;
- I. Incident Response Plan;
- J. Problem Escalation Procedure;
- K. Root Cause Analysis Reports;
- L. Daily System Audit Log Review Reports;
- M. Hardware and Software Hardening Procedures;
- N. Annual Network Configuration Review (per **Section 3.7.5 Data Protection and Controls, subsection B**);
- O. Vulnerability Test Results and Remediation Plans;
- P. Vulnerability Management Policies and Procedures;
- Q. Disaster Recovery and Contingency Plans;
- R. Annual Risk Assessment; and
- S. System performance reports.

#### 2.4.4.46 D46 Managed Hosting

The Contractor shall provide fully operational managed hosting environments to operate the ITS Solution in accordance with all requirements found in **Appendix 7 Technical Requirements Matrix** and **Appendix 8 Managed Hosting Requirements Matrix** and in accordance with SLAs defined herein. All environments specified in the RFP shall be provided and managed by the Contractor for the duration of the Contract.

#### 2.4.4.47 D47 Security Compliance Statement

The Contractor shall provide a formal statement to the Contract Monitor each quarter, beginning upon commencement of maintenance and support activities. The Security Compliance Statement shall indicate the Contractor's compliance with all of the following security requirements:

- A. State data is not comingled with non-State data through the proper application of compartmentalization Security measures;
- B. Data encryption is applied per requirements to all sensitive data while in use, in transit, and at rest (including logs, archives, and backup data);
- C. System activities are logged per Security requirements defined by the State and the IRS. Logs are retained per IRS Publication 1075 guidelines;
- D. All State data is processed, transferred, and stored within the United States;
- E. Contractor Personnel are not permitted to store State data on any off-site portable devices;
- F. Contractor Personnel are not permitted to connect to their own equipment to any portion of the ITS Solution without prior written approval of the State;

- G. Anti-virus and anti-malware is installed and maintained on all ITS Solution systems with automatic updating and active scanning to detect threats;
- H. Obsolete software, hardware, and code has been removed from the environment when no longer needed; and
- I. The Contractor remains in compliance with all security clearance and criminal background checks for all Contractor Personnel with access to state data or the systems processing that data.

#### 2.4.4.48 D48 Document Scanning, Imaging, and Content Management Plan

The Contractor shall provide a Document Scanning, Imaging, and Content Management Plan that details the strategy, activities, and processes to consolidate all existing COM document imaging capabilities into a single, integrated, intelligent scanning capability, with attendant content management functionality and migration of existing document imaging data and content.

### 2.4.5 Deliverables Schedule

Contractor shall produce all deliverables defined in **Section 2.4.4 Deliverable Descriptions / Acceptance Criteria** according to the following Project Phases. Identified milestones will be confirmed during Contract Initiation. Requests for subsequent adjustments to confirmed milestones will be subject to the COM's approval.

#### 2.4.5.1 Recurring Communications

Contractor shall produce the following deliverables throughout the project lifecycle, in accordance with the Compass Communications Plan:

- A. **D01 Status Reports;** and
- B. **D02 Meeting Minutes.**

#### 2.4.5.2 Phase 1: Project Preparation

Phase 1: Project Preparation begins the ITS Solution Implementation Period. During Phase 1, the Contractor shall become familiar with the COM working environment and the Compass Program, confirm the management approach for the services the Contractor will provide, assume responsibility for all deliverables as described in **Section 2.4.4 Deliverable Descriptions / Acceptance Criteria** and the activities planned to achieve them, and provide clear planning for all aspects of the remaining phases of the Compass Program.

The following deliverables shall be completed within thirty (30) calendar days of NTP Date:

- A. **D03 Status Meetings;**
- B. **D04 ITS Solution Project Schedule;**
- C. **D05 ITS Solution Design Document;**
- D. **D06 Hardware Procurement Plan;**
- E. **D07 Software Procurement Plan;** and
- F. **D08 Staff Procurement Plan.**

Contractor shall analyze, document, and further refine the planned activities of the project, as well as the implementation strategy. Contractor shall identify, acquire, install, and configure hardware and software infrastructure necessary to begin development, testing, conversion, and implementation tasks defined in Phase 2: Iterative Releases.

The following deliverables shall be completed within one hundred twenty (120) calendar days of NTP Date. Scheduling of individual deliverables within phases will be according to the approved ITS Solution Project Schedule.

- A. **D09 Knowledge Transfer Plan;**
- B. **D10 Requirements Gap Analysis Report;**
- C. **D11 Requirements Traceability Matrix;**
- D. **D12 ITS Solution To-Be Business Process Models;**
- E. **D13 Data Conversion Plan;**
- F. **D14 Data Warehouse Model;**
- G. **D15 Implementation Strategy;**
- H. **D16 Data Warehouse Integration Plan;**
- I. **D17 Comprehensive Training Plan;**
- J. **D18 Software Development Plan;**
- K. **D19 Software Licenses, Subscriptions, and Warranties;**
- L. **D20 Hardware Licenses, Subscriptions, and Warranties;**
- M. **D21 Environment Setup - Development, Test, UAT;**
- N. **D22 ITS Solution Test Plan;**
- O. **D23 Data Warehouse Data Model Optimization;**
- P. **D25 Test Tracking and Reporting Tool and Processes;**
- Q. **D48 Document Scanning, Imaging, and Content Management Plan;** and
- R. Updated deliverables from prior phase(s).

**MILESTONE 1: Completion and Acceptance by the COM of Deliverables D01 – D23, D25, and D48. Milestone 1 serves as a project stop point, whereby the COM Program leadership may halt all work on the project in order to adjust project schedules, expectations, or goals, or to mitigate risks, resolve issues, or apply corrections to any component of the project assessed to be in danger of failure.**

#### 2.4.5.3 Phase 2.1 – 2.x: Iterative Releases

The ITS Solution shall be delivered in a series of Iterative Releases, as documented in **D15 Implementation Strategy**. As part of each Iterative Release, the Contractor shall provide, install, configure, and customize all software and hardware components necessary to implement the defined requirements for the Tax Types, licenses and fees, critical capabilities, and functionalities associated with that Iterative Release. The Contractor shall also provide activities necessary for the retirement or other disposition of legacy system components and data replaced by the Release.

Each Iterative Release shall include planning, design, development, testing, training, implementation, and documentation. Activities, services, and artifacts (original or updated from previous Iterative Releases) developed in each Iterative Release will be unique to that Iterative Release. Deliverables for each Iterative Release include:

- A. **D24 Environment Setup - Training, Production (Release 2.1 only)**
- B. **D26 Release 2.x Planning;**
- C. **D27 Release 2.x Implementation Plan;**
- D. **D28 Release 2.x Data Conversion and Load (Dev, Test, UAT Environments);**
- E. **D29 Release 2.x Implementation of Solution Software, Configurations, and Customizations;**
- F. **D30 Release 2.x System Interfaces;**
- G. **D31 Release 2.x Test Analysis and Defect Report;**

- H. D32 Release 2.x Training Materials;
- I. D33 Release 2.x Training Schedule;
- J. D34 Release 2.x Data Load (Training Environment);
- K. D35 Release 2.x Training Sessions;
- L. D36 Release 2.x Release Manual;
- M. D37 Release 2.x Solution Applications Operations Manual;
- N. D38 Release 2.x Application Maintenance Manual;
- O. D39 Release 2.x Post-Implementation Review Report;
- P. D40 Release 2.x Data Conversion and Load (Production); and
- Q. Updated deliverables from prior Iterative Releases.

**MILESTONE 2.1 – 2.x: Completion and Acceptance by the COM of Deliverables D24, and D26 – D40 (for each Iterative Release). Milestones 2.1 through 2.x serve as project stop points, whereby the COM Program leadership may halt all work on the project in order to adjust project schedules, expectations, or goals, or to mitigate risks, resolve issues, or apply corrections to any component of the project assessed to be in danger of failure. Additional stop points may be identified during the execution of each Iteration, depending on the length and complexity of that Iteration.**

#### 2.4.5.4 Phase 3: Implementation Period Transition-Out

During Phase 3: Implementation Period Transition-Out, Contractor shall provide any remaining software or hardware components and all final documentation necessary to complete implementation of all Iterative Releases of the ITS Solution as documented in **D15 Implementation Strategy**, Phase 3: Iterative Development, and all requirements of this RFP.

Contractor shall deliver all knowledge transfer activities and deliverables as defined in **D09 Knowledge Transfer Plan** and **Section 2.3.8 Training, Knowledge Transfer, and CCM Requirements**.

Deliverables for Phase 3: Implementation Period Transition-Out include final updates to and acceptance of the following:

- A. **D41 Application Administration Documentation;**
- B. **D42 ITS Solution User Manual;**
- C. **D43 ITS Solution Technical Documentation;** and
- D. **D44 ITS Solution Technical Training.**

The completion of Phase 3: Implementation Period Transition-Out shall signify the close of the ITS Solution Implementation Period.

**MILESTONE 3: Completion and Acceptance by the COM of Deliverables D41 – D44. Milestone 3 serves as a project stop point, whereby the COM Program leadership may halt all work on the project in order to adjust project schedules, expectations, or goals, or to mitigate risks, resolve issues, or apply corrections to any component of the project assessed to be in danger of failure.**

#### 2.4.5.5 Phase 4: Maintenance and Support

During Phase 4: Maintenance and Support, the Contractor shall provide all maintenance and operations tasks as defined in **Section 2.3.12 Maintenance and Support** of this RFP. This will include all necessary

monitoring, reporting, maintenance and service to keep the ITS Solution functioning at peak efficiency and to standards agreed upon by the COM and the Contractor in **Section 2.6 Service Level Agreement**.

Phase 4: Maintenance and Support shall begin with the implementation of the first managed hosting environment, and continues for the duration of the Contract (base period and any option period(s) if exercised). Contractor shall begin preparing or updating, on an agreed-upon schedule, the following deliverables:

- A. D05 ITS Solution Design Document;**
- B. D19 Software Licenses, Subscriptions, and Warranties;**
- C. D20 Hardware Licenses, Subscriptions, and Warranties;**
- D. D43 ITS Solution Technical Documentation;**
- E. D45 System Performance and SLA Reports;**
- F. D46 Managed Hosting; and**
- G. D47 Security Compliance Statement**

## **2.5 Optional Features, Future Work**

THIS SECTION IS NOT APPLICABLE TO THIS RFP.

## **2.6 Service Level Agreement (SLA)**

### **2.6.1 Definitions**

- A. A “Problem” is defined as any situation or issue reported via a problem ticket that is related to the system operation that is not an enhancement request.
- B. “Problem resolution time” is defined as the period of time that begins when the help desk ticket is opened and ends when it is approved as resolved by the Contract Monitor or an assignee.
- C. Recurring Charges: for purposes of SLA credit calculation, recurring charges are those recurring charges invoiced during the period of performance in which the breach occurred.

### **2.6.2 SLA Requirements**

The Contractor shall:

- A. Be responsible for complying with all system performance and operations and maintenance measurements, and shall also ensure compliance by all Subcontractors.
- B. Meet the Problem response time and resolution Service Level Agreements currently in effect based on service requirements as listed in **Section 2.6.9 Problem Response Definitions and Times**.
- C. Provide a monthly report to monitor and detail response times and resolution times.
- D. Log Problems into the Contractor-supplied help desk software and assign an initial severity (Emergency, High, Medium or Low as defined in **Section 2.6.9 Problem Response Definitions and Times**).
- E. Respond to and update all Problems, including recording when a Problem is resolved and its resolution. Appropriate Agency personnel shall be notified when a Problem is resolved.
- F. The Agency shall make the final determination regarding Problem severity.

- G. Contractor shall review any Problem with Agency to establish the remediation plan and relevant target dates.
- H. Meet the Operations and Maintenance Service Level Metrics based on service requirements as listed in **Section 2.6.10 Service Level Measurements Table**.

### **2.6.3 Service Level Agreement Service Credits**

Time is an essential element of the RFP and it is important that the work be vigorously prosecuted until completion. For work that is not completed within the time(s) specified in the performance measurements below, the Contractor shall be liable for service credits in the amount(s) provided for in this Contract, provided, however, that due account shall be taken of any adjustment of specified completion time(s) for completion of work as granted by approved change orders and/or Work Orders.

The parties agree that any assessment of service credits shall be construed and treated by the parties not as imposing a penalty upon the Contractor, but as compensation to the State for the Contractor's failure to timely complete Contract work, including Work Orders.

### **2.6.4 SLA Effective Date (SLA Activation Date)**

SLAs established for this Contract shall be in effect beginning with the commencement of recurring services upon implementation of the first ITS managed hosting environment.

Beginning on the SLA Activation Date, for any performance measurement not met during the monthly reporting period, the SLA credit for that individual measurement shall be applied to the recurring charges.

### **2.6.5 Service Level Reporting**

The Contractor shall provide detailed monthly reports evidencing the attained level for each SLA set forth herein. Monthly reports shall be available on the first working day of each month.

- A. The Contract Monitor or designee will monitor and review Contractor performance standards on a monthly basis, based on Contractor-provided reports for this Contract.
- B. The Contractor shall provide a monthly summary report for SLA performance via e-mail to the Contract Monitor.
- C. If any of the performance measurements are not met during the monthly reporting period, the Contract Monitor or designee will notify the Contractor of the standard that is not in compliance.

### **2.6.6 Credit for Failure to Meet SLA**

Contractor's failure to meet an SLA will result in a credit, as service credits and not as a penalty, to the recurring charges payable by the State during the month of the breach. The credits will be cumulative for each missed service requirement. The State, at its option for amount due the State as service credits, may deduct such from any money payable to the Contractor or may bill the Contractor as a separate item. In the event of a catastrophic failure affecting the entire ITS Solution, all affected SLAs shall be credited to the State. In no event shall the aggregate of all SLA credits paid to the State in any period of recurring performance exceed 25% of the recurring charges.

Example: If the recurring charges were \$100,000 and one SLA were missed, with an applicable 4% credit, the credit to the invoice would be \$4,000, and the State would pay a net invoice charge of \$96,000.

### **2.6.7 Root Cause Analysis**

If the same SLA measurement yields an SLA credit more than once, the Contractor shall conduct a root cause analysis. Such root cause analysis shall be provided within 30 days of the second breach, and every breach thereafter.

In addition, for each ‘Emergency’ or ‘High’ priority Problem, the affected parties will perform a root cause analysis and institute a process of problem management to prevent recurrence of the issue.

#### **2.6.8 Service Level Measurements Table (System Performance)**

The Offeror shall recommend Service Level Agreements and Credits for the Service Requirements listed below as part of its Proposal. Upon award, the Contractor shall comply with the final approved Service Level Agreements and Credits.

The State has the authority to establish and modify all service levels. The State shall have the unilateral right to reallocate percentages among the various SLAs annually on the anniversary of the Contract, provided that such reallocation will not exceed the cap identified in **Section 2.6.6 Credit for Failure to Meet SLA**.

<b>No.</b>	<b>Service Requirement</b>	<b>Measurement</b>	<b>Service Level Metric</b>	<b>SLA Credit</b>
SLA-01	Problem Response Time – High	Average Response Time for High Priority Problems.		
SLA-02	Problem Response Time - Normal	Average Response Time for Normal or Low Priority Problems		
SLA-03	Problem Resolution Time - High	Resolution Time for each High Priority Problem		
SLA-04	Problem Resolution Time - Normal	Resolution Time for Normal Priority Problems		
SLA-05	Problem Resolution Time - Low	Resolution Time for Low Priority Problems		
SLA-06	Notification of downtime for scheduled maintenance in PROD / DEV / UAT.	Notification time to Contract Monitor before scheduled downtime occurs.		
SLA-07	Notification of downtime for emergency maintenance in PROD / DEV / UAT.	Average notification time to Contract Monitor before emergency downtime occurs.		



<b>No.</b>	<b>Service Requirement</b>	<b>Measurement</b>	<b>Service Level Metric</b>	<b>SLA Credit</b>
SLA-08	Service Availability - Internal Agency Users	Percent of time in the production environment (including integration with the COM DW) in which the ITS Solution is available to internal Users between the hours of 6:00 am EST to 7:00 pm EST on Business Days.		
SLA-09	Service Availability - Portal users	Percent of time in production environment in which the ITS portal is available Portal users 24x7x365 excluding scheduled maintenance windows or other pre-defined times approved by the Contract Monitor.		
SLA-10	Service Availability - Non-Production environments	Percent of time during which the non-production environments remain available to Users during Normal State Business Hours, excluding scheduled maintenance windows or other pre-defined times approved by the Contract Monitor.		
SLA-11	User Response Time	User and Portal user response times as compared to mutually agreed upon response times based on the nature of the request. Response time does not include network time outside the control of the Contractor.		
SLA-12	Overnight Batch Processing	Number of occurrences when overnight batch processing did not complete before the 6:00 am of a Business Day. Applies only to instances where the root cause of the degradation was determined to be within the ITS Solution.		
SLA-13	Ad-Hoc Reporting Response Time	Number of reported occurrences of ad-hoc reporting degrading system processing and response times. This includes ad-hoc reports connecting to the COM's DW. Applies only to instances where the root cause of the degradation was determined to be within the ITS Solution.		
SLA-14	Real-time DW Integration	Number of reported occurrences of real time integration with the data warehouse for analysis during processing degrading processing performance times. Applies only to instances where the root cause of the degradation was determined to be within the ITS Solution.		
SLA-15	Exports to COM DW	Number of occurrences when nightly exports for loading to the COM DW did not complete before 6:00 am of a Business Day. Applies only to instances where the root cause of the degradation was determined to be within the ITS Solution.		

### 2.6.9 Problem Response Definitions and Times

The Contractor shall meet the Problem response time and resolution requirements.

The Contractor shall provide a monthly report to monitor and detail response times and resolution times.

Service Priority	Response Time	Resolution Time	Response Availability	Work Outage	Users Affected
Emergency	Less than 15 minutes	Within 2 hours of first report	24 hours per day, seven days per week	Major portions of the System are inaccessible Systems or users are unable to work, or to perform some portion of their job.	Users or internal System functionalities are impaired to include COM Users.
High	Less than 30 minutes	Within 4 hours after first report	24 hours per day, seven days per week	Major portions of the System are inaccessible Systems or users are unable to work, or to perform some portion of their job.	Affects the majority of users to include public facing users or affects high profile users (i.e. executive management)
Normal	Within 2 hours	Within 1 day (24 hours) after first report. If the outage is not resolved a resolution plan must be in place.	Mon-Fri, 7AM-7PM	Specific non-critical features are not operating as specified Systems or users are unable to perform a small portion of their job, but are able to complete most tasks.	Affects a number of users
Low	Within 2 hours	Within 3 days (72 hours) after first report. If the outage is not resolved a resolution plan must be in place.	Mon-Fri, 7AM-7PM	Lower priority features that can be done manually are not operating as specified Often a request for service with ample lead time.	Affects a number of users

### 2.6.10 Service Level Measurements Table (Operations and Maintenance)

The Offeror shall recommend Service Level Agreements and Credits for the Service Requirements listed below as part of its Proposal. Upon award, the Contractor shall comply with the final approved Service Level Agreements and Credits.

The State has the authority to establish and modify all service levels. The State shall have the unilateral right to reallocate percentages among the various SLAs annually on the anniversary of the Contract, provided that such reallocation will not exceed the cap identified in **Section 2.6.6 Credit for Failure to Meet SLA**.

No.	Service Requirement	Measurement	Service Level Metric	SLA Credit
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No.	Service Requirement	Measurement	Service Level Metric	SLA Credit
SLA-16	Monthly Service Level Reporting	Prior month's summary report for SLA performance emailed to the COM on the first working day of each month.		
SLA-17	Managed Hosting	Percentage of problems arising in the ITS Solution that are identified, reported to the Contract Monitor, and addressed per expectations set forth in <b>Section 2.6.9 Problem Response Definitions and Times.</b>		
SLA-18	Material defects	The Contract Monitor is notified within twenty-four (24) hours when the Contractor is made aware of any material errors or defects within any Contract deliverables that could cause the production of inaccurate or otherwise materially incorrect results.		
SLA-19	Operating environment patches	Percentage of patches to the operational environment (e.g., ITS, operating systems, hardware, device drivers, middleware, applications) are applied per agreed-upon patch management plan.		
SLA-20	Operating environment Security certificates	Number of Solution outages related to expired Security certificates.		
SLA-21	Incident Response and Data Breach	Percentage of Security incidents arising in the ITS Solution that are identified, reported to the Contract Monitor, and addressed per expectations set forth in <b>Section 3.7.9 Security Incident Response</b> and the incident response plan.		
SLA-22	Root Cause Analysis	Root cause analysis report provided within thirty (30) days of second and subsequent SLA breaches including a problem management process for all Emergency and High priority problems.		
SLA-23	System Audit Log(s)	Percentage of daily system audit log review reports provided to the COM per expectations set forth in <b>Section 3.7.9 Security Incident Response</b> and the incident response plan.		
SLA-24	System and Data Backups	Percentage of State system and data backups that are performed per the agreed-upon schedules and in accordance with <b>Section 2.3.12.2</b> and <b>Section 2.3.12.3.</b>		
SLA-25	Data Restore	Percentage of requests for data recovery from backups that were executed within four (4) hours of request.		
SLA-26	Data Export	Percentage of requests for a full or partial export of all State data (including logs) executed within twenty-four (24) hours of request.		

<b>No.</b>	<b>Service Requirement</b>	<b>Measurement</b>	<b>Service Level Metric</b>	<b>SLA Credit</b>
SLA-27	Disaster Recovery Execution – ITS Solution (not including online portal)	Full implementation of the Disaster Recovery environment, including all State systems and data within twenty-four (24) hours with a Recovery Point Objective (RPO) of 1 hour or less.		
SLA-28	Disaster Recovery Execution – online portal	Full implementation of the Disaster Recovery environment for the online portal, including all State systems and data, within seventy-two (72) hours with a RPO of 1 hour or less.		
SLA-29	Print Services	Percentage of daily print demand processed by the ITS Solution within twenty-four (24) hours of demand. Applies only to instances where the root cause of the degradation was determined to be within the ITS Solution.		
SLA-30	Scanning Services	Percentage of daily scanning demand completed by the ITS Solution during a Business Day.		

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### 3 Contractor Requirements: General

#### 3.1 Contract Initiation Requirements

THIS SECTION IS NOT APPLICABLE TO THIS RFP.

#### 3.2 End of Contract Transition

The Contractor shall be responsible for End of Contract Transition requirements at the close of Phase 4: Maintenance and Support, or at the close of the five (5) year maintenance and support option period, if exercised. During the End of Contract Transition period, the Contractor shall provide transition assistance as requested by the State to facilitate the orderly transfer of services to the State or a follow-on contractor, for a period up to 60 days prior to Contract end date, or the termination thereof.

3.2.1 Such transition efforts shall consist, not by way of limitation, of:

Provide additional services and/or support as requested to successfully complete the transition;

- 1) Maintain the services called for by the Contract at the required level of proficiency;
- 2) Provide updated System Documentation, as appropriate; and
- 3) Provide current operating procedures (as appropriate).

3.2.2 The Contractor shall work toward a prompt and timely transition, proceeding in accordance with the directions of the Contract Monitor. The Contract Monitor may provide the Contractor with additional instructions to meet specific transition requirements prior to the end of Contract.

3.2.3 The Contractor shall ensure that all necessary knowledge and materials for the tasks completed are transferred to the custody of State personnel or a third party, as directed by the Contract Monitor.

3.2.4 The Contractor shall support End of Contract Transition efforts with technical and project support which shall include but not be limited to:

A. A draft End of Contract Transition plan, to be provided one hundred twenty (120) calendar days in advance of Contract end date. The plan shall include, at a minimum:

- 1) Any staffing concerns/issues related to the closeout of the Contract;
- 2) Communications and reporting process between the Contractor, the Agency and the Contract Monitor;
- 3) Security and system Access review and closeout;
- 4) Any hardware/software inventory or licensing including transfer of any point of contact for required software licenses to the Agency or a designee;
- 5) Any final training/orientation of Agency staff;
- 6) Connectivity services provided, activities and approximate timelines required for End of Contract Transition;
- 7) Project management processes;
- 8) Points of contact;
- 9) Location of technical and project management documentation;
- 10) Status of ongoing technical initiatives;
- 11) Appropriate Contractor to contractor coordination to ensure a seamless transition;
- 12) Transition of Contractor Personnel;
- 13) Identify schedules and milestones; and
- 14) Identify actions required of the COM.

- B. Execute all activities and tasks as defined in the End of Contract Transition Plan;
- C. Provide plans for completion of tasks and any unfinished work items (including open change requests, and known issues or deficiencies) that will occur after completion of the End of Contract Transition;
- D. Any risk factors with the timing and the End of Contract Transition schedule and transition process, with suggested mitigations;
- E. The Contractor shall ensure all documentation and data including, but not limited to, application and Solution documentation and current operating procedures, is current and complete with a hard and soft copy in a format prescribed by the Contract Monitor;
- F. The Contractor shall provide copies of any current daily and weekly back-ups to the Agency or a third party as directed by the Contract Monitor as of the final date of transition, but no later than the final date of the Contract; and
- G. Access to any data or configurations of the furnished product and services shall be available after the expiration of the Contract as described in **Section 3.2.5 Return and Maintenance of State Data**.

### **3.2.5 Return and Maintenance of State Data**

- A. Upon termination or the expiration of the Contract Term, the Contractor shall: (a) return to the State all State data in either the form it was provided to the Contractor or in a mutually agreed format along with the schema necessary to read such data; (b) preserve, maintain, and protect all State data until the earlier of a direction by the State to delete such data or the expiration of 90 days (“the retention period”) from the date of termination or expiration of the Contract term; (c) after the retention period, the Contractor shall securely dispose of and permanently delete all State data in all of its forms, such as disk, Compact Disc/DVD, backup tape and paper such that it is not recoverable, according to National Institute of Standards and Technology (NIST)-approved methods with certificates of destruction to be provided to the State; and (d) prepare an accurate accounting from which the State may reconcile all outstanding accounts. The final monthly invoice for the services provided hereunder shall include all charges for the 90-day data retention period.
- B. During any period of service suspension, the Contractor shall maintain all State data in its then existing form, unless otherwise directed in writing by the Contract Monitor.
- C. In addition to the foregoing, the State shall be entitled to any post-termination/expiration assistance generally made available by Contractor with respect to the services.

## **3.3 Invoicing**

### **3.3.1 Definitions**

- A. “Proper Invoice” means a bill, written document, or electronic transmission, readable by the Agency, provided by a vendor requesting an amount that is due and payable by law under a written procurement contract for property received or services rendered that meets the requirements of COMAR 21.06.09.02.
- B. “Late Payment” means any amount that is due and payable by law under a written procurement contract, without deferral, delay, or set-off under COMAR 21.02.07.03, and remains unpaid more than 45 days after an Agency receives a Proper Invoice.
- C. “Payment” includes all required processing and authorization by the Comptroller of the Treasury, as provided under COMAR 21.02.07, and may be deferred, delayed, or set-off as applicable under COMAR 21.02.07.03.

### 3.3.2 General

- A. The Contractor shall email the original of each invoice and signed authorization to invoice to the Contract Monitor and the Procurement Officer at e-mail address:  
itinvoices@comp.state.md.us.
- B. All invoices for services shall be verified by the Contractor as accurate at the time of submission.
- C. Invoices submitted without the required information cannot be processed for payment. A Proper Invoice, required as Payment documentation, must include the following information, without error:
  - 1) Contractor name and address;
  - 2) Remittance address;
  - 3) Federal taxpayer identification (FEIN) number, social security number, as appropriate;
  - 4) Invoice period (i.e. time period during which services covered by invoice were performed);
  - 5) Invoice date;
  - 6) Invoice number;
  - 7) State assigned Contract number;
  - 8) State assigned (Blanket) Purchase Order number(s);
  - 9) Goods or services provided;
  - 10) Amount due; and
  - 11) Any additional documentation required by regulation or the Contract.
- D. Invoices that contain both Fixed-Price and time and material items shall clearly identify the items as either Fixed-Price or time and material billing.
- E. The Agency reserves the right to reduce or withhold Contract payment in the event the Contractor does not provide the Agency with all required deliverables within the time frame specified in the Contract or otherwise breaches the terms and conditions of the Contract until such time as the Contractor brings itself into full compliance with the Contract.
- F. Any action on the part of the Agency, or dispute of action by the Contractor, shall be in accordance with the provisions of Md. Code Ann., State Finance and Procurement Article §§ 15-215 through 15-223 and with COMAR 21.10.04.
- G. The State is generally exempt from federal excise taxes, Maryland sales and use taxes, District of Columbia sales taxes and transportation taxes. The Contractor, however, is not exempt from such sales and use taxes and may be liable for the same.
- H. Invoices for final payment shall be clearly marked as “FINAL” and submitted when all work requirements have been completed and no further charges are to be incurred under the Contract. In no event shall any invoice be submitted later than 60 calendar days from the Contract termination payment.
- I. If the Contractor fails to meet the requirements as defined in the Scope of Work, (**Section 2 Contractor Requirements: Scope of Work** and **Section 3 Contractor Requirements: General**), or fails to meet deliverable criteria, the Contractor shall rectify the performance problem or complete the specification to the State’s satisfaction within 30 Business Days of date of notice from the COM of such failure or as otherwise directed by the Contract Monitor, at no cost to the State. The procedure for submission of deliverables and



acceptance of deliverables is described in **Section 2.4.4 Deliverable Descriptions / Acceptance Criteria.**

### **3.3.3 Invoice Submission Schedule**

Within five (5) Business Days from notice of recommended award, the Agency and the recommended awardee shall initiate negotiations to determine a deliverables-based invoice submission schedule. The Contractor shall submit invoices in accordance with the mutually agreed deliverables-based invoice schedule, where:

- A. For items of work for which there is one-time pricing (see **Attachment B Financial Proposal Form**), those items shall be billed in the month following the acceptance of the work by the Agency.
- B. For items of work for which there is annual pricing (see **Attachment B Financial Proposal Form**), those items shall be billed in equal monthly installments for the applicable Contract year in the month following the performance of the services.

### **3.3.4 Deliverable Invoicing**

- A. Deliverable invoices shall be accompanied by notice(s) of acceptance issued by the State for all invoices submitted for payment. Payment of invoices will be withheld if a signed DPAF is not submitted (see online example at [http://doit.maryland.gov/contracts/Documents/\\_procurementForms/DeliverableProductAcceptanceForm-DPAFsample.pdf](http://doit.maryland.gov/contracts/Documents/_procurementForms/DeliverableProductAcceptanceForm-DPAFsample.pdf)).
- B. Payment for deliverables will only be made upon completion and acceptance of the deliverables as defined in **Section 2.4 Deliverables.**

### **3.3.5 For the purposes of this Contract an amount will not be deemed due and payable if:**

- A. The amount invoiced is inconsistent with the Contract.
- B. The proper invoice has not been received by the party or office specified in the Contract.
- C. The invoice or performance is in dispute or the Contractor has failed to otherwise comply with the provisions of the Contract.
- D. The item or services have not been accepted.
- E. The quantity of items delivered is less than the quantity ordered.
- F. The items or services do not meet the quality requirements of the Contract
- G. If the Contract provides for progress payments, the proper invoice for the progress payment has not been submitted pursuant to the schedule.
- H. If the Contract provides for withholding a retainage and the invoice is for the retainage, all stipulated conditions for release of the retainage have not been met.
- I. The Contractor has not submitted satisfactory documentation or other evidence reasonably required by the Procurement Officer or by the Contract concerning performance under the Contract and compliance with its provisions.

### **3.3.6 Travel Reimbursement**

Travel will not be reimbursed under this RFP.

### **3.3.7 Retainage**

Ten percent (10%) of each invoice, excluding any amount due for hardware, third-party software components, maintenance, and hosting fees, shall be held by the Agency as retainage. Disbursement of retained amounts shall occur one (1) year following completion of the milestone (refer to **Section 2.4.5 Deliverables Schedule**) for which the invoice is presented or, in the event all defects, errors, and nonconformities have not been remedied by the Contractor by the end of this period, on the date on which such defects, errors, and nonconformities have been remedied. Contractor must submit an invoice to obtain any retained amounts. If the terms of the Contract are not met to the State's satisfaction, the amount retained may be forfeited to the State.

### **3.4 Liquidated Damages**

MBE liquidated damages are identified in **Attachment M Contract**.

This solicitation does not require additional liquidated damages.

### **3.5 Disaster Recovery and Data**

The following requirements apply to the Contract:

#### **3.5.1 Redundancy, Data Backup and Disaster Recovery**

- A. Unless specified otherwise in the RFP, Contractor shall maintain or cause to be maintained disaster avoidance procedures designed to safeguard State data and other confidential information, Contractor's processing capability and the availability of hosted services, in each case throughout the Contract term. Any force majeure provisions of this Contract do not limit the Contractor's obligations under this provision.
- B. The Contractor shall have robust contingency and disaster recovery (DR) plans in place to ensure that the services provided under this Contract will be maintained in the event of disruption to the Contractor/Subcontractor's operations (including, but not limited to, disruption to information technology systems), however caused.
- C. The Contractor shall furnish a DR site. The DR site shall be at least 100 miles from the primary operations site, reside on a separate power grid than the primary operations site, and have the capacity to take over complete production volume in case the primary site becomes unresponsive.
- D. The contingency and DR plans for the ITS Solution must be designed to ensure that internal Agency services under this Contract are restored after a disruption within twenty-four (24) hours from notification and a RPO of one (1) hour or less prior to the outage in order to avoid unacceptable consequences due to the unavailability of services. Contingency and DR plans for the public-facing portal must be designed to ensure that the portal is capable of being restored within seventy-two (72) hours with a RPO of one (1) hour or less.
- E. The Contractor shall test the contingency/DR plans at least twice annually to identify any changes that need to be made to the plan(s) to ensure a minimum interruption of service. Coordination shall be made with the State to ensure limited system downtime when testing is conducted. At least one (1) annual test shall include backup media restoration and failover / fallback operations at the DR location. The Contractor shall send the Contract Monitor a notice of completion following completion of DR testing.
- F. Such contingency and DR plans shall be available for the Agency to inspect and practically test at any reasonable time, and subject to regular updating, revising, and testing throughout the term of the Contract.

- G. Prior to implementing the first Iterative Release of the ITS Solution in production the Contractor shall perform a full end-to-end test of the contingency/DR plan including a successful roll-back to the primary operations site.

### **3.5.2 Data Export/Import**

- A. The Contractor shall, at no additional cost or charge to the State, in an industry standard/non-proprietary format as agreed to by the Agency and the Contractor:
- 1) Perform a full or partial import/export of all State data (including logs) within 24 hours of a request; or
  - 2) Provide to the State the ability to import/export data at will and provide the State with any Access and instructions which are needed for the State to import or export data.
- B. Any import or export shall be in a secure format per the Security Requirements.

### **3.5.3 Data Ownership and Access**

- A. Data, databases and derived data products created, collected, manipulated, or directly purchased as part of a RFP shall become the property of the State. The purchasing State Agency is considered the custodian of the data and shall determine the use, Access, distribution and other conditions based on appropriate State statutes and regulations.
- B. Licensed and/or copyrighted data shall be governed by the terms and conditions identified in the Contract or the license.
- C. Public jurisdiction user accounts and public jurisdiction data shall not be accessed, except (1) in the course of data center operations, (2) in response to service or technical issues, (3) as required by the express terms of the Contract, including as necessary to perform the services hereunder or (4) at the State's written request.
- D. The Contractor shall limit access to and possession of State data to only Contractor Personnel whose responsibilities reasonably require such access or possession and shall train such Contractor Personnel on the confidentiality obligations set forth herein.
- E. At no time shall any data or processes – that either belong to or are intended for the use of the State or its officers, agents or employees – be copied, disclosed or retained by the Contractor or any party related to the Contractor for subsequent use in any transaction that does not include the State.
- F. The Contractor shall not use any information collected in connection with the services furnished under this Contract for any purpose other than fulfilling such services.

- 3.5.4 Provisions in 3.5.1 – 3.5.3 shall survive expiration or termination of the Contract. Additionally, the Contractor and shall flow down the provisions of 3.5.1 - 3.5.3 (or the substance thereof) in all subcontracts.

## **3.6 Insurance Requirements**

- 3.6.1 The Contractor shall maintain, at a minimum, the insurance coverages outlined below, or any minimum requirements established by law if higher, for the duration of the Contract, including option periods, if exercised:
- 3.6.2 The following type(s) of insurance and minimum amount(s) of coverage are required:
- A. Commercial General Liability - of \$1,000,000 combined single limit per occurrence for bodily injury, property damage, and personal and advertising injury of and \$3,000,000 aggregate.

The minimum limits required herein may be satisfied through any combination of primary and/or umbrella/excess liability policies.

- B. Errors and Omissions/Professional Liability - \$1,000,000 per combined single limit per claim and \$3,000,000 annual aggregate.
- C. Employee Theft Insurance - \$1,000,000 per occurrence. The State of Maryland and the Agency should be added as a “loss payee.”
- D. Cyber Security / Data Breach Insurance (For any service offering hosted by the Contractor) ten million dollars (\$10,000,000) per occurrence. The coverage must be valid in at all locations where work is performed or data or other information concerning the State’s claimants and/or employers is processed or stored.

The Cyber Security / Data Breach Insurance policy must include the following types of coverage:

- i. Liability for Security or privacy breaches including loss of confidential information due to unauthorized Access to computer systems.
  - ii. Recovery of costs associated with a privacy breach, such as notification to affected parties, taxpayer support, and costs of providing credit monitoring services to affected parties.
  - iii. Recovery of costs associated with restoring, updating or replacing State assets stored electronically.
  - iv. Liability associated with libel, slander, copyright infringement, or reputational damage to others, and the cost of legal services associated with claims arising from a cyber-security incident and/or Data Breach.
  - v. Expenses related to cyber extortion or cyber terrorism.
- E. Worker’s Compensation - The Contractor shall maintain such insurance as necessary and/or as required under Workers’ Compensation Acts, the Longshore and Harbor Workers’ Compensation Act, and the Federal Employers’ Liability Act. Coverage must be valid in all states where work is performed. One million dollars (\$1,000,000) per occurrence (unless a state’s law requires a greater amount of coverage).

- 3.6.3 The State shall be listed as an additional insured on the faces of the certificates associated with the coverages listed above, including umbrella policies, excluding Workers’ Compensation Insurance and professional liability.
- 3.6.4 All insurance policies shall be endorsed to include a clause that requires that the insurance carrier provide the Procurement Officer, by certified mail, not less than 30 days’ advance notice of any non-renewal, cancellation, or expiration. The Contractor shall notify the Procurement Officer in writing, if policies are cancelled or not renewed within five (5) days of learning of such cancellation or nonrenewal. The Contractor shall provide evidence of replacement insurance coverage to the Procurement Officer at least 15 days prior to the expiration of the insurance policy then in effect.
- 3.6.5 Any insurance furnished as a condition of this Contract shall be issued by a company authorized to do business in the State.
- 3.6.6 The recommended awardee must provide current certificate(s) of insurance with the prescribed coverages, limits and requirements set forth in this section within five (5) Business Days from notice of recommended award. During the period of performance for multi-year contracts the

Contractor shall provide certificates of insurance annually, or as otherwise directed by the Contract Monitor.

**3.6.7 Subcontractor Insurance**

The Contractor shall ensure that all work performed by a Subcontractor under this Contract is covered by the Contractor's insurance.

### **3.7 Security Requirements**

The following security requirements are applicable to the Contract.

#### **3.7.1 Employee Identification**

- A. Contractor Personnel shall, while on State premises, display his or her State issued identification card without exception. Upon request of authorized State personnel, each such Contractor Personnel shall provide additional photo identification.
- B. Contractor Personnel shall cooperate with State site requirements, including but not limited to, being prepared to be escorted at all times, providing information for State badge issuance, and wearing the badge in a visible location at all times. The Contractor shall be responsible for all costs associated with obtaining the State ID badge (currently \$15.00 per original card).
- C. Contractor shall remove any Contractor Personnel from working on the Contract where the State determines, in its sole discretion, that said Contractor Personnel has not adhered to the Security requirements specified herein.
- D. The State reserves the right to request that the Contractor submit proof of employment authorization of non-United States Citizens, prior to commencement of work under the Contract.

#### **3.7.2 Security Clearance / Criminal Background Check**

- A. A background investigation, including a State and national criminal history records check from the Criminal Justice Information System (CJIS) Central Repository of the Department of Public Safety and Correctional Services ("Central Repository"), a civil history records check, and a review of FBI fingerprint results, for each Contractor Personnel providing any services shall be completed prior to each Contractor Personnel providing any services or commencing any work under the Contract.
- B. The Contractor shall obtain from each individual required to obtain a background investigation a statement of release permitting the background investigation (**Appendix 11 Authorization of Release of Information**) permitting the background investigation and submission of two (2) complete sets of the individual's legible fingerprints taken in a format approved by the Director of the Central Repository and the Director of the FBI.
- C. The Agency will obtain a background investigation for each individual using a source of its choosing. The Contractor shall be responsible for all costs associated with obtaining the fingerprint check (currently \$32.00 per submission). The Agency reserves the right to perform additional background investigations on Contractor Personnel.
- D. Persons with a criminal record may not perform services under this Contract unless prior written approval is obtained from the Contract Monitor. The Contract Monitor reserves the right to reject any individual based upon the results of the background check. Decisions of the Contract Monitor as to acceptability of a candidate are final. The State reserves the right to refuse any individual Contractor Personnel to work on State premises, based upon certain specified criminal convictions, as specified by the State.

- E. The CJIS criminal record check of each Contractor Personnel who will work on State premises shall be reviewed by the Agency for convictions of any of the following crimes described in the Annotated Code of Maryland, Criminal Law Article:
  - i. §§ 6-101 through 6-104, 6-201 through 6-205, 6-409 (various crimes against property);
  - ii. any crime within Title 7, Subtitle 1 (various crimes involving theft);
  - iii. §§ 7-301 through 7-303, 7-313 through 7-317 (various crimes involving telecommunications and electronics);
  - iv. §§ 8-201 through 8-302, 8-501 through 8-523 (various crimes involving fraud);
  - v. §§9-101 through 9-417, 9-601 through 9-604, 9-701 through 9-706.1 (various crimes against public administration); or
  - vi. a crime of violence as defined in CL § 14-101(a).
- F. Contractor Personnel with Access to systems supporting the State or to State data who have been convicted of a felony or of a crime involving telecommunications and electronics from the above list of crimes shall not be permitted to work on State premises under this Contract; Contractor Personnel who have been convicted within the past five (5) years of a misdemeanor from the above list of crimes shall not be permitted to work on State premises.
- G. The cost of complying with all security requirements specified herein, including the fingerprint check (see **Section 3.7.2.B**) and obtaining a State ID card (see **Section 3.7.1.A-B**) are the sole responsibility and obligation of the Contractor and its Subcontractors and no such costs shall be passed through to or reimbursed by the State or any of its agencies or units.

### **3.7.3 On-Site Security Requirement(s)**

- A. For the conditions noted below, Contractor Personnel may be barred from entrance or leaving any site until such time that the State's conditions and queries are satisfied.
  - i. Contractor Personnel may be subject to random security checks when entering and leaving State secured areas. The State reserves the right to require Contractor Personnel to be accompanied while in secured premises.
- B. Any Contractor Personnel who enters the premises of a facility under the jurisdiction of the Agency may be searched, fingerprinted (for the purpose of a criminal history background check and IRS Publication 1075 compliance), photographed and required to wear an identification card issued by the Agency.
- C. Further, Contractor Personnel shall not violate Md. Code Ann., Criminal Law Art. Section 9-410 through 9-417 and such other security policies of the agency that controls the facility to which the Contractor Personnel seeks access. The failure of any of the Contractor Personnel to comply with any provision of the Contract is sufficient grounds for the State to immediately terminate the Contract for default.
- D. Contractor shall follow the COM Computer Guidelines and Electronic Communications Policy, State of Maryland IT Security Policy and Standards, and IRS Publication 1075 requirements throughout the term of the Contract.

### **3.7.4 Information Technology**

- A. The Contractor shall:



- 1) Implement administrative, physical, and technical safeguards to protect State data that are no less rigorous than accepted industry best practices for information Security such as those listed below (see **3.7.5 Data Protection and Controls**);
- 2) Ensure that all such safeguards, including the manner in which State data is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws as well as the terms and conditions of the Contract; and
- 3) The Contractor, and Contractor Personnel, shall (i) abide by all applicable federal, State and local laws, rules and regulations concerning Security of Information Systems and Information Technology, (ii) comply with and adhere to the State IT Security Policy and Standards, and (iii) comply with and adhere to IRS Publication 1075 as each may be amended or revised from time to time. Updated and revised versions of the State IT Policy and Standards are available online at: [www.doit.maryland.gov](http://www.doit.maryland.gov) – keyword: Security Policy. Updated and revised versions of IRS Publication 1075 are available online at: <https://www.irs.gov/privacy-disclosure/safeguards-program>.

### 3.7.5 Data Protection and Controls

- A. Contractor shall ensure a secure environment for all State data and any hardware and software (including but not limited to servers, network and data components) to be provided or used in connection with the performance of the Contract and shall apply or cause application of appropriate controls so as to maintain such a secure environment (“Security Best Practices”). Such Security Best Practices shall comply with an accepted industry standard, such as the NIST Moderate Baseline.
- B. To ensure appropriate data protection safeguards are in place, the Contractor shall implement and maintain the following controls at all times throughout the Term of the Contract (the Contractor may augment this list with additional controls):
  - 1) Establish separate production, quality assurance (production-like), test, training, development, and sandbox environments for systems supporting the services provided under this Contract and ensure that production data is not replicated in test, training, development, and/or sandbox environment(s) unless it has been previously anonymized or otherwise modified to protect the confidentiality of Sensitive Data elements. The Contractor shall ensure the appropriate separation of production, production-like, and non-production environments by applying the data protection and control requirements listed in **3.7.5 Data Protection and Controls**.
  - 2) Apply hardware and software hardening procedures as recommended by Center for Internet Security (CIS) guides <https://www.cisecurity.org/>, Security Technical Implementation Guides (STIG) <http://iase.disa.mil/Pages/index.aspx>, or similar industry best practices to reduce the Contractor/Subcontractor’s systems’ surface of vulnerability, eliminating as many Security risks as possible and documenting what is not feasible and/or not performed according to best practices. Any hardening practices not implemented shall be documented with a plan of action and milestones including any compensating control. These procedures may include but are not limited to removal of unnecessary software, disabling or removing unnecessary services, removal of unnecessary usernames or logins, and the deactivation of unneeded features in the Contractor/Subcontractor’s system configuration files.

- 3) Ensure that State data is not comingled with non-State data through the proper application of compartmentalization Security measures.
- 4) Apply data encryption to protect Sensitive Data at all times, including in transit, at rest, and also when archived for backup purposes. Unless otherwise directed, the Contractor is responsible for the encryption of all Sensitive Data.
- 5) For all State data the Contractor manages or controls, data encryption shall be applied to such data in transit over untrusted networks.
- 6) Encryption algorithms which are utilized for encrypting data shall comply with current Federal Information Processing Standards (FIPS), "Security Requirements for Cryptographic Modules", FIPS PUB 140-2:  
<http://csrc.nist.gov/publications/fips/fips140-2/fips1402.pdf>  
<http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/1401vend.htm>
- 7) Enable appropriate logging parameters to monitor user Access activities, authorized and failed Access attempts, system exceptions, and critical information Security events as recommended by the operating system and application manufacturers and information Security standards, including Maryland Department of Information Technology's Information Security Policy and IRS Publication 1075.
- 8) Retain the aforementioned logs and review them at least daily to identify suspicious or questionable activity for investigation and documentation as to their cause and remediation, if required. The Agency shall have the right to inspect these policies and procedures and the Contractor or Subcontractor's performance to confirm the effectiveness of these measures for the services being provided under this Contract.
- 9) Ensure system and network environments are separated by properly configured and updated firewalls.
- 10) Restrict network connections between trusted and untrusted networks by physically and/or logically isolating systems from unsolicited and unauthenticated network traffic.
- 11) By default "deny all" and only allow Access by exception.
- 12) Review at least annually the aforementioned network connections, documenting and confirming the business justification for the use of all service, protocols, and ports allowed, including the rationale or compensating controls implemented for those protocols considered insecure but necessary.
- 13) Perform regular vulnerability testing of operating system, application, and network devices. Such testing is expected to identify outdated software versions; missing software patches; device or software misconfigurations; and to validate compliance with or deviations from the Security policies applicable to this Contract. Contractor shall evaluate all identified vulnerabilities for potential adverse effect on Security and integrity and remediate the vulnerability no later than 30 days following the earlier of vulnerability's identification or public disclosure, or document why remediation action is unnecessary or unsuitable. The Agency shall have the right to inspect the Contractor's policies and procedures and the results of vulnerability testing to confirm the effectiveness of these measures for the services being provided under this Contract.
- 14) Enforce strong user authentication and password control measures to minimize the opportunity for unauthorized Access through compromise of the user Access

controls. At a minimum, the implemented measures should be consistent with the most current Maryland Department of Information Technology's Information Security Policy (<http://doit.maryland.gov/support/Pages/SecurityPolicies.aspx>), including specific requirements for password length, complexity, history, and account lockout.

- 15) Ensure State data is not processed, transferred, or stored outside of the United States ("U.S."). The Contractor shall provide its services to the State and the State's end users solely from data centers in the U.S. Unless granted an exception in writing by the State, the Contractor shall not allow Contractor Personnel to store State data on portable devices, including personal computers, except for devices that are used and kept only at its U.S. data centers. The Contractor shall permit its Contractor Personnel to Access State data remotely only as required to provide technical support.
  - 16) Ensure Contractor's Personnel shall not connect any of its own equipment to a State LAN/WAN without prior written approval by the State, which may be revoked at any time for any reason. The Contractor/Subcontractor shall complete any necessary paperwork as directed and coordinated with the Contract Monitor to obtain approval by the State to connect Contractor/Subcontractor-owned equipment to a State LAN/WAN.
  - 17) Ensure that anti-virus and anti-malware software is installed and maintained on all systems supporting the services provided under this Contract; that the anti-virus and anti-malware software is automatically updated; and that the software is configured to actively scan and detect threats to the system for remediation. The Contractor shall perform routine vulnerability scans and take corrective actions for any findings.
  - 18) Conduct regular external vulnerability testing designed to examine the service provider's Security profile from the Internet without benefit of Access to internal systems and networks behind the external Security perimeter. Evaluate all identified vulnerabilities on Internet-facing devices for potential adverse effect on the service's Security and integrity and remediate the vulnerability promptly or document why remediation action is unnecessary or unsuitable.
- C. The Agency shall have the right to inspect these policies and procedures and the performance of vulnerability testing to confirm the effectiveness of these measures for the services being provided under this Contract.

### **3.7.6 Access to Security Logs and Reports**

- A. The Contractor shall provide Security logs and related reports from the managed hosting solution, the Contractor shall provide reports to the State in a mutually agreeable format.
- B. Reports shall include latency statistics, user Access, user access IP address, user Access history and Security logs for all State files related to this Contract.

### **3.7.7 Security Plan**

- A. The Contractor shall protect State data according to all Security policies, procedures and guidelines enforced by the COM, the State, and Publication 1075. The Security Plan(s) shall be developed as part of **D05 ITS Solution Design Document**.

### **3.7.8 PCI Compliance**

THIS SECTION IS NOT APPLICABLE TO THIS RFP.

### **3.7.9 Security Incident Response**

The Contractor shall:

- A. Notify the Agency in accordance with **3.7.9 Security Incident Response** when any Contractor system that may Access, process, or store State data or State systems experiences a Security Incident or a Data Breach as follows:
  - 1) Notify the Agency within twenty-four (24) hours of the discovery of a Security Incident by providing notice via written or electronic Correspondence to the Contract Monitor, Agency chief information officer and Agency chief information security officer.
  - 2) Notify the Agency within two (2) hours if there is a threat to Contractor's Solution as it pertains to the use, disclosure, and Security of State data.
  - 3) Provide written notice to the Agency within one (1) Business Day after Contractor's discovery of unauthorized use or disclosure of State data and thereafter all information the State (or Agency) requests concerning such unauthorized use or disclosure.
- B. Contractor's notice shall identify:
  - 1) The nature of the unauthorized use or disclosure;
  - 2) The State data used or disclosed;
  - 3) Who made the unauthorized use or received the unauthorized disclosure;
  - 4) What the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure;
  - 5) What corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure; and
  - 6) The Contractor shall provide such other information, including a written report, as reasonably requested by the State.
- C. The Contractor may need to communicate with outside parties regarding a Security Incident, which may include contacting law enforcement, fielding media inquiries and seeking external expertise as mutually agreed upon, defined by law or contained in the Contract. Discussing Security Incidents with the State should be handled on an urgent as-needed basis, as part of Contractor communication and mitigation processes as mutually agreed upon, defined by law or contained in the Contract.
- D. The Contractor(s) shall comply with all applicable laws that require the notification of individuals in the event of unauthorized release of State data or other event requiring notification, and, where notification is required, assume responsibility for informing all such individuals in accordance with applicable law and to indemnify and hold harmless the State (or Agency) and its officials and employees from and against any claims, damages, and actions related to the event requiring notification.
- E. The Contractor(s) shall work with the Agency to establish a joint response process to include:
  - 1) The roles and responsibilities between the Agency and the provider(s) of the forensic investigation;
  - 2) Up-to-date contact information for all parties involved;
  - 3) What can trigger the execution of an incident response plan;

- 4) How the provider(s) will support forensic investigation;
  - 5) A description of the monitoring and Security measures in place and what tools will be available to the Agency for incident response; and
  - 6) Establishing recovery options in the event of a major outage.
- F. The Contractor(s) shall participate in annual incident response testing exercise as required in IRS Pub. 1075.

### 3.7.10 Data Breach Responsibilities

- A. If the Contractor (or Subcontractor) reasonably believes or has actual knowledge of a Data Breach, the Contractor shall, unless otherwise directed:
- 1) Notify the appropriate State-identified contact within 24 hours by telephone in accordance with the agreed upon Security plan or Security procedures unless a shorter time is required by applicable law;
  - 2) Cooperate with the State to investigate and resolve the Data Breach;
  - 3) Promptly implement commercially reasonable remedial measures to remedy the Data Breach; and
  - 4) Document responsive actions taken related to the Data Breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services.
- B. If a Data Breach is a direct result of the Contractor's (or Subcontractor's) breach of its Contract obligation to encrypt State data or otherwise prevent its release, the Contractor or Subcontractor responsible shall bear the costs associated with (1) the investigation and resolution of the Data Breach; (2) notifications to individuals, regulators or others required by State law; (3) a credit monitoring service required by State or federal law; (4) a website or a toll-free number and call center for affected individuals required by State law; and (5) complete all corrective actions as reasonably determined by Contractor based on root cause; all [(1) through (5)] subject to the Contract's limitation of liability.

3.7.11 Additional Security requirements may be established in a Work Order.

3.7.12 The State shall, at its discretion, have the right to review and assess the Contractor's compliance to the Security requirements and standards defined in the Contract.

3.7.13 Provisions in **3.7.1 – 3.7.10 Security Requirements** shall survive expiration or termination of the Contract. Additionally, the Contractor shall flow down the provisions of **3.7.4-3.7.10 Security Requirements** (or the substance thereof) in all subcontracts.

## 3.8 Problem Escalation Procedure

The Contractor must provide and maintain a Problem Escalation Procedure (PEP) for both routine and emergency situations. The PEP must state how the Contractor will address problem situations as they occur during the performance of the Contract, especially problems that are not resolved to the satisfaction of the State within appropriate timeframes.

The Contractor shall provide contact information to the Contract Monitor, as well as to other State personnel as directed should the Contract Monitor not be available.

The Contractor must provide the PEP no later than ten (10) Business Days after notice of recommended award. The PEP, including any revisions thereto, must also be provided within ten (10) Business Days after the start of each Contract year and within ten (10) Business Days after any change in circumstance

which changes the PEP. The PEP shall detail how problems with work under the Contract will be escalated in order to resolve any issues in a timely manner. The PEP shall include:

- A. The process for establishing the existence of a problem;
- B. Names, titles, and contact information for progressively higher levels of personnel in the Contractor's organization who would become involved in resolving a problem;
- C. For each individual listed in the Contractor's PEP, the maximum amount of time a problem will remain unresolved with that individual before the problem escalates to the next contact person listed in the Contractor's PEP;
- D. Expedited escalation procedures and any circumstances that would trigger expediting them;
- E. The method of providing feedback on resolution progress, including the frequency of feedback to be provided to the State;
- F. Contact information for persons responsible for resolving issues after normal business hours (e.g., evenings, weekends, holidays) and on an emergency basis; and
- G. A process for updating and notifying the Contract Monitor of any changes to the PEP.

Nothing in this section shall be construed to limit any rights of the Contract Monitor or the State which may be allowed by the Contract or applicable law.

### **3.9 SOC 2 Type 2 Audit Report**

3.9.1 A SOC 2 Type 2 Audit applies to the Contract. The applicable trust principles are: Security, Availability, Processing Integrity, Confidentiality, and Privacy – as defined below in **Section 3.9.2**.

3.9.2 In the event the Contractor provides services for identified critical functions, handles Sensitive Data, or hosts any related implemented system for the State under the Contract, the Contractor shall have an annual audit performed by an independent audit firm of the Contractor's handling of Sensitive Data or the Agency's critical functions. Critical functions are identified as all aspects and functionality of the Solution including any add-on modules and shall address all areas relating to Information Technology Security and operational processes. These services provided by the Contractor that shall be covered by the audit will collectively be referred to as the "Information Functions and Processes." Such audits shall be performed in accordance with audit guidance: Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC 2) as published by the American Institute of Certified Public Accountants (AICPA) and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA or similarly-recognized professional organization, as agreed to by the Agency, to assess the security of outsourced client functions or data (collectively, the "Guidance") as follows:

- A. The type of audit to be performed in accordance with the Guidance is a SOC 2 Type 2 Audit (referred to as the "SOC 2 Audit" or "SOC 2 Report"). All SOC2 Audit Reports shall be submitted to the Contract Monitor as specified in Section F below. The initial SOC 2 Audit shall be completed within a timeframe to be specified by the State. The audit period covered by the initial SOC 2 Audit shall start with the Contract Effective Date unless otherwise agreed to in writing by the Contract Monitor. All subsequent SOC 2 Audits after this initial audit shall be performed at a minimum on an annual basis throughout the Term of the Contract, and shall cover a 12-month audit period or such portion of the year that the Contractor furnished services.



- B. The SOC 2 Audit shall report on the suitability of the design and operating effectiveness of controls over the Information Functions and Processes to meet the requirements of the Contract, including the Security Requirements identified in **Section 3.7 Security Requirements**, relevant to the trust principles identified in Section 3.9.1: as defined in the aforementioned Guidance.
- C. The audit scope of each year's SOC 2 Report may need to be adjusted (including the inclusion or omission of the relevant trust services principles of Security, Availability, Processing Integrity, Confidentiality, and Privacy) to accommodate any changes to the environment since the last SOC 2 Report. Such changes may include but are not limited to the addition of Information Functions and Processes through modifications to the Contract or due to changes in Information Technology or the operational infrastructure. The Contractor shall ensure that the audit scope of each year's SOC 2 Report engagement shall accommodate these changes by including in the SOC 2 Report all appropriate controls related to the current environment supporting the Information Functions and/or Processes, including those controls required by the Contract.
- D. The scope of the SOC 2 Report shall include work performed by any Subcontractors that provide essential support to the Contractor or essential support to the Information Functions and Processes provided to the Agency under the Contract. The Contractor shall ensure the audit includes all such Subcontractors operating in performance of the Contract.
- E. All SOC 2 Audits, including those of the Contractor, shall be performed at no additional expense to the Agency.
- F. The Contractor shall provide to the Contract Monitor, within 30 calendar days of the issuance of each SOC 2 Report, a complete copy of the final SOC 2 Report(s) and a documented corrective action plan addressing each audit finding or exception contained in the SOC 2 Report. The corrective action plan shall identify in detail the remedial action to be taken by the Contractor along with the date(s) when each remedial action is to be implemented.
- G. If the Contractor currently has an annual, independent information security assessment performed that includes the operations, systems, and repositories of the Information Functions and Processes being provided to the Agency under the Contract, and if that assessment generally conforms to the content and objective of the Guidance, the Agency will determine in consultation with appropriate State government technology and audit authorities whether the Contractor's current information security assessments are acceptable in lieu of the SOC 2 Report(s).
- H. If the Contractor fails during the Contract term to obtain an annual SOC 2 Report by the date specified in **Section 3.9.2.A**, the Agency shall have the right to retain an independent audit firm to perform an audit engagement of a SOC 2 Report of the Information Functions and Processes utilized or provided by the Contractor and under the Contract. The Contractor agrees to allow the independent audit firm to access its facility/ies for purposes of conducting this audit engagement(s), and will provide the necessary support and cooperation to the independent audit firm that is required to perform the audit engagement of the SOC 2 Report. The Agency will invoice the Contractor for the expense of the SOC 2 Report(s), or deduct the cost from future payments to the Contractor.
- I. Provisions in **Section 3.9.1 – 3.9.2** shall survive expiration or termination of the Contract. Additionally, the Contractor shall flow down the provisions of **Section 3.9.1 – 3.9.2** (or the substance thereof) in all subcontracts.



### 3.10 Performance and Personnel

#### 3.10.1 Offeror Experience

The following experience will be evaluated as part of the Technical Proposal (see the Offeror experience, capability and references evaluation factors in **Section 6.2 Technical Proposal Evaluation Criteria** and responses provided on **Appendix 3 Offeror Minimum Qualifications Response Form**):

- 3.10.1.1 The extent to which the Offeror demonstrates sufficient experience providing COTS software solutions, IT project management, and COTS implementation management to satisfy the size and scope of this Contract.
- 3.10.1.2 The extent to which the Offeror demonstrates the ability to provide to the State a fully developed, fully configurable COTS ITS, which is capable of administering multiple tax and fee types, including personal income tax.
- 3.10.1.3 The extent to which the Offeror demonstrates experience implementing a COTS ITS Solution in a project for a US government entity similar in size and scope to that described in this RFP (see **Section 1.1 Offeror Minimum Qualifications**).
- 3.10.1.4 The extent to which the Offeror demonstrates experience managing IT projects of similar size and scope to that described in this RFP, and that included all the following:
  - A. Implementation of hardware and software solutions;
  - B. System integration and interfaces;
  - C. Data conversion;
  - D. Training.
- 3.10.1.5 The extent of Offeror's experience implementing a BI/DW solution or integration to an existing data warehouse in a tax environment.
- 3.10.1.6 The extent of Offeror's previous experience implementing imaging hardware and software solutions to integrate with the Offeror's proposed ITS Solution.
- 3.10.1.7 The extent to which the Offeror has strong experience with iterative phased project management methodologies.

#### 3.10.2 Personnel Experience

The following experience is expected and will be evaluated as part of the Technical Proposal (see the capability of proposed resources evaluation factor from **Section 6.2 Technical Proposal Evaluation Criteria**):

The Contractor shall provide the following Key Personnel:

- A. One Contractor Project Manager, with an active PMP certification from the Project Management Institute (PMI), who meets or exceeds all qualifications outlined in **3.10.4.1 Contractor Project Manager**, and who shall be assigned to the project full-time.
- B. One Contractor Project Management Assistant, with an active PMP certification from the Project Management Institute (PMI), who meets or exceeds all qualifications outlined in **3.10.4.2 Contractor Project Management Assistant**, and who shall be assigned to the project full-time.

One Contractor Functional Lead, certified by the Project Management Institute (PMI), who meets or exceeds all qualifications outlined in **Section 3.10.4.3 Contractor Functional Lead**, and who shall be assigned to the project full-time.

One Contractor Technical Lead, certified by the Project Management Institute (PMI), who meets or exceeds all qualifications outlined in **Section 3.10.4.4 Contractor Technical Lead**, and who shall be assigned to the project full-time.

These Contractor Personnel shall be designated as Key Personnel and shall be required to work on-site in Annapolis as directed by Contract Monitor, with travel to Baltimore as required.

### **3.10.3 Number of Personnel to Propose**

As part of the Proposal evaluation, Offerors shall propose exactly four (4) personnel who are expected to be available as of the start date specified in the NTP Date. Offerors shall describe in a Staffing Plan the additional resources to be acquired through the life of the project to meet the needs of the Agency, and how the Contractor shall acquire those resources. Offerors may generally describe planned positions in a Staffing Plan. Roles needed in addition to the Key Personnel should be described in the Offeror's Staffing Plan. Such planned positions may not be used as evidence of fulfilling personnel minimum qualifications.

### **3.10.4 Key Personnel Identified**

The following positions are to be identified in the Offeror's Technical Proposal and will be considered Key Personnel for this Contract. Key Personnel shall be required to meet or exceed the qualifications stated in the applicable section.

#### **3.10.4.1 Contractor Project Manager**

**Duties:** The Contractor Project Manager serves as the primary point of contact for the State regarding day-to-day ITS Solution project operations. The position shall oversee and direct all resources provided under this RFP. His/her responsibilities shall include overall project governance, communications with executives, planning, budgeting, execution, monitoring, control, quality assurance, and implementing course corrections as needed. The Contractor Project Manager is responsible for performing the following tasks:

1. Managing day-to-day project activities;
2. Developing, maintaining, and executing the Risk Management Plan;
3. Managing the identification of risks, reporting on risk assessments, and updating evaluations in order to determine and forecast operational needs and changes;
4. Facilitating Agency and Contractor discussions, meetings, and other forms of communication;
5. Ensuring that the ITS Solution is delivered within scope, consistent with requirements, on time, and within budget;
6. Ensuring that configuration of the ITS Solution satisfies the business needs of the COM;
7. Development of and adherence to the project schedule;
8. Ensuring the application of State SDLC standards;
9. Providing solutions to improve efficiency (e.g., reduce costs while maintaining or improving performance levels);
10. Preparing status reports and presentations on all tasks, deliverables, and milestones for delivery to the COM;
11. Documenting and delivering project management related artifacts;
12. Presenting deliverables for COM approval at formal reviews;
13. Developing work breakdown structures, and preparing charts, tables, graphs, major milestone calendars and diagrams to assist in analyzing problems and making recommendations;

14. Organizing, directing, and coordinating the planning and production of all Contract support activities, including Subcontractors;
15. Ensuring the COM has a single point of contact for all Contract issues;
16. Acting as an internal consultant, advocate, mentor, and change agent; and
17. Demonstrating excellent writing and oral communications skills.

**Education:** This position requires a Bachelor's degree or higher from an accredited college or university in Engineering, Computer Science, Information Systems, Business, or a related discipline. Candidates must possess a current Project Management Professional (PMP) certification from the Project Management Institute (PMI).

**General Experience:** The proposed candidate must have at least ten (10) years of experience in project management.

**Specialized Experience:** The proposed candidate must have at least eight (8) years of experience managing complex IT development projects, similar in size and scope to that described in this RFP. This individual must also have experience in a leadership role for at least two (2) projects similar in size and scope to that described in this RFP, at least one (1) of which was an ITS project implementation in the U.S.

#### 3.10.4.2 Contractor Project Management Assistant

**Duties:** The Contractor Project Management Assistant provides support to and serves as the secondary point of contact for the State regarding day-to-day ITS project operations. In collaboration with the Contractor Project Manager, the Contractor Project Management Assistant shall share responsibilities for project governance, project team communications, planning, execution, monitoring, control, quality assurance, and implementing course corrections as needed. The Contractor Project Management Assistant will support the Contractor Project Manager as directed in performing the following tasks:

1. Managing day-to-day project activities;
2. Developing, maintaining, and executing the Risk Management Plan;
3. Managing the identification of risks, reporting on risk assessments, and updating evaluations in order to determine and forecast operational needs and changes;
4. Facilitating Agency and Contractor discussions, meetings, and other forms of communication;
5. Ensuring that the ITS Solution is delivered within scope, consistent with requirements, on time, and within budget;
6. Ensuring that configuration of the ITS Solution satisfies the business needs of the COM;
7. Development of and adherence to the project schedule;
8. Ensuring the application of State SDLC standards;
9. Providing solutions to improve efficiency (e.g., reduce costs while maintaining or improving performance levels);
10. Preparing status reports and presentations on all tasks, deliverables, and milestones for delivery to the COM;
11. Documenting and delivering project management related artifacts;
12. Presenting deliverables for COM approval at formal reviews;
13. Developing work breakdown structures, and preparing charts, tables, graphs, major milestone calendars and diagrams to assist in analyzing problems and making recommendations;
14. Organizing, directing, and coordinating the planning and production of all Contract support activities, including Subcontractors;
15. Acting as an internal consultant, advocate, mentor, and change agent; and

16. Demonstrating excellent writing and oral communications skills.

**Education:** This position requires a Bachelor's degree from an accredited college or university in Engineering, Computer Science, Information Systems, Business, or a related discipline. Candidates must possess a current Project Management Professional (PMP) certification from the Project Management Institute (PMI).

**General Experience:** The proposed candidate must have at least ten (10) years of experience in project management.

**Specialized Experience:** The proposed candidate must have at least eight (8) years of experience managing complex IT development projects, similar in size and scope to that described in this RFP. This individual must also have experience in a leadership role for at least two (2) projects similar in size and scope to that described in this RFP, at least one (1) of which was an ITS project implementation in the U.S.

#### 3.10.4.3 Contractor Functional Lead

**Duties:** The Contractor Functional Lead performs day-to-day management of activities pertaining to the functional deliverables of the project. The Contractor Functional Lead is responsible for performing the following tasks:

1. Managing all Contractor functional staff and ensuring performance of all assigned tasks;
2. Understanding all COM functional requirements and ensuring that the solution satisfies those requirements;
3. Ensuring that configuration of the ITS Solution satisfies the business needs of the COM;
4. Identifying issues and risks, and recommending possible issue and risk mitigation strategies;
5. Acting as an internal consultant, advocate, mentor, and change agent
6. Ensuring that the ITS Solution is delivered within scope, consistent with requirements, on time, and within budget;
7. Identifying and resolving system gaps between business process requirements and system capabilities;
8. Providing solutions to improve efficiency (e.g., reducing costs while maintaining or improving performance levels);
9. Coordinating with the Contractor Project Manager to ensure problems are resolved in a satisfactory manner;
10. Preparing status reports and presentations on functional tasks, deliverables, and milestones for delivery to the COM;
11. Reviewing work products for correctness, adherence to the design concept, and to user standards and for progress in accordance with schedules;
12. Facilitating Agency and Contractor discussions, meetings, and other forms of communication;
13. Demonstrating excellent writing and oral communications skills; and
14. Interpreting software test results, and recommending solutions for unsatisfactory test results.

**Education:** This position requires a Bachelor's degree from an accredited college or university in Engineering, Computer Science, Information Systems, Business, or a related discipline.

**General Experience:** The proposed candidate must have at least five (5) years of experience serving in a functional leadership role on one or more IT projects.

**Specialized Experience:** This individual must have experience in a functional leadership role for at least one (1) ITS project implementation in the US similar in size and scope to that described in this

RFP. The candidate must possess at least 3 years of experience working in iterative project implementations.

#### 3.10.4.4 Contractor Technical Lead

**Duties:** The Contractor Technical Lead performs day-to-day management of activities pertaining to the technical deliverables of the project. The Contractor Technical Lead is responsible for performing the following tasks:

1. Managing all Contractor technical staff and ensuring performance of all assigned tasks;
2. Identifying issues and risks, and recommending possible issue and risk mitigation strategies;
3. Planning and implementing the environments and architecture required for installation of the ITS software;
4. Performing all installations of the ITS Solution software;
5. Providing all maintenance of the ITS Solution software;
6. Providing expert recommendations regarding current and future architecture and configuration of web servers, gateways, application servers, Content Management Systems (CMSs), etc.;
7. Ensuring that the ITS Solution is delivered within scope, consistent with requirements, on time, and within budget;
8. Ensuring that system backups are performed to required specifications;
9. Providing solutions to improve efficiency (e.g., reducing costs while maintaining or improving performance levels);
10. Ensuring architects, developers, and analysts adhere to industry best practices, procedures, and concepts;
11. Managing software integration;
12. Facilitating Agency and Contractor discussions, meetings, and other forms of communication;
13. Preparing status reports and presentations on technical tasks, deliverables, and milestones for delivery to the COM;
14. Reviewing work products for correctness, adherence to the design concept, and to user standards and for progress in accordance with schedules;
15. Acting as an internal consultant, advocate, mentor, and change agent;
16. Demonstrating excellent writing and oral communications skills;
17. Interpreting software test results, and recommending solutions for unsatisfactory test results;
18. Coordinating with the Contractor Project Manager to ensure problems are resolved in a satisfactory manner; and
19. Monitoring and maintaining records of system performance and capacity to recommend configuration changes and anticipating requirements for system expansion.

**Education:** This position requires a Bachelor's degree from an accredited college or university in Engineering, Computer Science, Information Systems, Business, or a related discipline.

**General Experience:** The proposed candidate must have at least five (5) years of experience serving in a technical leadership role on one or more IT projects.

**Specialized Experience:** This individual must have experience in a technical leadership role for at least one (1) ITS project implementation in the US similar in size and scope to that described in this RFP. This individual must have at least five (5) years of experience designing and implementing technical solutions including infrastructure, integration, and applications. The individual must possess at least three (3) years of experience working in iterative project implementations.

### **3.10.5 Labor Categories**

THIS SECTION IS NOT APPLICABLE TO THIS RFP.

### **3.10.6 Substitution of Education for Experience**

Substitution of Education for Experience shall not be permitted for Key Personnel proposed for this RFP.

### **3.10.7 Substitution of Experience for Education**

Substitution of Experience for Education for Key Personnel proposed for this RFP may be permitted at the sole discretion of the State.

### **3.10.8 Contractor Personnel Maintain Certifications**

Any Contractor Personnel provided under this RFP shall maintain in good standing any required professional certifications for the duration of the Contract.

### **3.10.9 Work Hours**

- A. Business Hours Support: Contractor shall assign Contractor Personnel to support Normal State Business Hours.
- B. Contractor Personnel may also be required to provide occasional support outside of Normal State Business Hours, including evenings, overnight, and weekends, to support specific efforts and emergencies, such as to resolve system repair or restoration.
- C. State-Mandated Closings: Contractor Personnel shall be required to participate in any State-mandated closings. In this event, the Contractor will be notified in writing by the Contract Monitor of these details.
- D. Minimum and Maximum Hours: Contractor Key Personnel shall work at minimum of 40 hours per week with starting and ending times as approved by the Contract Monitor. A flexible work schedule may be used with Contract Monitor approval, including time to support any efforts outside core business hours.
- E. Vacation Hours: Requests for leave by Key Personnel shall be submitted to the Contract Monitor at least two weeks in advance. The Contract Monitor reserves the right to request a temporary replacement if leave extends longer than one consecutive week. In cases where there is insufficient coverage, a leave request may be denied.

## **3.11 Substitution of Personnel**

### **3.11.1 Continuous Performance of Key Personnel**

- A. Key Personnel shall be available to perform Contract requirements as of the NTP Date. Unless explicitly authorized by the Contract Monitor or specified in the Contract, Key Personnel shall be assigned to the State of Maryland as a dedicated resource.
- B. Key Personnel shall perform continuously for the duration of the Contract, or such lesser duration as specified in the Technical Proposal. Key Personnel may not be removed by the Contractor from working under the Contract without the prior written approval of the Contract Monitor.
- C. The provisions of this section apply to Key Personnel identified in any Work Order Request and Work Order, if issued.

### **3.11.2 Definitions**

For the purposes of this section, the following definitions apply:



- A. **Extraordinary Personnel Event** – means leave under the Family Medical Leave Act; or an incapacitating injury or incapacitating illness; or other circumstances that in the sole discretion of the State warrant an extended leave of absence, such as extended jury duty or extended military service that precludes the individual from performing his/her job duties under the Contract.
- B. **Incapacitating** – means any health circumstance that substantially impairs the ability of an individual to perform the job duties described for that individual’s position in the RFP or the Contractor’s Technical Proposal.

### 3.11.3 Contractor Personnel General Substitution Provisions

The following provisions apply to all of the circumstances of Contractor Personnel substitution described in **Paragraph 3.11.4 Replacement Circumstances**.

- A. The Contractor shall demonstrate to the Contract Monitor’s satisfaction that the proposed substitute has qualifications at least equal to those of the Contractor Personnel proposed to be replaced.

The Contractor shall provide the Contract Monitor with a substitution request that shall include:

- 1) A detailed explanation of the reason(s) for the substitution request;
- 2) The resume of the proposed substitute, signed by the substituting individual and his/her formal supervisor;
- 3) The official resume of the current personnel for comparison purposes; and
- 4) Evidence of any required credentials.

The Contract Monitor may request additional information concerning the proposed substitution. In addition, the Contract Monitor and/or other appropriate State personnel involved with the Contract may interview the proposed substitute personnel prior to deciding whether to approve the substitution request.

The Contract Monitor will notify the Contractor in writing of: (i) the acceptance or denial, or (ii) contingent or temporary approval for a specified time limit, of the requested substitution. The Contract Monitor will not unreasonably withhold approval of a proposed Contractor Personnel replacement.

### 3.11.4 Replacement Circumstances

#### A. Key Personnel Replacement

To replace any Key Personnel in a circumstance other than as described in **Section 3.11.4.B Key Personnel Replacement Due to Vacancy**, including transfers and promotions, the Contractor shall submit a substitution request as described in **Section 3.11.3 Contractor Personnel General Substitution Provisions** to the Contract Monitor at least fifteen (15) days prior to the intended date of change. A substitution may not occur unless and until the Contract Monitor approves the substitution in writing.

#### B. Key Personnel Replacement Due to Vacancy

- 1) The Contractor shall replace Key Personnel whenever a vacancy occurs due to the sudden termination, resignation, Extraordinary Personnel Event, or death of such personnel. (A termination or resignation with thirty (30) days or more advance notice shall be treated as a replacement under **3.11.4.A. Key Personnel Replacement**).
- 2) Under any of the circumstances set forth in this paragraph B, the Contractor shall identify a suitable replacement and provide the same information and items required under paragraph **3.11.3 Contractor Personnel General Substitution Provisions** within fifteen (15) days of the actual vacancy occurrence or from when the Contractor first knew or should have known that the vacancy would be occurring, whichever is earlier.



C. Key Personnel Replacement Due to an Indeterminate Absence

- 1) If any Key Personnel has been absent from his/her job for a period of ten (10) days due to injury, illness, or other physical condition, or an Extraordinary Personnel Event and it is not known or reasonably anticipated that the individual will be returning to work within the next twenty (20) days to fully resume all job duties, before the 25th day of continuous absence, the Contractor shall identify a suitable replacement and provide the same information and items to the Contract Monitor as required under paragraph **3.11.3 Contractor Personnel General Substitution Provisions**.
- 2) However, if this person is available to return to work and fully perform all job duties before a replacement has been authorized by the Contract Monitor the Contract Monitor may, at his/her sole discretion, authorize the original personnel to continue to work under the Contract, or authorize the replacement personnel to replace the original personnel, notwithstanding the original personnel's ability to return.

D. Directed Personnel Replacement

- 1) The Contract Monitor may direct the Contractor to replace any Contractor Personnel who, in the sole discretion of the Contract Monitor, are perceived as being unqualified, non-productive, unable to fully perform the job duties, disruptive, or known, or reasonably believed, to have committed a major infraction(s) of law, Agency policies, or Contract requirements. Normally, a directed personnel replacement will occur only after prior notification of problems with requested remediation, as described in **Paragraph 3.11.4.D.2 Replacement Circumstances**.
- 2) If deemed appropriate in the discretion of the Contract Monitor, the Contract Monitor shall give written notice of any Contractor Personnel performance issues to the Contractor, describing the problem and delineating the remediation requirement(s). The Contractor shall provide a written response to the remediation requirements in a Remediation Plan within ten (10) days of the date of the notice and shall immediately implement the Remediation Plan upon written acceptance by the Contract Monitor. If the Contract Monitor rejects the Remediation Plan, the Contractor shall revise and resubmit the plan to the Contract Monitor within five (5) days, or in the timeframe set forth by the Contract Monitor in writing.
- 3) Should performance issues persist despite an approved Remediation Plan, the Contract Monitor may give written notice of the continuing performance issues and either request a new Remediation Plan within a specified time limit or direct the substitution of Contractor Personnel whose performance is at issue with a qualified substitute, including requiring the immediate removal of the Contractor Personnel at issue.
- 4) Replacement or substitution of Contractor Personnel under this section shall be in addition to, and not in lieu of, the State's remedies under the Contract or which otherwise may be available at law or in equity.
- 5) If the Contract Monitor determines to direct substitution under **Paragraph 3.11.4.D.1 Replacement Circumstances**, if at all possible, at least fifteen (15) days advance notice shall be given to the Contractor. However, if the Contract Monitor deems it necessary and in the State's best interests to remove the Contractor Personnel with less than fifteen (15) days' notice, the Contract Monitor may direct the removal in a timeframe of less than fifteen (15) days, including immediate removal.

### 3.11.5 Substitution Prior to and Within 30 Days After Contract Execution

Prior to Contract execution or within thirty (30) days after Contract execution, the Offeror may substitute proposed Key Personnel only under the following circumstances: (a) for actual full-time personnel employed directly by the Offeror: the vacancy occurs due to the sudden termination, resignation, or approved leave of absence due to an Extraordinary Personal Event, or the death of such personnel; and (b) for any temporary staff, Subcontractors or 1099 contractors: the vacancy occurs due to an Incapacitating event or the death of such personnel. To qualify for such substitution, the Offeror must demonstrate to the State's satisfaction the event necessitating substitution. Proposed substitutions shall be of equal caliber or higher, in the State's sole discretion. Proposed substitutes deemed by the State to be less qualified than the originally proposed individual may be grounds for pre-award disqualification or post-award termination.

### 3.12 Minority Business Enterprise (MBE) Reports

If this solicitation includes an MBE Goal (see **Section 4.26 MBE Participation Goal**), the Contractor shall:

- A. Submit the following reports by the 10th of each month to the Contract Monitor and the Agency's MBE Liaison Officer:
  - 1) A Prime Contractor Paid/Unpaid MBE Invoice Report (Attachment D-4A) listing any unpaid invoices, over 45 days old, received from any certified MBE Subcontractor, the amount of each invoice and the reason payment has not been made; and
  - 2) (If Applicable) An MBE Prime Contractor Report (Attachment D-4B) identifying an MBE prime's self-performing work to be counted towards the MBE participation goals.
- B. Include in its agreements with its certified MBE Subcontractors a requirement that those Subcontractors submit an MBE Subcontractor Paid/Unpaid Invoice Report (**Attachment D-5**) by the 10th of each month to the Contract Monitor and the Agency's MBE Liaison Officer that identifies the Contract and lists all payments to the MBE Subcontractor received from the Contractor in the preceding reporting period month, as well as any outstanding invoices, and the amounts of those invoices.
- C. Maintain such records as are necessary to confirm compliance with its MBE participation obligations. These records must indicate the identity of certified minority and non-minority Subcontractors employed on the Contract, type of work performed by each, and actual dollar value of work performed. Subcontract agreements documenting the work performed by all MBE participants must be retained by the Contractor and furnished to the Procurement Officer on request.
- D. Consent to provide such documentation as reasonably requested and to provide right-of-entry at reasonable times for purposes of the State's representatives verifying compliance with the MBE participation obligations. Contractor must retain all records concerning MBE participation and make them available for State inspection for three years after final completion of the Contract.
- E. Upon completion of the Contract and before final payment and/or release of retainage, submit a final report in affidavit form and under penalty of perjury, of all payments made to, or withheld from MBE Subcontractors.

### 3.13 Veteran Small Business Enterprise (VSBE) Reports

If this solicitation includes a VSBE Goal (see **Section 4.27 VSBE Goal**), the Contractor shall:

- A. Submit the following reports by the 10<sup>th</sup> of the month following the reporting period to the Contract Monitor and the Agency VSBE representative:
  - 1) VSBE Participation Prime Contractor Paid/Unpaid VSBE Invoice Report (Attachment E-3) listing any unpaid invoices, over 45 days old, received from any VSBE Subcontractor, the amount of each invoice and the reason payment has not been made; and
  - 2) **Attachment E-4**, the VSBE Participation Subcontractor Paid/Unpaid VSBE Invoice Report by the 10th of the month following the reporting period to the Contract Monitor and the VSBE Liaison Officer.
- B. Include in its agreements with its VSBE Subcontractors a requirement that those Subcontractors submit monthly by the 10th of the month following the reporting period to the Contract Monitor and Agency VSBE representative a report that identifies the prime contract and lists all payments received from Contractor in the preceding reporting period month, as well as any outstanding invoices, and the amount of those invoices (**Attachment E-4**).
- C. Maintain such records as are necessary to confirm compliance with its VSBE participation obligations. These records must indicate the identity of VSBE and non-VSBE Subcontractors employed on the Contract, the type of work performed by each, and the actual dollar value of work performed. The subcontract agreement documenting the work performed by all VSBE participants must be retained by the Contractor and furnished to the Procurement Officer on request.
- D. Consent to provide such documentation as reasonably requested and to provide right-of-entry at reasonable times for purposes of the State's representatives verifying compliance with the VSBE participation obligations. The Contractor must retain all records concerning VSBE participation and make them available for State inspection for three years after final completion of the Contract.
- E. At the option of the Agency, upon completion of the Contract and before final payment and/or release of retainage, submit a final report in affidavit form and under penalty of perjury, of all payments made to, or withheld from VSBE Subcontractors.

### 3.14 Work Orders

- A. Additional services and resources will be provided via a Work Order process. Work shall not begin in advance of a fully executed Work Order. A Work Order may be issued for a firm, Fixed-Price for work within the general scope of work for this RFP.
- B. The Contract Monitor shall e-mail a Work Order Request (See sample at [http://doit.maryland.gov/contracts/Documents/\\_procurementForms/WorkOrderSample.pdf](http://doit.maryland.gov/contracts/Documents/_procurementForms/WorkOrderSample.pdf)) to the Contractor to provide services or resources that are within the scope of this RFP. The Work Order Request will include:
  - 1) Technical requirements and description of the service or resources needed
  - 2) Performance objectives and/or deliverables, as applicable
  - 3) Due date and time for submitting a response to the request, and
  - 4) Required place(s) where work must be performed
- C. The Contractor shall e-mail a response to the Contract Monitor within the specified time and include at a minimum:
  - 1) A response that details the Contractor's understanding of the work;

- 2) A price to complete the Work Order Request using the format provided (See sample at [http://doit.maryland.gov/contracts/Documents/\\_procurementForms/WorkOrderSample.pdf](http://doit.maryland.gov/contracts/Documents/_procurementForms/WorkOrderSample.pdf)).
  - 3) A description of proposed resources required to perform the requested tasks, with associated hourly rates.
  - 4) An explanation of how tasks shall be completed. This description shall include proposed Subcontractors and related tasks.
  - 5) State-furnished information, work site, and/or access to equipment, facilities, or personnel
  - 6) The proposed personnel resources, including any Subcontractor personnel, to complete the task.
- D. The Contract Monitor will review the response and will confirm the proposed prices are acceptable.
- E. The Contract Monitor may contact the Contractor to obtain additional information, clarification or revision to the Work Order, and will provide the Work Order to the Procurement Officer for a determination of compliance with the Contract and a determination whether a change order is appropriate. Written Procurement Officer approval is required before Work Order execution by the State.
- F. Proposed personnel on any type of Work Order shall be subject to Agency approval. The Contractor shall furnish resumes of proposed personnel. The Contract Monitor shall have the option to interview the proposed personnel and, in the event of an interview or not, shall notify the Contractor of acceptance or denial of the personnel.
- G. Performance of services under a Work Order shall commence consistent with an NTP issued by the Contract Monitor for such Work Order.

### 3.15 Additional Clauses

The Contractor shall be subject to the requirements in this section and shall flow down the provisions of **3.15.1 – 3.15.7 Additional Clauses** (or the substance thereof) in all subcontracts.

#### 3.15.1 Custom Software

- A. As described in the sample Contract (**Attachment M Contract**), the State shall solely own any custom software, including, but not limited to application modules developed to integrate with the ITS Solution, source-codes, maintenance updates, documentation, and configuration files, when developed under this Contract.
- B. Upon a Contractor's voluntary or involuntary filing of bankruptcy or any other insolvency proceeding, Contractor's dissolution, Contractor's discontinuance of support of any software or system, the Contractor shall convey to the State all rights, title, and interests in all custom software, licenses, software source codes, and all associated System Documentation that comprises any solutions proposed as a part of the Contract. These rights include, but are not limited to, the rights to use, and cause others to use on behalf of the State, said software, software documentation, licenses, software source codes, and System Documentation.

#### 3.15.2 Custom Source Code

- A. For all custom software provided to the State pursuant to any Contract, the Contractor shall either provide the source code directly to the State in a form acceptable to the State, or deliver two copies of each software source code and software source code documentation to a State-

approved escrow agent at no additional cost to the State following the terms set forth in the sample contract (**Attachment M Contract**) and in **3.15.3 Source Code Escrow** below.

- B. The State shall have the right to audit custom software source code and corresponding software source code documentation for each software product that comprises the Solution as represented by the Contractor. This audit shall be scheduled at any time that is convenient for the parties to be present. The State shall be provided with software or other tools required to view all software source code.
- C. The Contractor shall provide the current source code and documentation for all custom software to the State at the time of Contract termination.

### 3.15.3 Source Code Escrow

Source Code Escrow applies to this Contract. The Contractor shall perform source code escrow as described herein.

- A. The State will be named as a beneficiary under an escrow agreement (“Escrow Agreement”) that shall be entered into between the Contractor and an escrow agent (“Escrow Agent”) within thirty (30) days of Contract award pursuant to which Contractor shall deliver a Source Code Escrow Package to Escrow Agent. The term “Source Code Escrow Package” means: a) a complete copy in machine-readable form of the source code and executable code of the software licensed to the State under the Contract; b) a complete copy of any existing design documentation and user documentation; and/or c) complete instructions for compiling and linking every part of the source code into executable code for purposes of enabling verification of the completeness of the source code as provided below. The Escrow Agreement shall govern the maintenance and release of the Source Code Escrow Package, and Contractor agrees to update, enhance, or otherwise modify such Source Code Escrow Package promptly upon each release of a new version of any component thereof. Contractor shall pay all fees and expenses charged by Escrow Agent, including, but not limited to, fees and expenses related to the State being a named beneficiary under the Escrow Agreement. The State shall treat the Source Code Escrow Package as Contractor’s confidential information. Under all circumstances, the Source Code Escrow Package shall remain the property of Contractor. The State shall only use the Source Code Escrow Package as contemplated in the Contract (including, but not limited to confidentiality provisions and usage restrictions). The Escrow Agent shall maintain the Source Code Escrow Package in a repository located in the United States.
- B. In the event that the Escrow Agent either ceases providing escrow services to Contractor or Contractor determines in its reasonable business judgment that the Escrow Agent is no longer providing acceptable services, Contractor shall replace the Escrow Agent with another escrow agent, using an agreement which provides the State with rights no less advantageous than those in the Escrow Agreement. In such case, the new escrow agent shall be substituted in all ways for the incumbent Escrow Agent with respect to **Section 3.15.3.A Source Code Escrow** above and all references herein to Escrow Agent shall be deemed to include such substitute escrow agent.
- C. Contractor shall inform the State of the availability of an escrow for any third-party software solutions it provides to the State.
- D. In addition to the rights and obligations contained in the Escrow Agreement referenced in **Section 3.15.3.A Source Code Escrow**, the State shall have the Software Escrow Package released by the Escrow Agent to the State’s possession immediately upon any voluntary or involuntary filing of bankruptcy or any other insolvency proceeding, including but not limited to a general assignment for the benefit of creditors, the appointment of a receiver for business



or assets; Contractor's dissolution or liquidation, voluntary or otherwise; the State has compelling reasons to believe that such events will cause Contractor to fail to meet its obligations in the foreseeable future; or Contractor's discontinuance of support or failure to support in accordance with this Contract any software system or if the Contractor is otherwise unable or unwilling to provide the Source Code Escrow Package. This condition will also be considered met if after repeated e-mail and phone requests by the State for service, the State makes a request for service in writing to the Contractor's last known address served by certified signed receipt required mail delivery by U.S. Post Office or by a nationally recognized (in the United States) overnight carrier, and the Contractor remains unresponsive, meaning that the Contractor is unable to acknowledge message receipt, unwilling or otherwise unable to satisfy the request for a period longer than 45 days from attempt to deliver the written request.

#### **3.15.4 Purchasing and Recycling Electronic Products**

- A. State Finance and Procurement Article, Md. Code Ann. § 14-414, requires State agencies purchasing computers and other electronic products in categories covered by EPEAT to purchase models rated EPEAT Silver or Gold unless the requirement is waived by the DoIT. This information is located on the DGS web site:  
<http://www.dgs.maryland.gov/GreenOperations/GreenPurchasing/Guidelines/specs/ElectronicandITProductsSpecification.pdf>.
- B. Guidelines provided by DGS require planning and coordination of the proper disposition of Information Technology equipment. State Finance and Procurement Article, Md. Code Ann. § 14-415, requires State agencies awarding contracts for services to recycle electronic products to award the contract to a recycler that is R2 or e-Stewards certified. This information is located on the DGS web site:  
<http://www.dgs.maryland.gov/GreenOperations/GreenPurchasing/Guidelines/specs/ElectronicProductDisposalSpecification.pdf>.
- C. Guidelines provided by DoIT discuss information and guidance on the proper disposition of IT equipment, media sanitization, and protecting confidential information stored on media. This information is located in the State's Information Technology (IT) Security Policy <http://doit.maryland.gov/support/pages/securitypolicies.aspx>. Section 6.5 Media Protection provides guidance on proper precautions to protect confidential information stored on media. Additionally, IRS Publication 1075 details the requirements regarding the destruction of FTI.

#### **3.15.5 Change Control and Advance Notice**

Unless otherwise specified in an applicable Service Level Agreement, the Contractor shall give at least forty-eight (48) hours advance notice to the State of any critical updates, including critical Security updates, which may impact service availability and performance. Unless otherwise specified in an applicable Service Level Agreement, the Contractor shall give at least forty-five (45) days advance notice of any non-critical upgrades or modifications that may impact service availability and performance.

#### **3.15.6 No-Cost Extensions**

In accordance with BPW Advisory 1995-1, in the event there are unspent funds remaining on the Contract, prior to the Contract's expiration date the Procurement Officer may modify the Contract to extend the Contract beyond its expiration date for a period up to, but not exceeding, one-third of the base term of the Contract (e.g., eight-month extension on a two-year contract) for the performance of work within the Contract's scope of work. Notwithstanding anything to the contrary, no funds may be added to the Contract in connection with any such extension.

### **3.15.7 Confidentiality of IRS and State Tax Information**

A. In performance of this Contract, the Contractor and all Subcontractors, hereinafter collectively referred to as Contractor, agree to comply with and assume responsibility for compliance by Contractor Personnel with the following requirements:

- 1) All work will be performed under the supervision of the Contractor or the Contractor Personnel.
- 2) The Contractor and Contractor Personnel with access to or who use federal tax information (FTI) or State tax information (STI) must meet the background check requirements defined in IRS Publication 1075.
- 3) Any Federal or State tax Returns or Return information (hereafter referred to as Returns or Return information) made available 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 this Contract. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited.
- 4) All Returns and Return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.
- 5) 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 or state data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- 6) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS or State data will be given to the Comptroller of Maryland 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 Comptroller of Maryland or his or her designee with a statement containing the date of destruction, description of the material destroyed, and the method used.
- 7) All computer systems receiving, processing, storing or transmitting FTI or STI 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 or State Tax Information.
- 8) No work involving Returns or Return information furnished under this Contract will be subcontracted without prior written approval of the IRS and the State.
- 9) The Contractor will maintain a list of Contractor Personnel authorized access. Such list will be provided to the State and, upon request, to the IRS reviewing office.
- 10) The State will have the right to void the Contract if the Contractor fails to provide the safeguards described above.

B. Criminal/Civil Sanctions:

- 1) Each officer or employee or any person to whom Returns or Return information is or may be disclosed shall 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 five 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 section 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1. State penalties may also be prescribed.

- 2) 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 this 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 \$1,000.00 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 \$1,000.00 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 and set forth at 26 CFR 301.6103(n)-1.
- 3) Additionally, it is incumbent upon the Contractor to inform its Contractor Personnel 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 state 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 state not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- 4) Granting Contractor Personnel access to FTI and STI must be preceded by certifying that each individual understands the state's Security policy and procedures for safeguarding IRS and State information. Contractor and Contractor Personnel must maintain their authorization to access FTI and STI through annual recertification. The initial certification and recertification must be documented and placed in the state's files for review. As part of the certification and at least annually afterwards, Contractors and Contractor Personnel must be advised of the provisions of IRC section 7431, 7213, and 7213A. 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. For both the initial certification and the annual certification, the Contractor Personnel must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the Security requirements.

#### **C. Inspection:**

The IRS and the State, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the Contractor to inspect facilities and operations performing any work with FTI or STI under

this Contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTL. On the basis of such inspection, corrective actions may be required in cases where the Contractor is found to be noncompliant with Contract safeguards.

### **3.15.8 Reading Room**

Certain documentation will be made available for Offerors to review in a physical reading room at a COM location. The reading room will be available from the RFP issue date until the Proposal due date and time. Offerors who wish to access the reading room are required to sign the Non-Disclosure Agreement form at **Appendix 5 Non-Disclosure Agreement (Offeror)**. The signed form, with original signature, must be returned to the Procurement Officer:

Patti Tracey  
80 Calvert Street, Room 215  
Annapolis, MD 21401

For appointments and instructions on accessing the reading room, contact the Procurement Officer via phone or email as provided in the Key Information Summary Sheet.

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## 4 Procurement Instructions

### 4.1 Pre-Proposal Conference

- 4.1.1 A pre-proposal conference (Conference) will be held at the date, time, and location indicated on the Key Information Summary Sheet.
- 4.1.2 All interested parties are encouraged to attend the Conference in order to facilitate better preparation of their Proposals.
- 4.1.3 Following the Conference, the attendance record and summary of the Conference will be distributed via the same mechanism described for amendments and questions (see **Section 4.2.1 eMaryland Marketplace (eMM)**).
- 4.1.4 Attendees should bring a copy of the solicitation and a business card to help facilitate the sign-in process.
- 4.1.5 In order to assure adequate seating and other accommodations at the Conference, please e-mail the Pre-Proposal Conference Response Form (Attachment A) no later than the time and date indicated on the form. In addition, if there is a need for sign language interpretation and/or other special accommodations due to a disability, please notify the Procurement Officer at least five (5) Business Days prior to the Conference date. The Agency will make a reasonable effort to provide such special accommodation.
- 4.1.6 Seating at the Conference will be limited to three (3) attendees per vendor.

### 4.2 eMaryland Marketplace (eMM)

- 4.2.1 eMM is the electronic commerce system for the State of Maryland. The RFP, Conference summary and attendance sheet, Offerors' questions and the Procurement Officer's responses, addenda, and other solicitation-related information will be made available via eMM.
- 4.2.2 In order to receive a Contract award, a vendor must be registered on eMM. Registration is free. Go to <https://emaryland.buyspeed.com/bso/login.jsp>, click on "Register" to begin the process, and then follow the prompts.

### 4.3 Questions

- 4.3.1 All questions shall identify in the subject line the Solicitation Number and Title (E00B8400029 - Integrated Tax System), and shall be submitted in writing via e-mail to the Procurement Officer no later than the date and time specified the Key Information Summary Sheet.
- 4.3.2 Answers to all questions that are not clearly specific only to the requestor will be distributed via the same mechanism as for RFP amendments, and will be posted on eMM.
- 4.3.3 The statements and interpretations contained in responses to any questions, whether responded to verbally or in writing, are not binding on the Agency unless it issues an amendment in writing.

### 4.4 Procurement Method

A Contract will be awarded in accordance with the Competitive Sealed Proposals method under COMAR 21.05.03.

#### 4.5 Proposal Due (Closing) Date and Time

- 4.5.1 Proposals, in the number and form set forth in **Section 5 Proposal Format**, must be received by the Procurement Officer no later than the Proposal due date and time indicated on the Key Information Summary Sheet in order to be considered.
- 4.5.2 Requests for extension of this date or time shall not be granted.
- 4.5.3 Offerors submitting Proposals should allow sufficient delivery time to ensure timely receipt by the Procurement Officer. Except as provided in COMAR 21.05.03.02.F and 21.05.02.10, Proposals received after the due date and time listed in the Key Information Summary Sheet will not be considered.
- 4.5.4 The date and time of a submission is determined by the date and time of arrival at the address indicated on the Key Information Summary Sheet.
- 4.5.5 Proposals may be modified or withdrawn by written notice received by the Procurement Officer before the time and date set forth in the Key Information Summary Sheet for receipt of Proposals.
- 4.5.6 Proposals may not be submitted by facsimile or email. Proposals will not be opened publicly.
- 4.5.7 Potential Offerors not responding to this solicitation are requested to submit the “Notice to Vendors” form, which includes company information and the reason for not responding (e.g., too busy, cannot meet mandatory requirements).

#### 4.6 Multiple or Alternate Proposals

Multiple and/or alternate Proposals will not be accepted.

#### 4.7 Economy of Preparation

Proposals should be prepared simply and economically and provide a straightforward and concise description of the Offeror’s Proposal to meet the requirements of this RFP.

#### 4.8 Public Information Act Notice

- 4.8.1 An Offeror should give specific attention to the clear identification of those portions of its Proposal that it considers confidential and/or proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Public Information Act, Md. Code Ann., General Provisions Article, Title 4. (See also **Paragraph 5.3.2.B Claim of Confidentiality**). This confidential and/or proprietary information should be identified by page and section number and placed after the Title Page and before the Table of Contents in the Technical Proposal and if applicable, separately in the Financial Proposal.
- 4.8.2 Offerors are advised that, upon request for this information from a third party, the Procurement Officer is required to make an independent determination whether the information must be disclosed.

#### 4.9 Award Basis

A Contract shall be awarded to the responsible Offeror submitting the Proposal that has been determined to be the most advantageous to the State, considering price and evaluation factors set forth in this RFP (see COMAR 21.05.03.03F), for providing the goods and services as specified in this RFP. See **Section 6 Evaluation and Selection Process** for further award information.

## **4.10 Oral Presentation**

- 4.10.1 Offerors shall be required to make oral presentations to State representatives. Offerors must confirm in writing any substantive oral clarification of, or change in, their Proposals made in the course of discussions. Any such written clarifications or changes then become part of the Offeror's Proposal and are binding if the Contract is awarded. The Procurement Officer will notify Offerors of the time, place, and expected duration of presentations and demonstrations.
- 4.10.2 Offerors shall prepare a presentation detailing their company's history, past experience, and capabilities specific to the implementation and management of COTS ITS Solutions.
- 4.10.3 Offeror's Key Personnel shall participate in individual interviews.
- 4.10.4 Oral presentations typically occur approximately 4 weeks after the proposal due date.
- 4.10.5 Offerors shall be required to provide product demonstrations to State representatives. At a minimum, Offerors should demonstrate the capabilities of their system to:
  - 1. Perform general navigation within the Solution;
  - 2. Create an Entity;
  - 3. Display Entity attributes (e.g. addresses, filing schedule, multiple Tax Types, relationships);
  - 4. Process a tax Return resulting in a refund to a taxpayer;
  - 5. Process a tax Return resulting in balance due, including generating a bill;
  - 6. Process a payment;
  - 7. Generate non-bill Correspondence (e.g. request for information);
  - 8. Perform a line-item adjustment to a posted Return;
  - 9. Transfer a payment from one taxpayer to another;
  - 10. Transfer a payment from one period to another;
  - 11. Process an amended tax Return;
  - 12. Calculate interest and penalty on a balance due;
  - 13. Abate interest and penalty on an Account;
  - 14. Route a Work Item for approval;
  - 15. Offset a portion of a refund toward an existing liability (internal or external);
  - 16. Reconcile taxpayer accounting and revenue accounting;
  - 17. Create, update, and close a Case;
  - 18. Suspend a Return based upon a business rule;
  - 19. Process a payment that cannot be immediately associated with a particular taxpayer or Account until after some research has been performed, and explain the financial effect on both taxpayer accounting and revenue accounting;
  - 20. Correct a suspended Return using Workflow;
  - 21. Prioritize Work Items;
  - 22. Modify a business rule;
  - 23. Add notes to an Entity/Account/Case;
  - 24. Generate processing volume reports;
  - 25. Present Entity and Account overviews, including non-filed periods and balances due;
  - 26. Establish a payment plan;
  - 27. Modify an existing payment plan;
  - 28. Suppress/hold billing;
  - 29. Allow taxpayer Access via a web portal;
  - 30. Issue and track licenses/permits;
  - 31. Generate an assessment covering multiple tax periods;
  - 32. Modify a tax assessment and update interest and penalty accordingly;
  - 33. Display audit trail history of actions performed;

- 34. Display multiple Return versions (e.g. original and as adjusted);
- 35. Demonstrate multiple concurrent sessions; and
- 36. Configure / modify a tax Return.

Offerors are not required to demonstrate each of the functions listed above separately and are encouraged to combine the functions listed above into one or more streamlined scripts.

#### **4.11 Duration of Proposal**

Proposals submitted in response to this RFP are irrevocable for the latest of the following: 180 days following the Proposal due date and time, best and final offers if requested (see **Section 6.5.2 Selection Process Sequence**), or the final resolution date of any protest concerning this RFP. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

#### **4.12 Revisions to the RFP**

- 4.12.1 If the RFP is revised before the due date for Proposals, the Procurement Officer shall post any addenda to the RFP on eMM and shall endeavor to provide such addenda to all prospective Offerors that were sent this RFP or are otherwise known by the Procurement Officer to have obtained this RFP. It remains the responsibility of all prospective Offerors to check eMM for any addenda issued prior to the submission of Proposals.
- 4.12.2 Acknowledgment of the receipt of all addenda to this RFP issued before the Proposal due date shall be included in the Transmittal Letter accompanying the Offeror's Technical Proposal.
- 4.12.3 Addenda made after the due date for Proposals will be sent only to those Offerors that remain under award consideration as of the issuance date of the addenda.
- 4.12.4 Acknowledgement of the receipt of addenda to the RFP issued after the Proposal due date shall be in the manner specified in the addendum notice.
- 4.12.5 Failure to acknowledge receipt of an addendum does not relieve the Offeror from complying with the terms, additions, deletions, or corrections set forth in the addendum, and may cause the Proposal to be deemed not reasonably susceptible of being selected for award.

#### **4.13 Cancellations**

- 4.13.1 The State reserves the right to cancel this RFP, accept or reject any and all Proposals, in whole or in part, received in response to this RFP, waive or permit the cure of minor irregularities, and conduct discussions with all qualified or potentially qualified Offerors in any manner necessary to serve the best interests of the State.
- 4.13.2 The State reserves the right, in its sole discretion, to award a Contract based upon the written Proposals received without discussions or negotiations.
- 4.13.3 In the event a government entity proposes and receives the recommendation for award, the procurement may be cancelled and the award processed in accordance with COMAR 21.01.03.01.A(4).

#### **4.14 Incurred Expenses**

The State will not be responsible for any costs incurred by any Offeror in preparing and submitting a Proposal, in making an oral presentation, providing a demonstration, or performing any other activities related to submitting a Proposal in response to this solicitation.



#### 4.15 Protest/Disputes

Any protest or dispute related to this solicitation or the Contract award shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies).

#### 4.16 Offeror Responsibilities

- 4.16.1 Offerors must be able to provide all goods and services and meet all of the requirements requested in this solicitation and the successful Offeror shall be responsible for Contract performance including any Subcontractor participation.
- 4.16.2 All Subcontractors shall be identified and a complete description of their role relative to the Proposal shall be included in the Offeror's Proposal. If applicable, Subcontractors utilized in meeting the established MBE or VSBE participation goal(s) for this solicitation shall be identified as provided in the appropriate Attachment(s) to this RFP (see **Section 4.26 MBE Participation Goal** and **Section 4.27 VSBE Goal**).
- 4.16.3 If an Offeror is the subsidiary of another entity, all information submitted by the Offeror, including but not limited to references, financial reports, or experience and documentation (e.g. insurance policies, bonds, letters of credit) used to meet minimum qualifications, shall pertain exclusively to the Offeror, unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror's Proposal shall contain an explicit statement, signed by an authorized representative of the parent organization, stating that the parent organization will guarantee the performance of the subsidiary.
- 4.16.4 A parental guarantee of the performance of the Offeror under this Section will not automatically result in crediting the Offeror with the experience and/or qualifications of the parent under any evaluation criteria pertaining to the actual Offeror's experience and qualifications. Instead, the Offeror will be evaluated on the extent to which the State determines that the experience and qualifications of the parent are applicable to and shared with the Offeror, any stated intent by the parent to be directly involved in the performance of the Contract, and the value of the parent's participation as determined by the State.

#### 4.17 Acceptance of Terms and Conditions

By submitting a Proposal in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms and conditions of this RFP and the Contract, attached hereto as **Attachment M Contract**. Any exceptions to this RFP or the Contract shall be clearly identified in the Executive Summary of the Technical Proposal. **All exceptions will be taken into consideration when evaluating an Offeror's Proposal. The Agency reserves the right to accept or reject any exceptions.**

#### 4.18 Proposal Affidavit

A Proposal submitted by an Offeror must be accompanied by a completed Proposal Affidavit. A copy of this Affidavit is included as **Attachment C Proposal Affidavit** of this RFP.

#### 4.19 Contract Affidavit

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as **Attachment N Contract Affidavit** of this RFP. This Affidavit must be provided within five (5) Business Days of notification of recommended award. For purposes of completing Section "B" of this Affidavit (Certification of Registration or Qualification with the State Department of Assessments and



Taxation), a business entity that is organized outside of the State of Maryland is considered a “foreign” business.

#### **4.20 Compliance with Laws/Arrearages**

- 4.20.1 By submitting a Proposal in response to this RFP, an Offeror, if selected for award, agrees that it will comply with all federal, State, and local laws applicable to its activities and obligations under the Contract.
- 4.20.2 By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State, including the payment of taxes and employee benefits, and shall not become so in arrears during the term of the Contract if selected for Contract award.

#### **4.21 Verification of Registration and Tax Payment**

- 4.21.1 Before a business entity can do business in the State, it must be registered with the State Department of Assessments and Taxation (SDAT). SDAT is located at State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. For registration information, visit <https://www.egov.maryland.gov/businessexpress>.
- 4.21.2 It is strongly recommended that any potential Offeror complete registration prior to the Proposal due date and time. An Offeror’s failure to complete registration with SDAT may disqualify an otherwise successful Offeror from final consideration and recommendation for Contract award.

#### **4.22 False Statements**

- 4.22.1 Offerors are advised that Md. Code Ann., State Finance and Procurement Article, § 11-205.1 provides as follows:
- 4.22.2 In connection with a procurement contract a person may not willfully:
  - A. Falsify, conceal, or suppress a material fact by any scheme or device.
  - B. Make a false or fraudulent statement or representation of a material fact.
  - C. Use a false writing or document that contains a false or fraudulent statement or entry of a material fact.
- 4.22.3 A person may not aid or conspire with another person to commit an act under Section **4.22 False Statements**.
- 4.22.4 A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding five (5) years or both.

#### **4.23 Payments by Electronic Funds Transfer**

- 4.23.1 By submitting a Proposal in response to this solicitation, an Offeror, if selected for award:
- 4.23.2 Agrees to accept payments by electronic funds transfer (EFT) unless the State Comptroller’s Office grants an exemption. Payment by EFT is mandatory for contracts exceeding \$200,000. The successful Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form.
- 4.23.3 Any request for exemption must be submitted to the State Comptroller’s Office for approval at the address specified on the COT/GAD X-10 form, must include the business identification information as stated on the form, and must include the reason for the exemption. The COT/GAD X-10 form may be downloaded from the Comptroller’s website at:

[http://comptroller.marylandtaxes.gov/Vendor\\_Services/Accounting\\_Information/Static\\_Files/GADX10Form20150615.pdf](http://comptroller.marylandtaxes.gov/Vendor_Services/Accounting_Information/Static_Files/GADX10Form20150615.pdf)

#### 4.24 Prompt Payment Policy

This procurement and the Contract(s) to be awarded pursuant to this solicitation are subject to the Prompt Payment Policy Directive issued by the Governor's Office of Small, Minority & Women Business Affairs (GOSBA) and dated August 1, 2008. Promulgated pursuant to Md. Code Ann., State Finance and Procurement Article, §§ 11-201, 13-205(a), and Title 14, Subtitle 3, and COMAR 21.01.01.03 and 21.11.03.01, the Directive seeks to ensure the prompt payment of all Subcontractors on non-construction procurement contracts. The Contractor shall comply with the prompt payment requirements outlined in the Contract, Section 31 "Prompt Pay Requirements" (see **Attachment M Contract**), should an MBE goal apply to this RFP. Additional information is available on GOSBA's website at:

<http://www.gomdsmbiz.maryland.gov/documents/legislation/promptpaymentfaqs.pdf>.

#### 4.25 Electronic Procurements Authorized

- 4.25.1 Under COMAR 21.03.05, unless otherwise prohibited by law, the Agency may conduct procurement transactions by electronic means, including the solicitation, proposing, award, execution, and administration of a contract, as provided in Md. Code Ann., Maryland Uniform Electronic Transactions Act, Commercial Law Article, Title 21.
- 4.25.2 Participation in the solicitation process on a procurement contract for which electronic means has been authorized shall constitute consent by the Offeror to conduct by electronic means all elements of the procurement of that Contract which are specifically authorized under the solicitation or Contract. In the case of electronic transactions authorized by this RFP, electronic records and signatures by an authorized representative satisfy a requirement for written submission and signatures.
- 4.25.3 "Electronic means" refers to exchanges or communications using electronic, digital, magnetic, wireless, optical, electromagnetic, or other means of electronically conducting transactions. Electronic means includes e-mail, internet-based communications, electronic funds transfer, specific electronic bidding platforms (e.g., <https://emaryland.buyspeed.com/bso/>), and electronic data interchanges.
- 4.25.4 In addition to specific electronic transactions specifically authorized in other sections of this solicitation (e.g., RFP § 4.23 describing payments by Electronic Funds Transfer), the following transactions are authorized to be conducted by electronic means on the terms as authorized in COMAR 21.03.05:
  - A. The Procurement Officer may conduct the procurement using eMM or e-mail to issue:
    - 1) The RFP;
    - 2) Any amendments and requests for best and final offers;
    - 3) Pre-Proposal conference documents;
    - 4) Questions and responses;
    - 5) Communications regarding the solicitation or Proposal to any Offeror or potential offeror;
    - 6) Notices of award selection or non-selection; and
    - 7) The Procurement Officer's decision on any Proposal protest or Contract claim.
  - B. An Offeror or potential Offeror may use e-mail to:
    - 1) Ask questions regarding the solicitation;

- 2) Reply to any material received from the Procurement Officer by electronic means that includes a Procurement Officer's request or direction to reply by e-mail or facsimile, but only on the terms specifically approved and directed by the Procurement Officer and;
  - 3) Submit a "No Proposal Response" to the RFP.
- C. The Procurement Officer, the Contract Monitor, and the Contractor may conduct day-to-day Contract administration, except as outlined in **4.25.5 Electronic Procurements Authorized** of this subsection, utilizing e-mail or other electronic means if authorized by the Procurement Officer or Contract Monitor.
- 4.25.5 The following transactions related to this procurement and any Contract awarded pursuant to it are **not authorized** to be conducted by electronic means:
- A. Submit Proposals;
  - B. Filing of protests;
  - C. Filing of Contract claims;
  - D. Submission of documents determined by the Agency to require original signatures (e.g., Contract execution, Contract modifications); or
  - E. Any transaction, submission, or communication where the Procurement Officer has specifically directed that a response from the Contractor or Offeror be provided in writing or hard copy.
- 4.25.6 Any e-mail transmission is only authorized to the e-mail addresses for the identified person as provided in the solicitation, the Contract, or in the direction from the Procurement Officer or Contract Monitor.

## **4.26 MBE Participation Goal**

### **4.26.1 Establishment of Goal and Subgoals**

An overall MBE Subcontractor participation goal as identified in the Key Information Summary Sheet has been established for this procurement, representing a percentage of the total Contract dollar value, including all renewal option terms, if any, has been established for this procurement.

Notwithstanding any subgoals established for this RFP, the Contractor is encouraged to use a diverse group of Subcontractors and suppliers from any/all of the various MBE classifications to meet the remainder of the overall MBE participation goal.

By submitting a response to this solicitation, the Offeror acknowledges the overall MBE Subcontractor participation goal and subgoals, and commits to achieving the overall goal and subgoals by utilizing certified minority business enterprises, or requests a full or partial waiver of the overall goal and subgoals.

#### **4.26.2 Attachments.**

- A. D-1 to D-5 – The following Minority Business Enterprise participation instructions, and forms are provided to assist Offerors:
  1. Attachment D-1AMBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule (must be submitted with Proposal)
  2. Attachment D-1B Waiver Guidance
  3. Attachment D-1C Good Faith Efforts Documentation to Support Waiver Request
  4. Attachment D-2 Outreach Efforts Compliance Statement

5. Attachment D-3AMBE Subcontractor Project Participation Certification
  6. Attachment D-3BMBE Prime Project Participation Certification
  7. Attachment D-4APrime Contractor Paid/Unpaid MBE Invoice Report
  8. Attachment D-4BMBE Prime Contractor Report
  9. Attachment D-5 Subcontractor Paid/Unpaid MBE Invoice Report
- B. The Offeror shall include with its Proposal a completed MBE Utilization and Fair Solicitation Affidavit (**Attachment D-1A**) whereby:
1. The Offeror acknowledges the certified MBE participation goal and commits to make a good faith effort to achieve the goal and any applicable subgoals, or requests a waiver, and affirms that MBE Subcontractors were treated fairly in the solicitation process; and
  2. The Offeror responds to the expected degree of MBE participation, as stated in the solicitation, by identifying the specific commitment of certified MBEs at the time of Proposal submission. The Offeror shall specify the percentage of total Contract value associated with each MBE Subcontractor identified on the MBE participation schedule, including any work performed by the MBE prime (including a prime participating as a joint venture) to be counted towards meeting the MBE participation goals.
  3. The Offeror requesting a waiver should review Attachment D-1B (Waiver Guidance) and D-1C (Good Faith Efforts Documentation to Support Waiver Request) prior to submitting its request.

***If the Offeror fails to submit a completed Attachment D-1A with the Proposal as required, the Procurement Officer shall determine that the Proposal is not reasonably susceptible of being selected for award.***

- 4.26.3 Offerors are responsible for verifying that each MBE (including any MBE prime and MBE prime participating in a joint venture) selected to meet the goal and any subgoals and subsequently identified in Attachment **D-1A** is appropriately certified and has the correct NAICS codes allowing it to perform the committed work.
- 4.26.4 Within ten (10) Business Days from notification that it is the recommended awardee or from the date of the actual award, whichever is earlier, the Offeror must provide the following documentation to the Procurement Officer.
  - A. Outreach Efforts Compliance Statement (Attachment D-2);
  - B. MBE Subcontractor/Prime Project Participation Certification (Attachment D-3A/3B); and
  - C. Any other documentation required by the Procurement Officer to ascertain Offeror responsibility in connection with the certified MBE Subcontractor participation goal or any applicable subgoals.
  - D. Further, if the recommended awardee believes a waiver (in whole or in part) of the overall MBE goal or of any applicable subgoal is necessary, the recommended awardee must submit a fully-documented waiver request that complies with COMAR 21.11.03.11.

***If the recommended awardee fails to return each completed document within the required time, the Procurement Officer may determine that the recommended awardee is not responsible and, therefore, not eligible for Contract award. If the Contract has already been awarded, the award is voidable.***

- 4.26.5 A current directory of certified MBEs is available through the Maryland State Department of Transportation (MDOT), Office of Minority Business Enterprise, 7201 Corporate Center Drive, Hanover, Maryland 21076. The phone numbers are (410) 865-1269, 1-800-544-6056, or TTY (410) 865-1342. The directory is also available on the MDOT website at <http://mbe.mdot.maryland.gov/directory/>. The most current and up-to-date information on MBEs is available via this website. **Only MDOT-certified MBEs may be used to meet the MBE subcontracting goals.**
- 4.26.6 The Offeror that requested a waiver of the goal or any of the applicable subgoals will be responsible for submitting the Good Faith Efforts Documentation to Support Waiver Request (**Attachment D-1C**) and all documentation within ten (10) Business Days from notification that it is the recommended awardee or from the date of the actual award, whichever is earlier, as required in COMAR 21.11.03.11.
- 4.26.7 All documents, including the MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule (**Attachment D-1A**), completed and submitted by the Offeror in connection with its certified MBE participation commitment shall be considered a part of the Contract and are hereby expressly incorporated into the Contract by reference thereto. All of the referenced documents will be considered a part of the Proposal for order of precedence purposes (see Contract – **Attachment M Contract, Section 2.1**).
- 4.26.8 The Offeror is advised that liquidated damages will apply in the event the Contractor fails to comply in good faith with the requirements of the MBE program and pertinent Contract provisions. (See Contract – **Attachment M Contract, Liquidated Damages for MBE, Section 39**).
- 4.26.9 As set forth in COMAR 21.11.03.12-1(D), when a certified MBE firm participates on a contract as a prime contractor (including a joint-venture where the MBE firm is a partner), a procurement agency may count the distinct, clearly defined portion of the work of the contract that the certified MBE firm performs with its own work force towards fulfilling up to fifty-percent (50%) of the MBE participation goal (overall) and up to one hundred percent (100%) of not more than one of the MBE participation subgoals, if any, established for the contract.

In order to receive credit for self-performance, an MBE prime must list its firm in Section 4A of the MBE Participation Schedule (**Attachment D-1A**) and include information regarding the work it will self-perform. For the remaining portion of the overall goal and the subgoals, the MBE prime must also identify other certified MBE Subcontractors [see Section 4B of the MBE Participation Schedule (**Attachment D-1A**)] used to meet those goals. If dually-certified, the MBE prime can be designated as only one of the MBE subgoal classifications but can self-perform up to 100% of the stated subgoal.

As set forth in COMAR 21.11.03.12-1, once the Contract work begins, the work performed by a certified MBE firm, including an MBE prime, can only be counted towards the MBE participation goal(s) if the MBE firm is performing a commercially useful function on the Contract. Refer to MBE forms (Attachments D) for additional information.

## 4.27 VSBE Goal

There is no VSBE participation goal for this procurement.

## 4.28 Living Wage Requirements

- A. Maryland law requires that contractors meeting certain conditions pay a living wage to covered employees on State service contracts over \$100,000. Maryland Code Ann., State Finance and Procurement Article, § 18-101 et al. The Commissioner of Labor and Industry at

the Department of Labor, Licensing and Regulation requires that a contractor subject to the Living Wage law submit payroll records for covered employees and a signed statement indicating that it paid a living wage to covered employees; or receive a waiver from Living Wage reporting requirements. See COMAR 21.11.10.05.

- B. If subject to the Living Wage law, Contractor agrees that it will abide by all Living Wage law requirements, including but not limited to reporting requirements in COMAR 21.11.10.05. Contractor understands that failure of Contractor to provide such documents is a material breach of the terms and conditions and may result in Contract termination, disqualification by the State from participating in State contracts, and other sanctions. Information pertaining to reporting obligations may be found by going to the Maryland Department of Labor, Licensing and Regulation (DLLR) website <http://www.dllr.state.md.us/labor/prev/livingwage.shtml>
- C. Additional information regarding the State's living wage requirement is contained in **Attachment F**. Offerors must complete and submit the Maryland Living Wage Requirements Affidavit of Agreement (**Attachment F-1**) with their Proposals. If an Offeror fails to complete and submit the required documentation, the State may determine the Offeror to not be responsible under State law.
- D. Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least the minimum amount set by law for the applicable Tier area. The specific living wage rate is determined by whether a majority of services take place in a Tier 1 Area or a Tier 2 Area of the State. If the Contractor provides more than 50% of the services from an out-of-State location, the State agency determines the wage tier based on where the majority of the service recipients are located. See COMAR 21.11.10.07. Wages under this Contract shall be paid according to Tier I Area requirements.
- E. The Offeror shall identify in the Proposal the location from which services will be provided.
- F. **NOTE:** Whereas the Living Wage may change annually, the Contract price will not change because of a Living Wage change.

## **4.29 Federal Funding Acknowledgement**

This Contract does not contain federal funds.

## **4.30 Conflict of Interest Affidavit and Disclosure**

- 4.30.1 The Offeror shall complete and sign the Conflict of Interest Affidavit and Disclosure (**Attachment H Conflict of Interest Affidavit and Disclosure**) and submit it with its Proposal.
- 4.30.2 By submitting a Conflict of Interest Affidavit and Disclosure, the Contractor shall be construed as certifying all Contractor Personnel and Subcontractors are also without a conflict of interest as defined in COMAR 21.05.08.08A.
- 4.30.3 Additionally, a Contractor has an ongoing obligation to ensure that all Contractor Personnel are without conflicts of interest prior to providing services under the Contract. For policies and procedures applying specifically to Conflict of Interests, the Contract is governed by COMAR 21.05.08.08.
- 4.30.4 Participation in Drafting of Specifications: Disqualifying Event: Offerors are advised that Md. Code Ann. State Finance and Procurement Article §13-212.1(a) provides generally that "an individual who assists an executive unit in the drafting of specifications, an invitation for bids, a request for proposals for a procurement, or the selection or award made in response to an invitation for bids or a request for proposals, or a person that employs the individual, may not: (1) submit a bid or proposal for that procurement; or (2) assist or represent another person,



directly or indirectly, who is submitting a bid or proposal for that procurement.” Any Offeror submitting a Proposal in violation of this provision shall be classified as “not responsible.” See COMAR 21.05.03.03.

## 4.31 Non-Disclosure Agreement

### 4.31.1 Non-Disclosure Agreement (Offeror)

Certain documentation will be available for potential Offerors to review in a physical reading room as described in **Section 3.15.8 Reading Room**. Offerors who wish to review such documentation will be required to sign and return **Appendix 5 Non-Disclosure Agreement (Offeror)** before reading room access will be granted.

### 4.31.2 Non-Disclosure Agreement (Contractor)

All Offerors are advised that this solicitation and any Contract(s) are subject to the terms of the Non-Disclosure Agreement (NDA) contained in this solicitation as **Attachment I Non-Disclosure Agreement (Contractor)**. This Agreement must be provided within five (5) Business Days of notification of recommended award; however, to expedite processing, it is suggested that this document be completed and submitted with the Proposal.

## 4.32 HIPAA - Business Associate Agreement

A HIPAA Business Associate Agreement is not required for this procurement.

## 4.33 Nonvisual Access

- 4.33.1 By submitting a Proposal in response to this RFP, an Offeror, if selected for award: Warrants that any Information Technology offered under the Proposal will meet the Non-visual Access Clause noted in COMAR 21.05.08.05 and described in detail below. The Non-visual Access Clause referenced in this solicitation is the basis for the standards that have been incorporated into the Maryland regulations, which can be found at: [www.doit.maryland.gov](http://www.doit.maryland.gov), keyword: NVA. Note that the State’s Non-visual Access Clause has distinct requirements not found in the federal Section 508 clauses.
- 4.33.2 The Contractor warrants that the Information Technology to be provided under the Contract.
  - A. Provides equivalent Access for effective use by both visual and non-visual means;
  - B. Will present information, including prompts used for interactive communications, in formats intended for both visual and non-visual use;
  - C. If intended for use in a network, can be integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired; and
  - D. Is available, whenever possible, without modification for compatibility with Software and hardware for non-visual Access.
- 4.33.3 The Contractor further warrants that the cost, if any, of modifying the proposed ITS Solution for compatibility with Software and hardware used for non-visual Access does not increase the cost of the Solution or its integration in the State’s IT architecture by more than five (5) percent. For purposes of this Contract, the phrase “equivalent access” means the ability to receive, use and manipulate information and operate controls necessary to Access and use information technology by non-visual means. Examples of equivalent access include keyboard controls used for input and synthesized speech, Braille, or other audible or tactile means used for output. The Maryland IT Nonvisual Access standards can be found at: [www.doit.maryland.gov/policies/pages/nva.aspx](http://www.doit.maryland.gov/policies/pages/nva.aspx).

#### **4.34 Mercury and Products That Contain Mercury**

The Agency shall give a price preference of zero percent (0%) (not to exceed (NTE) 5%; see COMAR 21.05.08.09) to Proposals for products or equipment that are mercury-free or, if mercury-free products or equipment are not offered, to the Proposals for products or equipment containing the least amount of mercury necessary to meet performance requirements. The Offeror must submit a Mercury Affidavit in the form of **Attachment K Mercury Affidavit** with its Proposal.

#### **4.35 Location of the Performance of Services Disclosure**

The Offeror is required to complete the Location of the Performance of Services Disclosure. A copy of this Disclosure is included as **Attachment L Location of the Performance of Services Disclosure**. The Disclosure must be provided with the Proposal. Services under this Contract must be performed in the United States.

#### **4.36 Department of Human Services (DHS) Hiring Agreement**

This solicitation does not require a DHS Hiring Agreement.

#### **4.37 Small Business Reserve (SBR) Procurement**

This solicitation is not designated as a Small Business Reserve (SBR) Procurement.

#### **4.38 Bonds**

This solicitation does not require bonds.

#### **4.39 Confidentiality of IRS and State Tax Information**

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a statement of Confidentiality of IRS and State Tax Information. A copy of this statement is included for informational purposes as **Appendix 9 Confidentiality of IRS and State Tax Information**. The statement of Confidentiality of IRS and State Tax Information must be provided within five (5) Business Days of notification of recommended award.

#### **4.40 Certificate of Confidentiality for Contractor Personnel**

All Offerors are advised that if a Contract is awarded as a result of this solicitation, all Contractor Personnel will be required to complete a Certificate of Confidentiality for Contractor Personnel. A copy of this Certificate is included for informational purposes as **Appendix 10 Certificate of Confidentiality for Contractor Personnel**. This Certificate must be provided within five (5) Business Days of notification of recommended award for each Key Personnel. For Contractor Personnel, this Certificate must be provided prior to any services being provided under this Contract.

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## 5 Proposal Format

### 5.1 Two Part Submission

Offerors shall submit Proposals in separate volumes:

- Volume I – TECHNICAL PROPOSAL
- Volume II – FINANCIAL PROPOSAL

### 5.2 Proposal Packaging and Delivery

- 5.2.1 Proposals delivered by facsimile and email will not be considered.
- 5.2.2 Provide no pricing information in the Technical Proposal. Provide no pricing information on the media submitted in the Technical Proposal.
- 5.2.3 Offerors may submit Proposals by hand or by mail as described below to the address provided in the Key Information Summary Sheet.
  - A. Any Proposal received at the appropriate mailroom, or typical place of mail receipt, for the respective procuring unit by the time and date listed in the RFP will be deemed to be timely. The State recommends a delivery method for which both the date and time of receipt can be verified.
  - B. For hand-delivery, Offerors are advised to secure a dated, signed, and time-stamped (or otherwise indicated) receipt of delivery. Hand-delivery includes delivery by commercial carrier acting as agent for the Offeror.
- 5.2.4 The Procurement Officer must receive all Proposal material by the RFP due date and time specified in the Key Information Summary Sheet. Requests for extension of this date or time will not be granted. Except as provided in COMAR 21.05.03.02F, Proposals received by the Procurement Officer after the due date will not be considered.
- 5.2.5 Two Part Submission

Offerors shall provide their Proposals in two separately sealed (but submitted together) and labeled packages as follows:

- A. Volume I - Technical Proposal consisting of:
  - 1) One (1) original executed hard copy Technical Proposal and all supporting material marked and sealed with original signature on Transmittal Letter and any accompanying Attachments and Appendices;
  - 2) An electronic version (on Compact Disk, Digital Versatile Disc/DVD, or Universal Serial Bus/USB Flash/Thumb Drive) of Volume 1 - Technical Proposal in Microsoft Word format, version 2010 or greater;
  - 3) The Technical Proposal in searchable Adobe PDF format, and
  - 4) A second searchable Adobe PDF copy of the Technical Proposal with confidential and proprietary information redacted (see **Section 4.8 Public Information Act Notice**).
- B. Volume II - Financial Proposal consisting of:
  - 1) One (1) original executed hard copy Financial Proposal Form and all supporting material marked and sealed;
  - 2) An electronic version of the Financial Proposal in searchable Adobe PDF format;
  - 3) An electronic version (on Compact Disc, DVD, or USB Flash Drive) of Volume II - Financial Proposal in Microsoft Excel format, version 2010 or greater; and

- 4) A second searchable Adobe pdf copy of the Financial Proposal, with confidential and proprietary information redacted (see **Section 4.8 Public Information Act Notice**).
  - C. Each Compact Disc/DVD/USB Flash Drive must be packaged with the original copy of the appropriate Proposal (Technical or Financial). In the event of any discrepancy between the hard copy and electronic versions of an Offeror's Proposal, the State shall determine the controlling version in accordance with the State's interests.
- 5.2.6 Affix the following to the outside of each sealed Proposal. Include the name, email address, and telephone number of a contact person for the Offeror be included on the outside of the packaging for each volume. The affixed label shall contain:
- RFP title and number,
  - Name and address of the Offeror, and
  - Closing date and time for receipt of Proposals
- 5.2.7 Label each electronic media (Compact Disc, DVD, or flash drive) on the outside with the RFP title and number, name of the Offeror, and volume number. Electronic media must be packaged with the original copy of the appropriate Proposal (Technical or Financial).
- 5.2.8 The State has established the following procedure to restrict Access to electronic copies of Proposals: all Technical and Financial Proposals must be password protected, and the password for the TO Technical Proposal must be different from the password for the TO Financial Proposal. Offerors will provide these two passwords to the COM with their submission.

### **5.3 Volume I - Technical Proposal**

NOTE: Provide **no pricing information** in the Technical Proposal (Volume I). Include pricing information only in the Financial Proposal (Volume II).

- 5.3.1 In addition to the instructions below, responses in the Offeror's Technical Proposal shall reference the organization and numbering of Sections in the RFP (e.g., "Section 2.2.1 Response . . . ; "Section 2.2.2 Response . . ."). All pages of both Proposal volumes shall be consecutively numbered from beginning (Page 1) to end (Page "x").
- 5.3.2 The Technical Proposal shall include the following documents and information in the order specified as follows. Each section of the Technical Proposal shall be separated by a TAB as detailed below:
- A. Title Page and Table of Contents (Submit under TAB A)

The Technical Proposal should begin with a Title Page bearing the name and address of the Offeror and the name and number of this RFP. A Table of Contents shall follow the Title Page for the Technical Proposal, organized by section, subsection, and page number.
  - B. Claim of Confidentiality (If applicable, submit under TAB A-1)

Any information which is claimed to be confidential and/or proprietary information should be identified by page and section number and placed after the Title Page and before the Table of Contents in the Technical Proposal and if applicable, separately in the Financial Proposal. The entire Proposal cannot be given a blanket confidentiality designation - any confidentiality designation must apply to specific sections, pages, or portions of pages of the Proposal and an explanation for each claim shall be included.
  - C. Proposer Information Sheet and Transmittal Letter (Submit under TAB B)

The **Appendix 2 Offeror Information Sheet** and a Transmittal Letter shall accompany the Technical Proposal. The purpose of the Transmittal Letter is to transmit the Proposal and acknowledge the receipt of any addenda to this RFP issued before the Proposal due date and time. Transmittal Letter should be brief, be signed by an individual who is authorized to commit the Offeror to its Proposal and the requirements as stated in this RFP, and contain acknowledgement of all addenda to this RFP issued before the Proposal due date.

D. Executive Summary (Submit under TAB C)

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled "Executive Summary."

In this section of the Technical Proposal, the Offeror shall describe its overall understanding of the RFP objectives, level of effort and scope. The Offeror shall also discuss its understanding of the RFP as it relates to the Comptroller's high level goals (as set forth in **Section 2.2.1 Project Goals**) and the Offeror's high level approach to risk mitigation and/or avoidance.

This section of the proposal is not meant to provide project level detail; it is meant to demonstrate the Offeror's high level understanding of the components of the ITS Solution, how they relate to business goals and the Offeror's general approach to risk management.

In addition, the Summary shall indicate whether the Offeror is the subsidiary of another entity, and if so, whether all information submitted by the Offeror pertains exclusively to the Offeror. If not, the subsidiary Offeror shall include a guarantee of performance from its parent organization as part of its Executive Summary.

The Executive Summary shall also identify any exceptions the Offeror has taken to the requirements of this RFP, the Contract (**Attachment M Contract**), or any other exhibits or attachments. Acceptance or rejection of exceptions is within the sole discretion of the State. **Exceptions to terms and conditions, including requirements, may result in having the Proposal deemed unacceptable or classified as not reasonably susceptible of being selected for award.**

E. Minimum Qualifications Documentation (If applicable, Submit under TAB D)

The Offeror shall submit proof of Minimum Qualifications compliance on **Appendix 3 Offeror Minimum Qualifications Response Form**.

F. Offeror Technical Response to RFP Requirements (Submit under TAB E)

- 1) The Offeror shall submit a proposal for all goods and services offered in response to the ITS Solution requirements expressed in this RFP. The proposal shall include the Offeror's proposed solution for managed hosting and integration of the Offeror's ITS Solution with the State's current Teradata Data Warehouse.
- 2) The Offeror shall address, individually, each requirement found in **Section 2 Contractor Requirements: Scope of Work** and **Section 3 Contractor Requirements: General** in its Technical Proposal with a cross reference to the requirement and describe how its proposed goods and services, including the goods and services of any proposed Subcontractor(s), will meet or exceed the requirement(s). If the State is seeking Offeror agreement to any requirement(s), the Offeror shall state its agreement or disagreement. Any paragraph in the Technical Proposal that responds to an RFP requirement shall include an explanation of how the work will be performed. The response shall address each requirement in **Section 2 Contractor Requirements: Scope of Work** and **Section 3 Contractor**

**Requirements: General** in order, and shall contain a cross reference to the requirement.

- 3) The Offeror shall address each functional requirement found in **Appendix 6 Functional Requirements Matrix**. The functional requirements shall be addressed on the Functional Requirements Matrix per the instructions found there. The completed matrix shall be labeled as **Appendix 6 Functional Requirements Matrix** and returned as part of TAB E of Offeror's Technical Proposal.
- 4) The Offeror shall address each technical requirement found in **Appendix 7 Technical Requirements Matrix** per the instructions found there. The completed matrix shall be labeled as **Appendix 7 Technical Requirements Matrix** and returned as part of TAB E of Offeror's proposal.
- 5) The Offeror shall address each hosting requirement found in **Appendix 8 Managed Hosting Requirements Matrix** per the instructions found there. The completed matrix shall be labeled as **Appendix 8 Managed Hosting Requirements Matrix** and returned as part of TAB E of Offeror's proposal.
- 6) Any exception to a requirement, term, or condition may result in having the Proposal classified as not reasonably susceptible of being selected for award or the Offeror deemed not responsible.
- 7) The Offeror shall identify any location(s), other than State-provided project facilities, from which it proposes to provide services. This may include, if applicable, any current facilities that it operates, and any sub-contractor locations that will be utilized. If Offeror proposes the use of non-State facilities, the percentage of offsite work (expressed as the number of staff hours per week) shall be given.
- 8) The Offeror shall provide a draft Problem Escalation Procedure (PEP) that includes, at a minimum, titles of individuals to be contacted by the Contract Monitor should problems arise under the Contract and explains how problems with work under the Contract will be escalated in order to resolve any issues in a timely manner. Final procedures shall be submitted as indicated in Section **3.8 Problem Escalation Procedure**.
- 9) The Offeror shall include its disaster recovery and business continuity of operations strategies.
- 10) The Offeror shall include its Security model description for managed hosting services.
- 11) For each SLA identified in **Section 2.6 Service Level Agreement (SLA)**, the Offeror shall respond with its proposed service level metric and SLA credit.
- 12) Offeror's proposed strategy for clean-up, conversion, and migration of data and processes from the COMs legacy systems to the ITS Solution. Include description of potential business and technical risks of migrating from COMs legacy technologies to the ITS Solution.
- 13) Non-Compete Clause Prohibition:  
  
The Agency seeks to maximize the retention of personnel working under this Contract whenever there is a transition of the Contract from one contractor to another so as to minimize disruption due to a change in contractor and maximize the maintenance of institutional knowledge accumulated by such personnel. To help achieve this objective of staff retention, each Offeror shall agree that if awarded the Contract, the Offeror's employees and agents filling the positions set forth in



**Section 3.10 Performance and Personnel** working on this Contract shall be free to work for the Contractor awarded this Contract notwithstanding any non-compete clauses to which the employee(s) may be subject. The Offeror agrees not to enforce any non-compete restrictions against the State with regard to these employees and agents if a different vendor succeeds it in the performance of the Contract. To evidence compliance with this non-compete clause prohibition, each Offeror must include an affirmative statement in its technical proposal that the Offeror, if awarded a Contract, agrees that its employees and agents shall not be restricted from working with or for any successor contractor that is awarded this Contract.

- 14) Offeror shall submit with its Technical Proposal, a draft version of the following deliverables, as defined in **2.4.4 Deliverable Descriptions / Acceptance Criteria**:
  - a) **D04 ITS Solution Project Schedule;**
  - b) **D06 Hardware Procurement Plan;**
  - c) **D07 Software Procurement Plan;**
  - d) **D08 Staff Procurement Plan;** and
  - e) **D15 Implementation Strategy.**

G. Experience and Qualifications of Proposed Staff (Submit under TAB F)

As part of the evaluation of the Proposal for this RFP, Offerors shall propose exactly four (4) Key Personnel (identified in **Section 3.10.4 Key Personnel Identified**) and shall describe in **D08 Staff Procurement Plan** how additional resources shall be acquired to meet the needs of the Agency. All other planned positions shall be described generally in the Staff Procurement Plan, and may not be used as evidence of fulfilling company or personnel minimum qualifications. The Offeror's proposed Staff Procurement Plan must include the following:

- 1) The Offeror shall identify proposed staff roles and qualifications to be utilized under the Contract.
- 2) The Offeror shall describe in detail how the proposed staff's experience and qualifications relate to their specific responsibilities, including any staff of proposed Subcontractor(s), as detailed in the Work Plan. The Offeror shall include individual resumes for Key Personnel, including Key Personnel for any proposed Subcontractor(s), who are to be assigned to the project if the Offeror is awarded the Contract. Each resume should include the amount of experience the individual has had relative to the Scope of Work set forth in this RFP.
- 3) Letters of intended commitment to work on the project by Key Personnel and any proposed Subcontractor(s), shall be included in this section. **Offerors be aware of restrictions on substitution of Key Personnel prior to RFP award (see Section 3.11.5 Substitution Prior to and Within 30 Days After Contract Execution).**
- 4) The Offeror shall provide an Organizational Chart outlining Personnel and their related duties. The Offeror shall include job titles and the percentage of time each individual will spend on his/her assigned tasks. Offerors using job titles other than those commonly used by industry standards must provide a crosswalk reference document.

H. Offeror Qualifications and Capabilities (Submit under TAB G)

The Offeror shall include information on past experience with similar projects and/or services. The Offeror shall describe how its organization can meet the requirements of this RFP and shall also include the following information:

- 1) The number of years the Offeror has provided the similar services;
- 2) The number of clients/customers and geographic locations that the Offeror currently serves;
- 3) The names and titles of headquarters or regional management personnel who may be involved with supervising the services to be performed under this Contract;
- 4) The Offeror's process for resolving billing errors; and
- 5) An organizational chart that identifies the complete structure of the Offeror including any parent company, headquarters, regional offices, and subsidiaries of the Offeror.

**I. References (Submit under TAB H)**

At least three (3) references are requested from customers who are capable of documenting the Offeror's ability to provide the goods and services specified in this RFP. References used to meet any Minimum Qualifications (see **Section 1.1 Offeror Minimum Qualifications**) may be used to meet this request. Each reference shall be from a client for whom the Offeror has provided goods and services within the past five (5) years and shall include the following information:

- 1) Name of client organization;
- 2) Name, title, telephone number, and e-mail address, if available, of point of contact for client organization; and
- 3) Value, type, duration, and description of goods and services provided.

The Agency reserves the right to request additional references or utilize references not provided by an Offeror. Points of contact must be accessible and knowledgeable regarding Offeror performance.

**J. List of Current or Prior State Contracts (Submit under TAB I)**

Provide a list of all contracts with any entity of the State of Maryland for which the Offeror is currently performing goods and services or for which services have been completed within the last five (5) years. For each identified contract, the Offeror is to provide:

- 1) The State contracting entity;
- 2) A brief description of the goods and services provided;
- 3) The dollar value of the contract;
- 4) The term of the contract;
- 5) The State employee contact person (name, title, telephone number, and, if possible, e-mail address); and
- 6) Whether the contract was terminated before the end of the term specified in the original contract, including whether any available renewal option was not exercised.

Information obtained regarding the Offeror's level of performance on State contracts will be used by the Procurement Officer to determine the responsibility of the Offeror and considered as part of the experience and past performance evaluation criteria of the RFP.

**K. Financial Capability (Submit under TAB J)**

An Offeror must include in its Proposal a commonly-accepted method to prove its fiscal integrity. If available, the Offeror shall include Financial Statements, preferably a Profit and Loss (P&L) statement and a Balance Sheet, for the last two (2) years (independently audited preferred).

In addition, the Offeror may supplement its response to this Section by including one or more of the following with its response:

- 1) Dun & Bradstreet Rating;
- 2) Standard and Poor's Rating;
- 3) Lines of credit;
- 4) Evidence of a successful financial track record; and
- 5) Evidence of adequate working capital.

**L. Certificate of Insurance (Submit under TAB K)**

The Offeror shall provide a copy of its current certificate of insurance showing the types and limits of insurance in effect as of the Proposal submission date. The current insurance types and limits do not have to be the same as described in **Section 3.6 Insurance Requirements**. See **Section 3.6 Insurance Requirements** for the required insurance certificate submission for the apparent awardee.

**M. Subcontractors (Submit under TAB L)**

The Offeror shall provide a complete list of all Subcontractors that will work on the Contract if the Offeror receives an award, including those utilized in meeting the MBE and/or VSBE subcontracting goal, if applicable. This list shall include a full description of the duties each Subcontractor will perform and why/how each Subcontractor was deemed the most qualified for this project. If applicable, Subcontractors utilized in meeting the established MBE or VSBE participation goal(s) for this solicitation shall be identified as provided in the appropriate attachment(s) of this RFP.

**N. Legal Action Summary (Submit under TAB M)**

This summary shall include:

- 1) A statement as to whether there are any outstanding legal actions or potential claims against the Offeror and a brief description of any action;
- 2) A brief description of any settled or closed legal actions or claims against the Offeror over the past five (5) years;
- 3) A description of any judgments against the Offeror within the past five (5) years, including the court, Case name, complaint number, and a brief description of the final ruling or determination; and
- 4) In instances where litigation is ongoing and the Offeror has been directed not to disclose information by the court, provide the name of the judge and location of the court.

**O. Economic Benefit Factors (Submit under TAB N)**

- 1) The Offeror shall submit with its Proposal a narrative describing benefits that will accrue to the Maryland economy as a direct or indirect result of its performance of the Contract. Proposals will be evaluated to assess the benefit to Maryland's economy specifically offered. The economic benefit offered should be consistent with the Offeror's Total Proposal Price from Attachment B, the Financial Proposal Form. See COMAR 21.05.03.03A (3).
- 2) Proposals that identify specific benefits as being contractually enforceable commitments will be rated more favorably than Proposals that do not identify specific benefits as contractual commitments, all other factors being equal.

- 3) Offerors shall identify any performance guarantees that will be enforceable by the State if the full level of promised benefit is not achieved during the Contract term.
- 4) As applicable, for the full duration of the Contract, including any renewal period, or until the commitment is satisfied, the Contractor shall provide to the Procurement Officer or other designated Agency personnel reports of the actual attainment of each benefit listed in response to this section. These benefit attainment reports shall be provided quarterly, unless elsewhere in these specifications a different reporting frequency is stated.
- 5) In responding to this section, the following do not generally constitute economic benefits to be derived from this Contract:
  - a) generic statements that the State will benefit from the Offeror's superior performance under the Contract;
  - b) descriptions of the number of Offeror employees located in Maryland other than those that will be performing work under this Contract; or
  - c) tax revenues from Maryland-based employees or locations, other than those that will be performing, or used to perform, work under this Contract.
- 6) Discussion of Maryland-based employees or locations may be appropriate if the Offeror makes some projection or guarantee of increased or retained presence based upon being awarded this Contract.
- 7) Examples of economic benefits to be derived from a contract may include any of the following. For each factor identified below, identify the specific benefit and contractual commitments and provide a breakdown of expenditures in that category:
  - a) The Contract dollars to be recycled into Maryland's economy in support of the Contract, through the use of Maryland Subcontractors, suppliers and joint venture partners. **Do not include actual fees or rates paid to Subcontractors or information from your Financial Proposal;**
  - b) The number and types of jobs for Maryland residents resulting from the Contract. Indicate job classifications, number of employees in each classification and the aggregate payroll to which the Offeror has committed, including contractual commitments at both prime and, if applicable, subcontract levels; and whether Maryland employees working at least thirty (30) hours per week and are employed at least one hundred-twenty (120) days during a twelve (12) month period will receive paid leave. If no new positions or subcontracts are anticipated as a result of this Contract, so state explicitly;
  - c) Tax revenues to be generated for Maryland and its political subdivisions as a result of the Contract. Indicate tax category (sales taxes, payroll taxes, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the Contract;
  - d) Subcontract dollars committed to Maryland small businesses and MBEs; and
  - e) Other benefits to the Maryland economy which the Offeror promises will result from awarding the Contract to the Offeror, including contractual commitments. Describe the benefit, its value to the Maryland economy, and how it will result from, or because of the Contract award. Offerors may commit to benefits that are not directly attributable to the Contract, but for which the Contract award may serve as a catalyst or impetus.

P. Technical Proposal - Required Forms and Certifications (Submit under TAB O)

- 1) All forms required for the Technical Proposal are identified in Table 2 of **Section 7 RFP Attachments, Appendices, and Other Submissions**. Unless directed otherwise by instructions within an individual form, complete, sign, and include all required forms in the Technical Proposal, under TAB O.
- 2) Offerors shall furnish any and all agreements and terms and conditions the Offeror expects the State to sign or to be subject to in connection with or in order to use the Offeror's services under the Contract. This includes, by way of example only, any software licensing agreements, Acceptable Use Policy (AUP), and professional service agreements. The State does not agree to terms and conditions not provided to it in an Offeror's Technical Proposal and no action of the State, including but not limited to the use of any such software, shall be deemed to constitute acceptance of any such terms and conditions. Failure to comply with this section renders any such agreement unenforceable against the State.
  - a) For each service, hardware or software proposed as furnished by a third-party entity, Offeror must identify the third-party provider and provide a letter of authorization or such other documentation demonstrating the authorization for such services. In the case of an open source license, authorization for the open source shall demonstrate compliance with the open source license.
  - b) A Letter of Authorization shall be on letterhead or through the provider's e-mail. Further, each Letter of Authorization shall be less than twelve (12) months old and must provide the following information:
    - i) Third-party point of contact name and alternate for verification
    - ii) Third-party point of contact mailing address
    - iii) Third-party point of contact telephone number
    - iv) Third-party point of contact email address
    - v) If available, a Re-Seller Identifier

## 5.4 Volume II – Financial Proposal

The Financial Proposal shall contain all price information in the format specified in **Attachment B Financial Proposal Form**. The Offeror shall complete the Financial Proposal Form only as provided in the Financial Proposal Instructions and the Financial Proposal Form itself. Do not amend, alter, or leave blank any items on the Financial Proposal Form or include additional clarifying or contingent language on or attached to the Financial Proposal Form. Failure to adhere to any of these instructions may result in the Proposal being determined to be not reasonably susceptible of being selected for award and rejected by the Agency.

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## 6 Evaluation and Selection Process

### 6.1 Evaluation Committee

Evaluation of Proposals will be performed in accordance with COMAR 21.05.03 by a committee established for that purpose and based on the evaluation criteria set forth below. The Evaluation Committee will review Proposals, participate in Offeror oral presentations and discussions, and provide input to the Procurement Officer. The Agency reserves the right to utilize the services of individuals outside of the established Evaluation Committee for advice and assistance, as deemed appropriate.

During the evaluation process, the Procurement Officer may determine at any time that a particular Offeror's Proposal is not susceptible for award.

### 6.2 Technical Proposal Evaluation Criteria

The criteria to be used to evaluate each Technical Proposal are listed below in descending order of importance. Unless stated otherwise, any sub-criteria within each criterion have equal weight.

#### 6.2.1 Response to Functional Requirements

The degree to which the Offeror's proposed Solution satisfies the functional requirements of this RFP. Additionally, this criterion shall include an evaluation of the Offeror's ITS Solution as demonstrated during Oral Presentations. (See **Section 5.3 Volume I Technical Proposal**).

#### 6.2.2 Response to Technical and Managed Hosting Requirements

The degree to which the Offeror's proposed Solution satisfies the technical and managed hosting requirements of this RFP. Additionally, this criterion shall include an evaluation of the Offeror's ITS Solution as demonstrated during Oral Presentations. (See **Section 5.3 Volume I Technical Proposal**).

#### 6.2.3 Offeror's Detailed Project Management and Implementation Approach

The Offeror's detailed approach to the project management and implementation strategies proposed for the management of the ITS project, and the degree to which those approaches will ensure successful implementation of the requirements of this RFP. (See **Section 5.3 Volume I Technical Proposal**).

#### 6.2.4 Offeror Qualifications and Capabilities (including proposed Subcontractors)

The Offeror's documented experience in successfully completing contracts of a similar size and scope to the work required by this RFP. Additionally, this criterion shall include an evaluation of Offeror references, other State contracts, pending legal actions, and Subcontractors. (See **Section 5.3 Volume I Technical Proposal**).

#### 6.2.5 Offeror's Financial Capability

The overall ability of the Offeror to undertake and successfully complete the Contract, based on the company's financial capability. (See **Section 5.3 Volume I Technical Proposal**).

#### 6.2.6 Qualifications of Personnel

The qualifications and experience of the Offeror's proposed Key Personnel, with emphasis on experience completing work on contracts of similar size and scope to the work required by this RFP. (See **Section 5.3 Volume I Technical Proposal**).



**6.2.7 Economic Benefit to State of Maryland (see Section 5.3 Volume 1 Technical Proposal).**

**6.3 Financial Proposal Evaluation Criteria**

All Qualified Offerors (see **Paragraph 6.5.2.D Selection Process Sequence**) will be ranked from the lowest (most advantageous) to the highest (least advantageous) price based on the Total Proposal Price within the stated guidelines set forth in this RFP and as submitted on **Attachment B - Financial Proposal Form**.

**6.4 Reciprocal Preference**

- 6.4.1 Although Maryland law does not authorize procuring agencies to favor resident Offerors in awarding procurement contracts, many other states do grant their resident businesses preferences over Maryland contractors. COMAR 21.05.01.04 requires that procuring units apply a reciprocal preference under the following conditions:
- A. The Maryland resident business is a responsible Offeror;
  - B. The most advantageous offer is from a responsible Offeror whose headquarters, principal base of operations, or principal site that will primarily provide the goods and services required under this RFP is in another state.
  - C. The other state gives a preference to its resident businesses through law, policy, or practice; and
  - D. The preference does not conflict with a federal law or grant affecting the procurement Contract.
- 6.4.2 The preference given shall be identical to the preference that the other state, through law, policy, or practice gives to its resident businesses.

**6.5 Selection Procedures**

**6.5.1 General**

- A. The Contract will be awarded in accordance with the Competitive Sealed Proposals (CSP) method described in COMAR 21.05.03. The CSP method allows for the conducting of discussions and the revision of Proposals during these discussions. Therefore, the State may conduct discussions with all Offerors that have submitted Proposals that are determined to be reasonably susceptible of being selected for contract award or potentially so. However, the State reserves the right to make an award without holding discussions.
- B. With or without discussions, the State may determine the Offeror to be not responsible or the Offeror's Proposal to be not reasonably susceptible of being selected for award at any time after the initial closing date for receipt of Proposals and prior to Contract award.

**6.5.2 Selection Process Sequence**

- A. A determination is made that the MDOT Certified MBE Utilization and Fair Solicitation Affidavit (**Attachment D-1A**) is included and is properly completed, if there is a MBE goal. In addition, a determination is made that the VSBE Utilization Affidavit and Subcontractor Participation Schedule (**Attachment E-1**) is included and is properly completed, if there is a VSBE goal.
- B. Technical Proposals are evaluated for technical merit and ranked. During this review, oral presentations and discussions may be held. The purpose of such discussions will be to assure a full understanding of the State's requirements and the Offeror's ability to perform the services,

as well as to facilitate arrival at a Contract that is most advantageous to the State. Offerors will be contacted by the State as soon as any discussions are scheduled.

- C. Offerors must confirm in writing any substantive oral clarifications of, or changes in, their Technical Proposals made in the course of discussions. Any such written clarifications or changes then become part of the Offeror's Technical Proposal. Technical Proposals are given a final review and ranked.
- D. The Financial Proposal of each Qualified Offeror (a responsible Offeror determined to have submitted an acceptable Proposal) will be evaluated and ranked separately from the Technical evaluation. After a review of the Financial Proposals of Qualified Offerors, the Evaluation Committee or Procurement Officer may again conduct discussions to further evaluate the Offeror's entire Proposal.
- E. When in the best interest of the State, the Procurement Officer may permit Qualified Offerors to revise their initial Proposals and submit, in writing, Best and Final Offers (BAFOs). The State may make an award without issuing a request for a BAFO. **Offerors may only perform limited substitutions of proposed personnel as allowed in Section 3.11 Substitution of Personnel.**

### **6.5.3 Award Determination**

Upon completion of the Technical Proposal and Financial Proposal evaluations and rankings, each Offeror will receive an overall ranking. The Procurement Officer will recommend award of the Contract to the responsible Offeror that submitted the Proposal determined to be the most advantageous to the State. In making this most advantageous Proposal determination, technical factors will receive greater weight than financial factors.

## **6.6 Documents Required upon Notice of Recommendation for Contract Award**

Upon receipt of a Notification of Recommendation for Contract award, the apparent awardee shall complete and furnish the documents and attestations as directed in Table 2 of **Section 7 RFP Attachments, Appendices and Other Submissions.**

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## 7 RFP ATTACHMENTS, APPENDICES, AND OTHER SUBMISSIONS

### Instructions Page

A Proposal submitted by an Offeror must be accompanied by the completed forms and/or affidavits identified as “with proposal” in the “When to Submit” column in Table 2 below. All forms and affidavits applicable to this RFP, including any applicable instructions and/or terms, are identified in the “Applies” and “Label” columns in Table 2.

For documents required as part of the proposal, submit two (2) copies of each with original signatures. All signatures must be clearly visible.

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete certain forms and affidavits after notification of recommended award. The list of forms and affidavits that must be provided is described in Table 2 below in the “When to Submit” column.

For documents required after award, submit three (3) copies of each document within the appropriate number of days after notification of recommended award, as listed in Table 2 below in the “When to Submit” column.

**Table 2: RFP ATTACHMENTS, APPENDICES, EXHIBITS, AND OTHER SUBMISSIONS**

Applies?	When to Submit	Label	Attachment Name
Y	Before Proposal	A	Pre-Proposal Conference Response Form
Y	With Proposal	B	Financial Proposal Instructions and Form
Y	With Proposal	C	Proposal Affidavit
Y	With Proposal	D	MBE Form D-1A
Y	10 Business Days after recommended award	D	MBE Forms D-1B, D-1C, D-2, D-3A, D-3B <b>Important:</b> Attachment D-1B-Exhibit A and Attachment D-1C, if a waiver has been requested, are also required within 10 days of recommended award.
Y	As directed in forms	D	MBE Forms D-4A, D-4B, D-5
N	N/A	E	Veteran-Owned Small Business Enterprise (VSBE) Form E-1
N	N/A	E	VSBE Forms E-1B, E-2, E-3
Y	With Proposal	F	Maryland Living Wage Requirements Affidavit of Agreement F-1
N	N/A	G	Federal Funds Attachments
Y	With Proposal	H	Conflict of Interest Affidavit and Disclosure
Y	5 Business Days after recommended award	I	Non-Disclosure Agreement (Contractor) Attachment I, I-2, I-3

<b>Applies?</b>	<b>When to Submit</b>	<b>Label</b>	<b>Attachment Name</b>
N	N/A	J	HIPAA Business Associate Agreement
Y	With Proposal	K	Mercury Affidavit
Y	With Proposal	L	Location of the Performance of Services Disclosure
Y	5 Business Days after recommended award	M	Contract
Y	5 Business Days after recommended award	N	Contract Affidavit
N	N/A	O	DHR Hiring Agreement
<b>APPENDICES</b>			
<b>Applies?</b>	<b>When to Submit</b>	<b>Label</b>	<b>Appendix Name</b>
Y	n/a – for reference only	1	Abbreviations and Definitions
Y	With Proposal	2	Offeror Information Sheet
Y	With Proposal	3	Offeror Minimum Qualifications Response Form
Y	With Proposal	4	Key Personnel Resume Summary
Y	Before Proposal, as directed in the RFP.	5	Non-Disclosure Agreement (Offeror)
Y	With Proposal	6	Functional Requirements Matrix
Y	With Proposal	7	Technical Requirements Matrix
Y	With Proposal	8	Managed Hosting Requirements Matrix
Y	5 Business Days after recommended award	9	Confidentiality of IRS and State Tax Information
Y	5 Business Days after recommended award, and as Contractor Personnel join the project, 5 Business Days before requested start date	10	Certificate of Confidentiality for Contractor Personnel
Y	5 Business Days after recommended award, and as Contractor Personnel join the project, 5 Business Days before requested start	11	Authorization of Release of Information

Applies?	When to Submit	Label	Attachment Name
	date		
Y	n/a – for reference only	12	Indicators
Y	n/a – for reference only	13	Relationships
Y	n/a – for reference only	14	Forms Inventory
Y	n/a – for reference only	15	Data Sources and Conversion Parameters
Y	n/a – for reference only	16	Interface Inventory
Y	n/a – for reference only	17	Audit Program Inventory
Y	n/a – for reference only	18	As-Is Business Process Model Inventory
Y	n/a – for reference only	19	As-Is Business Process Models
Y	n/a – for reference only	20	Statistics by Tax Type
Y	n/a – for reference only	21	Collections and Billing Statistics
Y	n/a – for reference only	22	Online Services Statistics
<b>Additional Submissions</b>			
Applies?	When to Submit	Label	Attachment Name
Y	5 Business Days after recommended award		Evidence of meeting insurance requirements (see Section 3.6); 1 copy
Y	10 Business Days after recommended award		PEP; 1 copy
Y	10 Business Days after recommended award		Fully executed Escrow Agreement; 1 copy
Y	With deliverables		Deliverable Product Acceptance Form (DPAF) (see online at <a href="http://doit.maryland.gov/contracts/Documents/_procurementForms/DeliverableProductAcceptanceForm-DPAFsample.pdf">http://doit.maryland.gov/contracts/Documents/_procurementForms/DeliverableProductAcceptanceForm-DPAFsample.pdf</a> )

**Attachment A. Pre-Proposal Conference Response Form**

**Solicitation Number E00B8400029**

Integrated Tax System

A Pre-proposal conference will be held on April 30, 2018 at 10:00 AM local time, at 80 Calvert Street, Assembly Room, Annapolis, MD 21401.

Please return this form by April 25, 2018, 4:00 PM local time, advising whether or not you plan to attend. The completed form should be returned via e-mail or fax to the Procurement Officer at the contact information below:

Patti Tracey  
COM  
E-mail: ITPROUREMENT@comp.state.md.us  
Fax #: (410) 974-2737

Please indicate:

\_\_\_\_\_ Yes, the following representatives will be in attendance.  
Attendees (Check the RFP for limits to the number of attendees allowed):  
1.  
2.  
3.  
\_\_\_\_\_ No, we will not be in attendance.

Please specify whether any reasonable accommodations are requested (see RFP § 4.1 "Pre-proposal conference"):

Offeror: \_\_\_\_\_  
*Offeror Name (please print or type)*

By: \_\_\_\_\_  
*Signature/Seal*

Printed Name: \_\_\_\_\_  
*Printed Name*

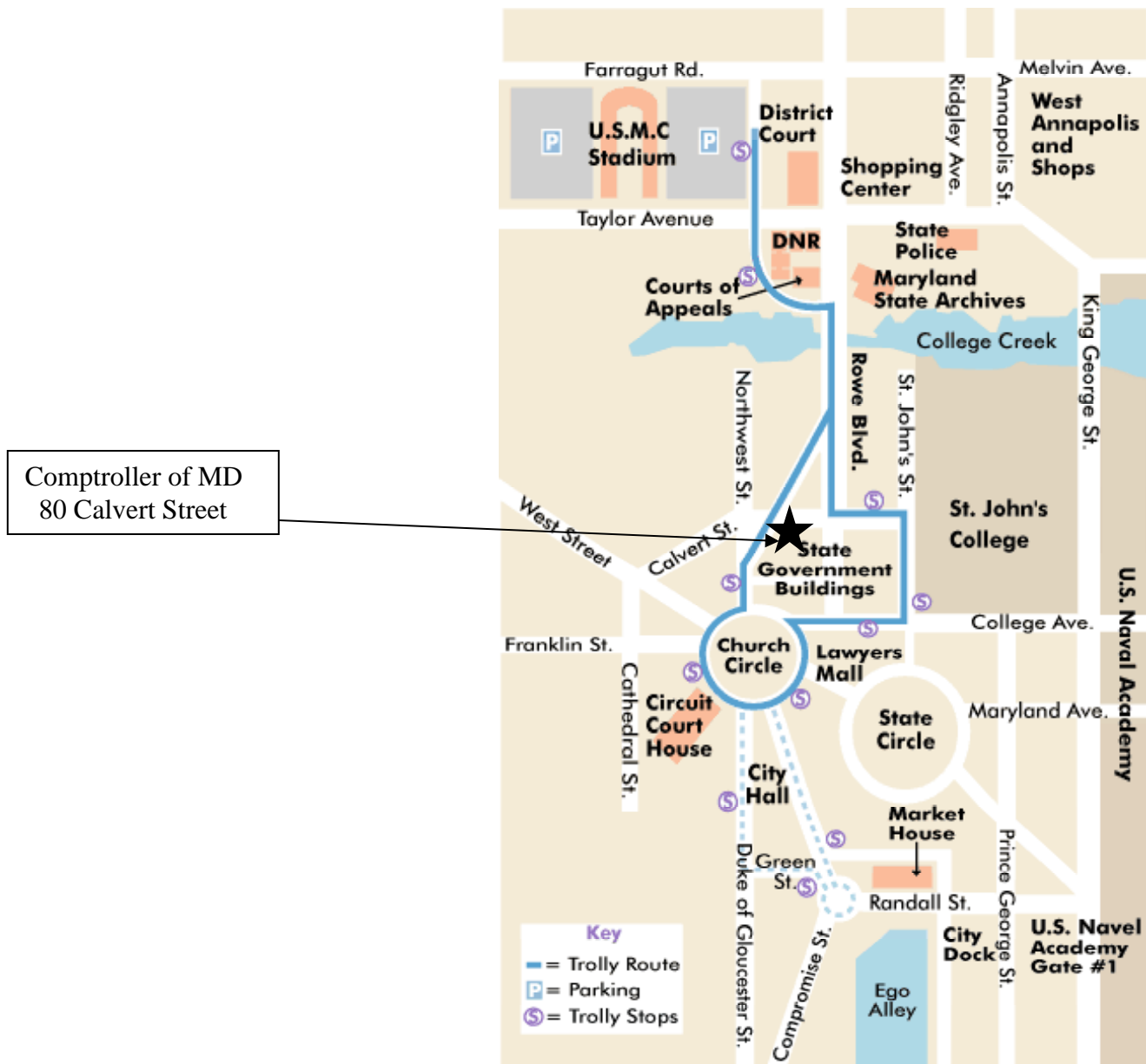
Title: \_\_\_\_\_  
*Title*

Date: \_\_\_\_\_  
*Date*









### Directions to the Pre-Proposal Conference










### DRIVING DIRECTIONS:

- START** 1: From Baltimore:
- SOUTH 295** 2: Follow MD-295 S. 5.3 miles
- EAST 695** 3: Merge onto I-695 E / BALTIMORE BELTWAY OUTER LOOP toward KEY BRIDGE / GLEN BURNIE. 1.4 miles

	<b>4:</b> Merge onto I-97 S via EXIT 4 on the LEFT toward ANNAPOLIS / BAY BRIDGE.	18.0 miles
	<b>5:</b> Take the MD-665 exit toward ARIS T ALLEN BLVD / RIVA RD.	0.2 miles
	<b>6:</b> Merge onto US-50 E / US-301 N via EXIT 22 on the LEFT toward ANNAPOLIS / BAY BRIDGE.	2.6 miles
	<b>7:</b> Take the ROWE BLVD SOUTH exit- EXIT 24- toward ANNAPOLIS.	0.5 miles
	<b>8:</b> Merge onto ROWE BLVD. Follow ROWE BLVD to Calvert Street intersection.	1.2 miles
	<b>9:</b> End at <b>Comptroller of Maryland – LLG Treasury Building</b> 80 Calvert St, Annapolis, MD 21401, US	

	<b>1: From Washington, DC:</b>	
	<b>2:</b> Take US-50 E (Crossing into MARYLAND).	27.5 miles
	<b>3:</b> Take the ROWE BLVD SOUTH exit- EXIT 24- toward ANNAPOLIS.	0.5 miles
	<b>4:</b> Merge onto ROWE BLVD. Follow ROWE BLVD to Calvert Street intersection.	1.2 miles
	<b>5:</b> End at <b>Comptroller of Maryland – LLG Treasury Building</b> 80 Calvert St, Annapolis, MD 21401, US	

## Attachment B. Financial Proposal Instructions & Form

### Financial Proposal Instructions

In order to assist Offerors in the preparation of their Financial Proposal and to comply with the requirements of this solicitation, Financial Proposal Instructions and a Financial Proposal Form have been prepared. Offerors shall submit their Financial Proposal on the Financial Proposal Form in accordance with the instructions on the Financial Proposal Form and as specified herein. Do not alter the Financial Proposal Form or the Proposal may be determined to be not reasonably susceptible of being selected for award. The Financial Proposal Form is to be signed and dated, where requested, by an individual who is authorized to bind the Offeror to the prices entered on the Financial Proposal Form.

The Financial Proposal Form is used to calculate the Offeror's TOTAL PROPOSAL PRICE. Follow these instructions carefully when completing your Financial Proposal Form:

- A) All Unit and Extended Prices must be clearly entered in US dollars and cents, e.g., \$24.15. Make your decimal points clear and distinct.
- B) All Unit Prices must be the actual price per unit the State will pay for the specific item or service identified in this RFP and may not be contingent on any other factor or condition in any manner.
- C) All calculations shall be rounded to the nearest cent, i.e., .344 shall be .34 and .345 shall be .35.
- D) Any goods or services required through this RFP and proposed by the vendor at **No Cost to the State** must be clearly entered in the Unit Price, if appropriate, and Extended Price with **\$0.00**.
- E) Every blank in every Financial Proposal Form shall be filled in. Any changes or corrections made to the Financial Proposal Form by the Offeror prior to submission shall be initialed and dated.
- F) Except as instructed on the Financial Proposal Form, nothing shall be entered on or attached to the Financial Proposal Form that alters or proposes conditions or contingencies on the prices. Alterations and/or conditions may render the Proposal not reasonably susceptible of being selected for award.
- G) It is imperative that the prices included on the Financial Proposal Form have been entered correctly and calculated accurately by the Offeror and that the respective total prices agree with the entries on the Financial Proposal Form. Any incorrect entries or inaccurate calculations by the Offeror will be treated as provided in COMAR 21.05.03.03, and may cause the Proposal to be rejected.
- H) If option years are included, Offerors must submit pricing for each option year. Any option to renew will be exercised at the sole discretion of the State and comply with all terms and conditions in force at the time the option is exercised. If exercised, the option period shall be for a period identified in the RFP at the prices entered in the Financial Proposal Form.
- I) All Financial Proposal prices entered below are to be fully loaded prices that include all costs/expenses associated with the provision of services as required by the RFP. The Financial Proposal price shall include, but is not limited to, all: labor, profit/overhead, general operating, administrative, and all other expenses and costs necessary to perform the work set forth in the solicitation. No other amounts will be paid to the Contractor. If labor rates are requested, those amounts shall be fully-loaded rates; no overtime amounts will be paid.
- J) Unless indicated elsewhere in the RFP, sample amounts used for calculations on the Financial Proposal Form are typically estimates for evaluation purposes only. Unless stated otherwise in the RFP, the Agency does not guarantee a minimum or maximum number of units or usage in the performance of this Contract.
- K) Failure to adhere to any of these instructions may result in the Proposal being determined not reasonably susceptible of being selected for award.

L) Form-specific instructions will be found on the Instructions tab in the Financial Proposal Form.

**Financial Proposal Form**

The Financial Proposal Form shall contain all price information in the format specified on these pages. Complete the Financial Proposal Form only as provided in the Financial Proposal Instructions. Do not amend, alter or leave blank any items on the Financial Proposal Form. If option years are included, Offerors must submit pricing for each option year. Failure to adhere to any of these instructions may result in the Proposal being determined not reasonably susceptible of being selected for award.

See Attachment B – Financial Proposal Form

## Attachment C. Proposal Affidavit

### A. AUTHORITY

I hereby affirm that I, \_\_\_\_\_ (name of affiant) am the \_\_\_\_\_ (title) and duly authorized representative of \_\_\_\_\_ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

### B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

The undersigned Offeror hereby certifies and agrees that the following information is correct: In preparing its Proposal on this project, the Offeror has considered all Proposals submitted from qualified, potential Subcontractors and suppliers, and has not engaged in “discrimination” as defined in § 19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. “Discrimination” means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, Subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, sexual identity, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor’s, supplier’s, or commercial customer’s employees or owners. “Discrimination” also includes retaliating against any person or other entity for reporting any incident of “discrimination”. Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the Proposal submitted by the Offeror on this project, and terminate any contract awarded based on the Proposal. As part of its Proposal, the Offeror herewith submits a list of all instances within the past four (4) years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the Offeror discriminated against Subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Offeror agrees to comply in all respects with the State’s Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

#### B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES.

The undersigned Offeror hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, § 14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a Proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the Contract of its inclusion in the Proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the Contract; or
- (4) Pay the certified minority business enterprise solely for the use of its name in the Proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the Proposal submitted by the Offeror on this project, and terminate any contract awarded based on the Proposal.



**B-2. CERTIFICATION REGARDING VETERAN-OWNED SMALL BUSINESS ENTERPRISES.**

The undersigned Offeror hereby certifies and agrees that it has fully complied with the State veteran-owned small business enterprise law, State Finance and Procurement Article, § 14-605, Annotated Code of Maryland, which provides that a person may not:

- (1) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain public money, procurement contracts, or funds expended under a procurement contract to which the person is not entitled under this title;
- (2) Knowingly and with intent to defraud, fraudulently represent participation of a veteran-owned small business enterprise in order to obtain or retain a Proposal preference or a procurement contract;
- (3) Willfully and knowingly make or subscribe to any statement, declaration, or other document that is fraudulent or false as to any material matter, whether or not that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (4) Willfully and knowingly aid, assist in, procure, counsel, or advise the preparation or presentation of a declaration, statement, or other document that is fraudulent or false as to any material matter, regardless of whether that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (5) Willfully and knowingly fail to file any declaration or notice with the unit that is required by COMAR 21.11.13; or
- (6) Establish, knowingly aid in the establishment of, or exercise control over a business found to have violated a provision of § B-2(1) - (5) of this regulation.

**C. AFFIRMATION REGARDING BRIBERY CONVICTIONS**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, § 6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

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**D. AFFIRMATION REGARDING OTHER CONVICTIONS**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
  - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
  - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. § 1961 et seq., or the Mail Fraud Act, 18 U.S.C. § 1341 et seq., for acts in connection with the submission of Bids/Proposals for a public or private contract;
- (4) Been convicted of a violation of the State Minority Business Enterprise Law, § 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (5) Been convicted of a violation of § 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;
- (7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of Bids/Proposals for a public or private contract;
- (8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract;
- (9) Been convicted of a violation of one or more of the following provisions of the Internal Revenue Code:
  - (a) §7201, Attempt to Evade or Defeat Tax;
  - (b) §7203, Willful Failure to File Return, Supply Information, or Pay Tax,
  - (c) §7205, Fraudulent Withholding Exemption Certificate or Failure to Supply Information;
  - (d) §7206, Fraud and False Statements, or
  - (e) §7207 Fraudulent Returns, Statements, or Other Documents;
- (10) Been convicted of a violation of 18 U.S.C. §286 Conspiracy to Defraud the Government with Respect to Claims, 18 U.S.C. §287, False, Fictitious, or Fraudulent Claims, or 18 U.S.C. §371, Conspiracy to Defraud the United States;
- (11) Been convicted of a violation of the Tax-General Article, Title 13, Subtitle 7 or Subtitle 10, Annotated Code of Maryland;
- (12) Been found to have willfully or knowingly violated State Prevailing Wage Laws as provided in the State Finance and Procurement Article, Title 17, Subtitle 2, Annotated Code of Maryland, if:
  - (a) A court:
    - (i) Made the finding; and
    - (ii) Decision became final; or
  - (b) The finding was:
    - (i) Made in a contested case under the Maryland Administrative Procedure act; and

- (ii) Not overturned on judicial review;
  - (13) Been found to have willfully or knowingly violated State Living Wage Laws as provided in the State Finance and Procurement Article, Title 18, Annotated Code of Maryland, if:
    - (a) A court:
      - (i) Made the finding; and
      - (ii) Decision became final; or
    - (b) The finding was:
      - (i) Made in a contested case under the Maryland Administrative Procedure act; and
      - (ii) Not overturned on judicial review;
  - (14) Been found to have willfully or knowingly violated the Labor and Employment Article, Title 3, Subtitles 3, 4, or 5, or Title 5, Annotated Code of Maryland, if:
    - (a) A court:
      - (i) Made the finding; and
      - (ii) Decision became final; or
    - (b) The finding was:
      - (i) Made in a contested case under the Maryland Administrative Procedure act; and
      - (ii) Not overturned on judicial review; or
  - (15) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§ B and C and subsections D(1)—(14) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):
- 
- 

**E. AFFIRMATION REGARDING DEBARMENT**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

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**F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES**

I FURTHER AFFIRM THAT:

- (1) The business was not established and does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and
  - (2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):
- 
- 

**G. SUBCONTRACT AFFIRMATION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

**H. AFFIRMATION REGARDING COLLUSION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

- (1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying Proposal that is being submitted; or
- (2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the Proposal price of the Offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying Proposal is submitted.

**I. CERTIFICATION OF TAX PAYMENT**

I FURTHER AFFIRM THAT:

Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required Returns and Reports with the Comptroller of the Treasury, State Department of Assessments and Taxation, and Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

**J. CONTINGENT FEES**

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

**K. CERTIFICATION REGARDING INVESTMENTS IN IRAN**

- (1) The undersigned certifies that, in accordance with State Finance and Procurement Article, §17-705, Annotated Code of Maryland:
  - (a) It is not identified on the list created by the Board of Public Works as a person engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland; and
  - (b) It is not engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland.
- (2) The undersigned is unable to make the above certification regarding its investment activities in Iran due to the following activities:  
  
\_\_\_\_\_  
  
\_\_\_\_\_

**L. CONFLICT MINERALS ORIGINATED IN THE DEMOCRATIC REPUBLIC OF CONGO (FOR SUPPLIES AND SERVICES CONTRACTS)**

**I FURTHER AFFIRM THAT:**

The business has complied with the provisions of State Finance and Procurement Article, §14-413, Annotated Code of Maryland governing proper disclosure of certain information regarding conflict minerals originating in the Democratic Republic of Congo or its neighboring countries as required by federal law.

**M. NON-ISRAEL BOYCOTT (Reference Executive Order 01.01.2017.25)**

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential Subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any Subcontractor, vendor, or supplier, refuses to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity on the basis of Israeli national origin, or residence or incorporation in Israel and its territories. The bidder also has not retaliated against any person or entity for reporting such refusal, termination, or commercially limiting actions. Without limiting any other provision of the solicitation for bids for this project, it is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid.

**N. I FURTHER AFFIRM THAT:**

Any claims of environmental attributes made relating to a product or service included in the bid or proposal are consistent with the Federal Trade Commission's Guides for the Use of Environmental Marketing Claims as provided in 16 C.F.R. §260, that apply to claims about the environmental attributes of a product, package or service in connection with the marketing, offering for sale, or sale of such item or service.

**O. ACKNOWLEDGEMENT**

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this Proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred

by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

By:

\_\_\_\_\_  
*Signature of Authorized Representative and Affiant*

Printed Name:

\_\_\_\_\_  
*Printed Name of Authorized Representative and Affiant*

Title:

\_\_\_\_\_  
*Title*

Date:

\_\_\_\_\_  
*Date*



**Attachment D. Minority Business Enterprise (MBE) Forms**

**D-1A  
MBE UTILIZATION AND FAIR SOLICITATION AFFIDAVIT  
& MBE PARTICIPATION SCHEDULE**

**INSTRUCTIONS**

**PLEASE READ BEFORE COMPLETING THIS DOCUMENT**

**This form includes Instructions and the MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule which must be submitted with the proposal. If the Offeror fails to accurately complete and submit this Affidavit and Schedule with the proposal as required, the Procurement Officer shall deem the proposal is not reasonably susceptible of being selected for award.**

1. Contractor shall structure its procedures for the performance of the work required in this Contract to attempt to achieve the minority business enterprise (MBE) Subcontractor participation goal stated in the Request for Proposals. Contractor agrees to exercise good faith efforts to carry out the requirements set forth in these Instructions, as authorized by the Code of Maryland Regulations (COMAR) 21.11.03.
2. MBE Goals and Subgoals: Please review the solicitation for information regarding the Contract's MBE overall participation goals and subgoals. After satisfying the requirements for any established subgoals, the Contractor is encouraged to use a diverse group of Subcontractors and suppliers from any/all of the various MBE classifications to meet the remainder of the overall MBE participation goal.
3. MBE means a minority business enterprise that is certified by the Maryland Department of Transportation ("MDOT"). Only MBEs certified by MDOT may be counted for purposes of achieving the MBE participation goals. In order to be counted for purposes of achieving the MBE participation goals, the MBE firm, including an MBE prime, must be MDOT-certified for the services, materials or supplies that it is committed to perform on the MBE Participation Schedule.
4. Please refer to the MDOT MBE Directory at [www.mdot.state.md.us](http://www.mdot.state.md.us) to determine if a firm is certified with the appropriate North American Industry Classification System ("NAICS") Code **and** the product/services description (specific product that a firm is certified to provide or specific areas of work that a firm is certified to perform). For more general information about NAICS, please visit [www.naics.com](http://www.naics.com). Only those specific products and/or services for which a firm is certified in the MDOT Directory can be used for purposes of achieving the MBE participation goals. **WARNING:** If the firm's NAICS Code is in graduated status, such services/products **may not be counted** for purposes of achieving the MBE participation goals. A NAICS Code is in the graduated status if the term "Graduated" follows the Code in the MDOT MBE Directory.
5. **Guidelines Regarding MBE Prime Self-Performance.** Please note that when a certified MBE firm participates as a prime contractor on a contract, a procurement agency may count the distinct, clearly defined portion of the work of the contract that the certified MBE firm performs with its own workforce toward fulfilling up to, but no more than, fifty-percent (50%) of the MBE participation goal (overall), including up to one hundred percent (100%) of not more than one of the MBE participation subgoals, if any, established for the contract.
  - ✓ In order to receive credit for self-performance, an MBE prime must list its firm in Section 4A of the MBE Participation Schedule, including the certification category under which the MBE prime is self-performing and include information regarding the work it will self-perform.

- ✓ For the remaining portion of the overall goal and the subgoals, the MBE prime must also identify other certified MBE Subcontractors (see Section 4B of the MBE Participation Schedule) used to meet those goals or request a waiver.
  - ✓ These guidelines apply to the work performed by the MBE Prime that can be counted for purposes of meeting the MBE participation goals. These requirements do not affect the MBE Prime's ability to self-perform a greater portion of the work in excess of what is counted for purposes of meeting the MBE participation goals.
  - ✓ Please note that the requirements to meet the MBE participation overall goal and subgoals are distinct and separate. If the Contract has subgoals, regardless of MBE Prime's ability to self-perform up to 50% of the overall goal (including up to 100% of any subgoal), the MBE Prime must either commit to other MBEs for each of any remaining subgoals or request a waiver. As set forth in **Attachment D1-B** Waiver Guidance, the MBE Prime's ability to self-perform certain portions of the work of the Contract will not be deemed a substitute for the good faith efforts to meet any remaining subgoal or the balance of the overall goal.
  - ✓ In certain instances, where the percentages allocated to MBE participation subgoals add up to more than 50% of the overall goal, the portion of self-performed work that an MBE Prime may count toward the overall goal may be limited to less than 50%. Please refer to GOSBA's website (<http://www.gomdsmbiz.maryland.gov/Pages/default.aspx>) for the MBE Prime Regulations Q&A for illustrative examples.
6. Subject to items 1 through 5 above, when a certified MBE performs as a participant in a joint venture, a procurement agency may count a portion of the total dollar value of the contract equal to the distinct, clearly-defined portion of the work of the contract that the certified MBE performs with its workforce towards fulfilling the contract goal, and not more than one of the contract subgoals, if any.
7. As set forth in COMAR 21.11.03.12-1, once the Contract work begins, the work performed by a certified MBE firm, including an MBE prime, can only be counted towards the MBE participation goal(s) if the MBE firm is performing a commercially useful function on the Contract. Please refer to COMAR 21.11.03.12-1 for more information regarding these requirements.
8. If you have any questions as to whether a firm is certified to perform the specific services or provide specific products, please contact MDOT's Office of Minority Business Enterprise at 1-800-544-6056 or via e-mail to [mbe@mdot.state.md.us](mailto:mbe@mdot.state.md.us) sufficiently prior to the submission due date.
9. Worksheet: The percentage of MBE participation, calculated using the percentage amounts for all of the MBE firms listed on the Participation Schedule **MUST** at least equal the MBE participation goal **and** subgoals (if applicable) set forth in the solicitation. If an Offeror is unable to achieve the MBE participation goal and/or any subgoals (if applicable), the Offeror must request a waiver in Item 1 of the MBE Utilization and Fair Solicitation Affidavit (**Attachment D-1A**) or the Proposal determined to be not susceptible of being selected for award. You may wish to use the Subgoal summary below to assist in calculating the percentages and confirm that you have met the applicable MBE participation goal and subgoals, if any.

**SUBGOALS (IF APPLICABLE)**

**TOTAL AFRICAN AMERICAN MBE PARTICIPATION: 0%**

**TOTAL ASIAN AMERICAN MBE PARTICIPATION: 0%**

**TOTAL HISPANIC AMERICAN MBE PARTICIPATION: 0%**

**TOTAL WOMEN-OWNED MBE PARTICIPATION: 0%**

**OVERALL GOAL**

**TOTAL MBE PARTICIPATION (INCLUDE ALL CATEGORIES): 5%**

**D-1A**  
**MBE UTILIZATION AND FAIR SOLICITATION AFFIDAVIT & MBE PARTICIPATION SCHEDULE**

**This MBE Utilization and Fair Solicitation Affidavit and MBE Participation Schedule must be completed in its entirety and included with the Proposal. If the Offeror fails to accurately complete and submit this Affidavit and Schedule with the Proposal as required, the Procurement Officer shall determine that the Proposal is not reasonably susceptible of being selected for award.**

In connection with the Proposal submitted in response to Solicitation No. E00B8400029, I affirm the following:

**1. MBE Participation (PLEASE CHECK ONLY ONE)**

**(PLEASE CHECK ONLY ONE)**

- ☐ I acknowledge and intend to meet the overall certified Minority Business Enterprise (MBE) participation goal of five percent (5%) and, if specified in the solicitation, the following subgoals (complete for only those subgoals that apply):

There are no subgoals for this solicitation.

Therefore, I am not seeking a waiver pursuant to COMAR 21.11.03.11. I acknowledge that by checking the above box and agreeing to meet the stated goal and subgoal(s), if any, I must complete the MBE Participation Schedule (Item 4 below) in order to be considered for award.

**OR**

- ☐ I conclude that I am unable to achieve the MBE participation goal and/or subgoals. I hereby request a waiver, in whole or in part, of the overall goal and/or subgoals. I acknowledge that by checking this box and requesting a partial waiver of the stated goal and/or one or more of the stated subgoal(s) if any, I must complete the MBE Participation Schedule (Item 4 below) for the portion of the goal and/or subgoal(s) if any, for which I am not seeking a waiver, in order to be considered for award.

**2. Additional MBE Documentation**

I understand that if I am notified that I am the apparent awardee or as requested by the Procurement Officer, I must submit the following documentation within 10 business days of receiving notice of the potential award or from the date of conditional award (per COMAR 21.11.03.10), whichever is earlier:

- (a) Good Faith Efforts Documentation to Support Waiver Request (**Attachment (D-1C)**)
- (b) Outreach Efforts Compliance Statement (**Attachment D-2**);
- (c) MBE Subcontractor/MBE Prime Project Participation Statement (**Attachments D-3A/B**);
- (d) Any other documentation, including additional waiver documentation if applicable, required by the Procurement Officer in connection with the certified MBE participation goal and subgoals, if any.

I understand that if I fail to return each completed document within the required time, the Procurement Officer may determine that my Proposal is not susceptible of being selected for contract award. If the contract has already been awarded, the award is voidable.

**3. Information Provided to MBE firms**

In the solicitation of subcontract quotations or offers, MBE firms were provided not less than the same information and amount of time to respond as were non-MBE firms.

#### 4. MBE Participation Schedule

Set forth below are the (i) certified MBEs I intend to use, (ii) percentage of the total Contract amount allocated to each MBE for this project and (iii) items of work each MBE will provide under the Contract. I have confirmed with the MDOT database that the MBE firms identified below (including any self-performing prime firms) are performing work activities for which they are MDOT certified.

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT</b>
Offeror Company Name, Street Address, Phone	Comptroller of Maryland Integrated Tax System	<b>NUMBER:</b> E00B8400029

LIST INFORMATION FOR EACH CERTIFIED MBE FIRM YOU AGREE TO USE TO ACHIEVE THE MBE PARTICIPATION GOAL AND SUBGOALS, IF ANY. MBE PRIMES: PLEASE COMPLETE BOTH SECTIONS A AND B BELOW.

**SECTION A: For MBE Prime Contractors ONLY (including MBE Primes in a Joint Venture)**

<p>MBE Prime Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned</p> <p><input type="checkbox"/> Hispanic American- Owned</p> <p><input type="checkbox"/> Asian American-Owned</p> <p><input type="checkbox"/> Women-Owned</p> <p><input type="checkbox"/> Other MBE Classification</p>	<p>Percentage of total Contract Value to be performed with own forces and counted towards the MBE overall participation goal (up to 50% of the overall goal): _____%</p> <p>Percentage of total Contract Value to be performed with own forces and counted towards the subgoal, if any, for my MBE classification (up to 100% of not more than one subgoal): _____%</p> <p>Description of the Work to be performed with MBE prime's workforce:</p> <p>_____</p> <p>_____</p>
--	--

**SECTION B: For all Contractors (including MBE Primes and MBE Primes in a Joint Venture)**

<p>MBE Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned</p> <p><input type="checkbox"/> Hispanic American- Owned</p> <p><input type="checkbox"/> Asian American-Owned</p> <p><input type="checkbox"/> Women-Owned</p> <p><input type="checkbox"/> Other MBE Classification</p>	<p>Percentage of Total Contract to be provided by this MBE: _____%</p> <p>Description of the Work to be Performed:</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>MBE Firm Name: _____</p> <p>MBE Certification Number: _____</p> <p>(If dually certified, check only one box.)</p> <p><input type="checkbox"/> African American-Owned</p> <p><input type="checkbox"/> Hispanic American- Owned</p> <p><input type="checkbox"/> Asian American-Owned</p> <p><input type="checkbox"/> Women-Owned</p>	<p>Percentage of Total Contract to be provided by this MBE: _____%</p> <p>Description of the Work to be Performed:</p> <p>_____</p> <p>_____</p> <p>_____</p>

<input type="checkbox"/> Other MBE Classification	
MBE Firm Name: _____ MBE Certification Number: _____ (If dually certified, check only one box.) <input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American- Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification	Percentage of Total Contract to be provided by this MBE: _____% Description of the Work to be Performed: _____ _____ _____ _____
MBE Firm Name: _____ MBE Certification Number: _____ (If dually certified, check only one box.) <input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American- Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification	Percentage of Total Contract to be provided by this MBE: _____% Description of the Work to be Performed: _____ _____ _____ _____
MBE Firm Name: _____ MBE Certification Number: _____ (If dually certified, check only one box.) <input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American- Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification	Percentage of Total Contract to be provided by this MBE: _____% Description of the Work to be Performed: _____ _____ _____ _____

(Continue on separate page if needed)



I solemnly affirm under the penalties of perjury that: (i) I have reviewed the instructions for the MBE Utilization & Fair Solicitation Affidavit and MBE Schedule, and (ii) the information contained in the MBE Utilization & Fair Solicitation Affidavit and MBE Schedule is true to the best of my knowledge, information and belief.

Offeror:

\_\_\_\_\_  
Offeror Name (please print or type)

By:

\_\_\_\_\_  
Signature of Authorized Representative

Printed Name:

\_\_\_\_\_  
Printed Name

Title:

\_\_\_\_\_  
Title

Date:

\_\_\_\_\_  
Date

Address:

\_\_\_\_\_  
Company Address

**SUBMIT THIS AFFIDAVIT WITH PROPOSAL**

## D-1B WAIVER GUIDANCE

### GUIDANCE FOR DOCUMENTING GOOD FAITH EFFORTS TO MEET MBE PARTICIPATION GOALS

In order to show that it has made good faith efforts to meet the Minority Business Enterprise (MBE) participation goal (including any MBE subgoals) on a contract, the Offeror must either (1) meet the MBE Goal(s) and document its commitments for participation of MBE Firms, or (2) when it does not meet the MBE Goal(s), document its Good Faith Efforts to meet the goal(s).

#### I. Definitions

**MBE Goal(s)** – “MBE Goal(s)” refers to the MBE participation goal and MBE participation subgoal(s).

**Good Faith Efforts** - The “Good Faith Efforts” requirement means that when requesting a waiver, the Offeror must demonstrate that it took all necessary and reasonable steps to achieve the MBE Goal(s), which, by their scope, intensity, and appropriateness to the objective, could reasonably be expected to obtain sufficient MBE participation, even if those steps were not fully successful. Whether an Offeror that requests a waiver made adequate good faith efforts will be determined by considering the quality, quantity, and intensity of the different kinds of efforts that the Offeror has made. The efforts employed by the Offeror should be those that one could reasonably expect an Offeror to take if the Offeror were actively and aggressively trying to obtain MBE participation sufficient to meet the MBE contract goal and subgoals. Mere *pro forma* efforts are not good faith efforts to meet the MBE contract requirements. The determination concerning the sufficiency of the Offeror's good faith efforts is a judgment call; meeting quantitative formulas is not required.

**Identified Firms** – “Identified Firms” means a list of the MBEs identified by the procuring agency during the goal setting process and listed in the procurement as available to perform the Identified Items of Work. It also may include additional MBEs identified by the Offeror as available to perform the Identified Items of Work, such as MBEs certified or granted an expansion of services after the procurement was issued. If the procurement does not include a list of Identified Firms, this term refers to all of the MBE Firms (if State-funded) the Offeror identified as available to perform the Identified Items of Work and should include all appropriately certified firms that are reasonably identifiable.

**Identified Items of Work** – “Identified Items of Work” means the Proposal items identified by the procuring agency during the goal setting process and listed in the procurement as possible items of work for performance by MBE Firms. It also may include additional portions of items of work the Offeror identified for performance by MBE Firms to increase the likelihood that the MBE Goal(s) will be achieved. If the procurement does not include a list of Identified Items of Work, this term refers to all of the items of work the Offeror identified as possible items of work for performance by MBE Firms and should include all reasonably identifiable work opportunities.

**MBE Firms** – “MBE Firms” refers to firms certified by the Maryland Department of Transportation (“MDOT”) under COMAR 21.11.03. Only MDOT-certified MBE Firms can participate in the State's MBE Program.

#### II. Types of Actions Agency will Consider

The Offeror is responsible for making relevant portions of the work available to MBE Subcontractors and suppliers and select those portions of the work or material needs consistent with the available MBE Subcontractors and suppliers, so as to facilitate MBE participation. The following is a list of types of actions the procuring agency will consider as part of the Offeror's Good Faith Efforts when the Offeror fails to meet the MBE Goal(s). This list is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases.

##### A. Identify Proposal Items as Work for MBE Firms

1. Identified Items of Work in Procurements

- (a) Certain procurements will include a list of Proposal items identified during the goal setting process as possible work for performance by MBE Firms. If the procurement provides a list of Identified Items of Work, the Offeror shall make all reasonable efforts to solicit quotes from MBE Firms to perform that work.
- (b) Offerors may, and are encouraged to, select additional items of work to be performed by MBE Firms to increase the likelihood that the MBE Goal(s) will be achieved.

2. Identified Items of Work by Offerors

- (a) When the procurement does not include a list of Identified Items of Work or for additional Identified Items of Work, Offerors should reasonably identify sufficient items of work to be performed by MBE Firms.
- (b) Where appropriate, Offerors should break out contract work items into economically feasible units to facilitate MBE participation, rather than perform these work items with their own forces. The ability or desire of a prime contractor to perform the work of a contract with its own organization does not relieve the Offeror of the responsibility to make Good Faith Efforts.

**B. Identify MBE Firms to Solicit**

1. MBE Firms Identified in Procurements

- (a) Certain procurements will include a list of the MBE Firms identified during the goal setting process as available to perform the items of work. If the procurement provides a list of Identified MBE Firms, the Offeror shall make all reasonable efforts to solicit those MBE firms.
- (b) Offerors may, and are encouraged to, search the MBE Directory to identify additional MBEs who may be available to perform the items of work, such as MBEs certified or granted an expansion of services after the solicitation was issued.

2. MBE Firms Identified by Offerors

- (a) When the procurement does not include a list of Identified MBE Firms, Offerors should reasonably identify the MBE Firms that are available to perform the Identified Items of Work.
- (b) Any MBE Firms identified as available by the Offeror should be certified to perform the Identified Items of Work.

**C. Solicit MBEs**

1. Solicit all Identified Firms for all Identified Items of Work by providing written notice. The Offeror should:

- (a) provide the written solicitation at least 10 days prior to Proposal opening to allow sufficient time for the MBE Firms to respond;
- (b) send the written solicitation by first-class mail, facsimile, or e-mail using contact information in the MBE Directory, unless the Offeror has a valid basis for using different contact information; and
- (c) provide adequate information about the plans, specifications, anticipated time schedule for portions of the work to be performed by the MBE, and other requirements of the contract to assist MBE Firms in responding. (This information may be provided by including hard copies in the written solicitation or by electronic means as described in C.3 below.)

2. “All” Identified Firms includes the MBEs listed in the procurement and any MBE Firms you identify as potentially available to perform the Identified Items of Work, but it does not include MBE Firms who are no longer certified to perform the work as of the date the Offeror provides written solicitations.
3. “Electronic Means” includes, for example, information provided *via* a website or file transfer protocol (FTP) site containing the plans, specifications, and other requirements of the contract. If an interested MBE cannot Access the information provided by electronic means, the Offeror must make the information available in a manner that is accessible to the interested MBE.
4. Follow up on initial written solicitations by contacting MBEs to determine if they are interested. The follow up contact may be made:
  - (a) by telephone using the contact information in the MBE Directory, unless the Offeror has a valid basis for using different contact information; or
  - (b) in writing *via* a method that differs from the method used for the initial written solicitation.
5. In addition to the written solicitation set forth in C.1 and the follow up required in C.4, use all other reasonable and available means to solicit the interest of MBE Firms certified to perform the work of the contract. Examples of other means include:
  - (a) attending any pre-proposal meetings at which MBE Firms could be informed of contracting and subcontracting opportunities; and
  - (b) if recommended by the procurement, advertising with or effectively using the services of at least two minority focused entities or media, including trade associations, minority/women community organizations, minority/women contractors' groups, and local, state, and federal minority/women business assistance offices listed on the MDOT Office of Minority Business Enterprise website.

**D. Negotiate with Interested MBE Firms**

Offerors must negotiate in good faith with interested MBE Firms.

1. Evidence of negotiation includes, without limitation, the following:
  - (a) the names, addresses, and telephone numbers of MBE Firms that were considered;
  - (b) a description of the information provided regarding the plans and specifications for the work selected for subcontracting and the means used to provide that information; and
  - (c) evidence as to why additional agreements could not be reached for MBE Firms to perform the work.
2. An Offeror using good business judgment would consider a number of factors in negotiating with Subcontractors, including MBE Subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration.
3. The fact that there may be some additional costs involved in finding and using MBE Firms is not in itself sufficient reason for an Offeror's failure to meet the contract MBE goal(s), as long as such costs are reasonable. Factors to take into consideration when determining whether an MBE Firm's quote is excessive or unreasonable include, without limitation, the following:
  - (a) dollar difference between the MBE Subcontractor's quote and the average of the other Subcontractors' quotes received by the Offeror;
  - (b) percentage difference between the MBE Subcontractor's quote and the average of the other Subcontractors' quotes received by the Offeror;

- (c) percentage that the MBE Subcontractor's quote represents of the overall contract amount;
  - (d) number of MBE firms that the Offeror solicited for that portion of the work;
  - (e) whether the work described in the MBE and Non-MBE Subcontractor quotes (or portions thereof) submitted for review is the same or comparable; and
  - (f) number of quotes received by the Offeror for that portion of the work.
- 4. The above factors are not intended to be mandatory, exclusive, or exhaustive, and other evidence of an excessive or unreasonable price may be relevant.
  - 5. The Offeror may not use its price for self-performing work as a basis for rejecting an MBE Firm's quote as excessive or unreasonable.
  - 6. The "average of the other Subcontractors' quotes received" by the Offeror refers to the average of the quotes received from all Subcontractors. Offeror should attempt to receive quotes from at least three Subcontractors, including one quote from an MBE and one quote from a Non-MBE.
  - 7. An Offeror shall not reject an MBE Firm as unqualified without sound reasons based on a thorough investigation of the firm's capabilities. For each certified MBE that is rejected as unqualified or that placed a subcontract quotation or offer that the Offeror concludes is not acceptable, the Offeror must provide a written detailed statement listing the reasons for this conclusion. The Offeror also must document the steps taken to verify the capabilities of the MBE and Non-MBE Firms quoting similar work.
    - (a) The factors to take into consideration when assessing the capabilities of an MBE Firm, include, but are not limited to the following: financial capability, physical capacity to perform, available personnel and equipment, existing workload, experience performing the type of work, conduct and performance in previous contracts, and ability to meet reasonable contract requirements.
    - (b) The MBE Firm's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of proposals in the efforts to meet the project goal.

#### **E. Assisting Interested MBE Firms**

When appropriate under the circumstances, the decision-maker will consider whether the Offeror made reasonable efforts to assist interested MBE Firms in obtaining:

- 1. The bonding, lines of credit, or insurance required by the procuring agency or the Offeror; and
- 2. Necessary equipment, supplies, materials, or related assistance or services.

### **III. Other Considerations**

In making a determination of Good Faith Efforts the decision-maker may consider engineering estimates, catalogue prices, general market availability and availability of certified MBE Firms in the area in which the work is to be performed, other proposals or offers and subcontract proposals or offers substantiating significant variances between certified MBE and Non-MBE costs of participation, and their impact on the overall cost of the contract to the State and any other relevant factors.

The decision-maker may take into account whether an Offeror decided to self-perform subcontract work with its own forces, especially where the self-performed work is Identified Items of Work in the procurement. The decision-maker also may take into account the performance of other Offerors in meeting the contract. For example, when the apparent successful Offeror fails to meet the contract goal, but others meet it, this reasonably raises the question of whether, with additional reasonable efforts, the

apparent successful Offeror could have met the goal. If the apparent successful Offeror fails to meet the goal, but meets or exceeds the average MBE participation obtained by other Offerors, this, when viewed in conjunction with other factors, could be evidence of the apparent successful Offeror having made Good Faith Efforts.

#### **IV. Documenting Good Faith Efforts**

At a minimum, an Offeror seeking a waiver of the MBE Goal(s) or a portion thereof must provide written documentation of its Good Faith Efforts, in accordance with COMAR 21.11.03.11, within 10 Business Days after receiving notice that it is the apparent awardee. The written documentation shall include the following:

##### **A. Items of Work (Complete Good Faith Efforts Documentation Attachment D-1C, Part 1)**

A detailed statement of the efforts made to select portions of the work proposed to be performed by certified MBE Firms in order to increase the likelihood of achieving the stated MBE Goal(s).

##### **B. Outreach/Solicitation/Negotiation**

1. The record of the Offeror's compliance with the outreach efforts prescribed by COMAR 21.11.03.09C(2)(a). (**Complete Outreach Efforts Compliance Statement - D-2**).
2. A detailed statement of the efforts made to contact and negotiate with MBE Firms including:
  - (a) the names, addresses, and telephone numbers of the MBE Firms who were contacted, with the dates and manner of contacts (letter, fax, e-mail, telephone, etc.) (**Complete Good Faith Efforts Attachment D-1C- Part 2, and submit letters, fax cover sheets, e-mails, etc. documenting solicitations**); and
  - (b) a description of the information provided to MBE Firms regarding the plans, specifications, and anticipated time schedule for portions of the work to be performed and the means used to provide that information.

##### **C. Rejected MBE Firms (Complete Good Faith Efforts Attachment D-1C, Part 3)**

1. For each MBE Firm that the Offeror concludes is not acceptable or qualified, a detailed statement of the reasons for the Offeror's conclusion, including the steps taken to verify the capabilities of the MBE and Non-MBE Firms quoting similar work.
2. For each certified MBE Firm that the Offeror concludes has provided an excessive or unreasonable price, a detailed statement of the reasons for the Offeror's conclusion, including the quotes received from all MBE and Non-MBE firms proposing on the same or comparable work. (**Include copies of all quotes received.**)
3. A list of MBE Firms contacted but found to be unavailable. This list should be accompanied by an MBE Unavailability Certificate (see **D-1B - Exhibit A** to this Part 1) signed by the MBE contractor or a statement from the Offeror that the MBE contractor refused to sign the MBE Unavailability Certificate.

##### **D. Other Documentation**

1. Submit any other documentation requested by the Procurement Officer to ascertain the Offeror's Good Faith Efforts.
2. Submit any other documentation the Offeror believes will help the Procurement Officer ascertain its Good Faith Efforts.

**D-1B - Exhibit A**  
**MBE Subcontractor Unavailability Certificate**

1. It is hereby certified that the firm of \_\_\_\_\_  
(Name of Minority firm)

located at \_\_\_\_\_  
(Number) (Street)  
\_\_\_\_\_  
(City) (State) (Zip)

was offered an opportunity to bid on Solicitation No. E00B8400029

in County by \_\_\_\_\_  
(Name of Prime Contractor's Firm)

\*\*\*\*\*

2. (Minority Firm), is either unavailable for the work/service or unable to prepare a proposal for this project for the following reason(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*\*\*\*\*

\_\_\_\_\_  
(Signature of Minority Firm's MBE  
Representative)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(MDOT Certification #)

\_\_\_\_\_  
(Telephone #)

\*\*\*\*\*

3. To be completed by the prime contractor if Section 2 of this form is not completed by the minority firm.

To the best of my knowledge and belief, said Certified Minority Business Enterprise is either unavailable for the work/service for this project, is unable to prepare a proposal, or did not respond to a request for a price proposal and has not completed the above portion of this submittal.

\_\_\_\_\_  
(Signature of Prime Contractor)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)



**D-1C**  
**GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST**

PAGE \_\_ OF \_\_

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT</b>
Offeror Company Name, Street Address, Phone	Comptroller of Maryland Integrated Tax System	<b>NUMBER:</b> E00B8400029

Parts 1, 2, and 3 must be included with this certificate along with all documents supporting your waiver request.

I affirm that I have reviewed **Attachment D-1B**, Waiver Guidance. I further affirm under penalties of perjury that the contents of Parts 1, 2, and 3 of this **Attachment D-1C** Good Faith Efforts Documentation Form are true to the best of my knowledge, information, and belief.

Company:

\_\_\_\_\_  
Company Name (please print or type)

By:

\_\_\_\_\_  
Signature of Authorized Representative

Printed Name:

\_\_\_\_\_  
Printed Name

Title:

\_\_\_\_\_  
Title

Date:

\_\_\_\_\_  
Date

Address:

\_\_\_\_\_  
Company Address

**GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST**

**PART 1 – IDENTIFIED ITEMS OF WORK OFFEROR MADE AVAILABLE TO MBE FIRMS**

PAGE \_\_ OF \_\_

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT</b>
Offeror Company Name, Street Address, Phone	Comptroller of Maryland Integrated Tax System	<b>NUMBER:</b> E00B8400029

Identify those items of work that the Offeror made available to MBE Firms. This includes, where appropriate, those items the Offeror identified and determined to subdivide into economically feasible units to facilitate the MBE participation. For each item listed, show the anticipated percentage of the total contract amount. It is the Offeror's responsibility to demonstrate that sufficient work to meet the goal was made available to MBE Firms, and the total percentage of the items of work identified for MBE participation equals or exceeds the percentage MBE goal set for the procurement. Note: If the procurement includes a list of Proposal items identified during the goal setting process as possible items of work for performance by MBE Firms, the Offeror should make all of those items of work available to MBE Firms or explain why that item was not made available. If the Offeror selects additional items of work to make available to MBE Firms, those additional items should also be included below.

<b>Identified Items of Work</b>	<b>Was this work listed in the procurement?</b>	<b>Does Offeror normally self-perform this work?</b>	<b>Was this work made available to MBE Firms? If no, explain why?</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

☐ Please check if Additional Sheets are attached.

**GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST**

**PART 2 – IDENTIFIED MBE FIRMS AND RECORD OF SOLICITATIONS**

PAGE \_\_ OF \_\_

Prime Contractor:	Project Description:	PROJECT/CONTRACT
Offeror Company Name, Street Address, Phone	Comptroller of Maryland Integrated Tax System	<b>NUMBER:</b> E00B8400029

Identify the MBE Firms solicited to provide quotes for the Identified Items of Work made available for MBE participation. Include the name of the MBE Firm solicited, items of work for which quotes were solicited, date and manner of initial and follow-up solicitations, whether the MBE provided a quote, and whether the MBE is being used to meet the MBE participation goal. MBE Firms used to meet the participation goal must be included on the MBE Participation Schedule. Note: If the procurement includes a list of the MBE Firms identified during the goal setting process as potentially available to perform the items of work, the Offeror should solicit all of those MBE Firms or explain why a specific MBE was not solicited. If the Offeror identifies additional MBE Firms who may be available to perform Identified Items of Work, those additional MBE Firms should also be included below. Copies of all written solicitations and documentation of follow-up calls to MBE Firms must be attached to this form. This list should be accompanied by a Minority Contractor Unavailability Certificate signed by the MBE contractor or a statement from the Offeror that the MBE contractor refused to sign the Minority Contractor Unavailability Certificate (**Attachment D-1B - Exhibit A**). If the Offeror used a Non-MBE or is self-performing the identified items of work, Part 4 must be completed.

Name of Identified MBE Firm & MBE Classification	Describe Item of Work Solicited	Initial Solicitation Date & Method	Follow-up Solicitation Date & Method	Details for Follow-up Calls	Quote Rec'd	Quote Used	Reason Quote Rejected
Firm Name: MBE Classification (Check only if requesting waiver of MBE subgoal.) <input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American-Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification		Date: <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Date: <input type="checkbox"/> Phone <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Time of Call: Spoke with: <input type="checkbox"/> Left Message	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Used Other MBE <input type="checkbox"/> Used Non-MBE <input type="checkbox"/> Self-performing
Firm Name: MBE Classification (Check only if requesting waiver of MBE subgoal.) <input type="checkbox"/> African American-Owned <input type="checkbox"/> Hispanic American-Owned <input type="checkbox"/> Asian American-Owned <input type="checkbox"/> Women-Owned <input type="checkbox"/> Other MBE Classification		Date: <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Date: <input type="checkbox"/> Phone <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail	Time of Call: Spoke with: <input type="checkbox"/> Left Message	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Used Other MBE <input type="checkbox"/> Used Non-MBE <input type="checkbox"/> Self-performing

☐ Please check if Additional Sheets are attached.

**GOOD FAITH EFFORTS DOCUMENTATION TO SUPPORT WAIVER REQUEST**  
**PART 3 – ADDITIONAL INFORMATION REGARDING REJECTED MBE QUOTES**

PAGE \_\_ OF \_\_

<b>Prime Contractor:</b>	<b>Project Description:</b>	<b>PROJECT/CONTRACT</b>
Offeror Company Name, Street Address, Phone	Comptroller of Maryland Integrated Tax System	<b>NUMBER:</b> E00B8400029

This form must be completed if Part 1 indicates that an MBE quote was rejected because the Offeror is using a Non-MBE or is self-performing the Identified Items of Work. Provide the Identified Items Work, indicate whether the work will be self-performed or performed by a Non-MBE, and if applicable, state the name of the Non-MBE. Also include the names of all MBE and Non-MBE Firms that provided a quote and the amount of each quote.

Describe Identified Items of Work Not Being Performed by MBE (Include spec/ section number from Proposal)	Self-performing or Using Non-MBE (Provide name)	Amount of Non-MBE Quote	Name of Other Firms who Provided Quotes & Whether MBE or Non-MBE	Amount Quoted	Indicate Reason Why MBE Quote Rejected & Briefly Explain
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$_____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$_____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$_____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$_____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$_____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$_____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$_____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$_____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$_____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$_____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other
	<input type="checkbox"/> Self-performing <input type="checkbox"/> Using Non-MBE _____	\$_____	_____ <input type="checkbox"/> MBE <input type="checkbox"/> Non-MBE	\$_____	<input type="checkbox"/> Price <input type="checkbox"/> Capabilities <input type="checkbox"/> Other

☐ Please check if Additional Sheets are attached.

**D- 2**  
**OUTREACH EFFORTS COMPLIANCE STATEMENT**

Complete and submit this form within 10 Business Days of notification of apparent award or actual award, whichever is earlier.

In conjunction with the Proposal submitted in response to Solicitation No. E00B8400029, I state the following:

1. Offeror identified subcontracting opportunities in these specific work categories:

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2. Attached to this form are copies of written solicitations (with proposal instructions) used to solicit certified MBE firms for these subcontract opportunities.

3. Offeror made the following attempts to personally contact the solicited MDOT-certified MBE firms:

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4. **Please Check One:**

- ☐ This project does not involve bonding requirements.
- ☐ Offeror assisted MDOT-certified MBE firms to fulfill or seek waiver of bonding requirements. (DESCRIBE EFFORTS):

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5. **Please Check One:**

- ☐ Offeror did attend the pre-proposal conference.
- ☐ No pre -proposal meeting/conference was held.
- ☐ Offeror did not attend the pre-proposal conference.

PLEASE PRINT OR TYPE

Company:

Company Name (please print or type)

By:

Signature of Authorized Representative

Printed Name:

Printed Name

Title:

Title

Date:

Date

Address:

Company Address

**D-3A**  
**MBE SUBCONTRACTOR PROJECT PARTICIPATION CERTIFICATION**

**Please complete and submit one form for each certified MBE firm listed on the MBE Participation schedule (Attachment D-1A) within 10 Business Days of notification of apparent award. If the Offeror fails to return this affidavit within the required time, the Procurement Officer may determine that Proposal is not susceptible of being selected for Contract award.**

Provided that \_\_\_\_\_ (Prime Contractor's Name) is awarded the State contract in conjunction with Solicitation No. E00B8400029, such Prime Contractor intends to enter into a subcontract with \_\_\_\_\_ (Subcontractor's Name) committing to participation by the MBE firm \_\_\_\_\_ (MBE Name) with MDOT Certification Number \_\_\_\_\_ which will receive at least \$ \_\_\_\_\_ which equals to \_\_\_\_% of the Total Contract Amount for performing the following goods and services for the Contract:

NAICS CODE	WORK ITEM, SPECIFICATION NUMBER, LINE ITEMS OR WORK CATEGORIES (IF APPLICABLE)	DESCRIPTION OF SPECIFIC PRODUCTS AND/OR SERVICES

Each of the Contractor and Subcontractor acknowledges that, for purposes of determining the accuracy of the information provided herein, the Procurement Officer may request additional information, including, without limitation, copies of the subcontract agreements and quotes. Each of the Contractor and Subcontractor solemnly affirms under the penalties of perjury that: (i) the information provided in this MBE Subcontractor Project Participation Affidavit is true to the best of its knowledge, information and belief, and (ii) has fully complied with the State Minority Business Enterprise law, State Finance and Procurement Article §14-308(a)(2), Annotated Code of Maryland which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a Proposal and:

- (1) fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified Minority Business Enterprise in its Proposal;
- (2) fail to notify the certified Minority Business Enterprise before execution of the Contract of its inclusion of the Proposal;
- (3) fail to use the certified Minority Business Enterprise in the performance of the Contract; or
- (4) pay the certified Minority Business Enterprise solely for the use of its name in the Proposal.



Prime Contractor

Company:

Company Name (please print or type)

FEIN:

Federal Identification Number

Phone Number:

Phone Number

By:

Signature of Authorized Representative

Date:

Date

Printed Name:

Printed Name

Title:

Printed Title

Address:

Company Address

Subcontractor

Company:

Company Name (please print or type)

FEIN:

Federal Identification Number

Phone Number:

Phone Number

By:

Signature of Authorized Representative

Date:

Date

Printed Name:

Printed Name

Title:

Title

Address:

Address

**PRIME CONTRACTOR**

Signature of Representative:

Printed Name and Title: \_\_\_\_\_

Firm's Name: \_\_\_\_\_

Federal Identification Number: \_\_\_\_\_

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

Telephone: \_\_\_\_\_

Date: \_\_\_\_\_

**SUBCONTRACTOR**

Signature of Representative:

Printed Name and Title: \_\_\_\_\_

Firm's Name: \_\_\_\_\_

Federal Identification Number: \_\_\_\_\_

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

Telephone: \_\_\_\_\_

Date: \_\_\_\_\_

**D-3B**  
**MBE PRIME PROJECT PARTICIPATION CERTIFICATION**

**Please complete and submit this form to attest each specific item of work that your MBE firm has listed on the MBE Participation Schedule (Attachment D-1A) for purposes of meeting the MBE participation goals. This form must be submitted within 10 Business Days of notification of apparent award. If the Offeror fails to return this affidavit within the required time, the Procurement Officer may determine that Proposal is not susceptible of being selected for Contract award.**

Provided that \_\_\_\_\_ (Prime Contractor's Name) with Certification Number \_\_\_\_\_ is awarded the State contract in conjunction with Solicitation No. \_\_\_\_\_, such MBE Prime Contractor intends to perform with its own forces at least \$\_\_\_\_\_ which equals to \_\_\_\_% of the Total Contract Amount for performing the following goods and services for the Contract:

NAICS CODE	WORK ITEM, SPECIFICATION NUMBER, LINE ITEMS OR WORK CATEGORIES (IF APPLICABLE) For Construction Projects, General Conditions must be listed separately	DESCRIPTION OF SPECIFIC PRODUCTS AND/OR SERVICES	VALUE OF THE WORK

**MBE Prime Contractor**

Company:

\_\_\_\_\_  
Company Name (please print or type)

FEIN:

\_\_\_\_\_  
Federal Identification Number

Address:

\_\_\_\_\_  
Company Address

Phone:

\_\_\_\_\_  
Phone

Printed Name:

\_\_\_\_\_  
Printed Name

Title:

Title

By:

Signature of Authorized Representative

Date:

Date

**D-4A**  
**Minority Business Enterprise Participation**  
**MBE Prime Contractor Paid/Unpaid Invoice Report**

Report #:	Contract #: E00B8400029
Reporting Period (Month/Year):	Contracting Unit: Comptroller of Maryland
<b>Prime Contractor: Report is due to the MBE Liaison by the 10th of the month following the month the services were provided.</b> <b>Note: Please number reports in sequence</b>	Contract Amount:
	MBE Subcontract Amt:
	Project Begin Date:
	Project End Date:
	Services Provided:

Prime Contractor:		Contact Person:	
Address:			
City:		State:	ZIP:
Phone:	FAX:	E-mail:	
MBE Subcontractor Name:		Contact Person:	
Phone:	FAX:	E-mail:	
Subcontractor Services Provided:			
List all payments made to MBE Subcontractor named above during this reporting period:		List dates and amounts of any outstanding invoices:	
	<b>Invoice #</b>	<b>Amount</b>	
1.			1.
2.			2.
3.			3.
4.			4.
<b>Total Dollars Paid: \$</b>		<b>Total Dollars Unpaid: \$</b>	

- If more than one MBE Subcontractor is used for this contract, you must use separate **Attachment D-4A** forms. Information regarding payments that the MBE prime will use for purposes of meeting the MBE participation goals must be reported separately in **Attachment D-4B**.
- **Return one copy (hard or electronic) of this form to the following addresses (electronic copy with signature and date is preferred):**

Patti Tracey

Comptroller of Maryland

Procurement Officer

Contracting Unit

80 Calvert St., Room #215, Annapolis, MD  
21401

Address

City, State Zip

MBEReporting@comp.state.md.us

(410)260-7220

Email

Phone Number

Signature (Required)

Date

**D-4B**  
**Minority Business Enterprise Participation**  
**MBE Prime Contractor Report**

MBE Prime Contractor:	Contract #:
Certification Number:	Contracting Unit: Comptroller of Maryland
Report #:	Contract Amount:
Reporting Period (Month/Year):	Total Value of the Work to the Self-Performed for purposes of Meeting the MBE participation goal/subgoals:
<b>MBE Prime Contractor: Report is due to the MBE Liaison by the 10th of the month following the month the services were provided.</b>	Project Begin Date:
<b>Note: Please number reports in sequence</b>	Project End Date:

Contact Person:			
Address:			
City:	State:	ZIP:	
Phone:	FAX:	E-mail:	

Invoice Number	Value of the Work	NAICS Code	Description of Specific Products and/or Services

**Return one copy (hard or electronic) of this form to the following addresses (electronic copy with signature and date is preferred):**

Patti Tracey

Comptroller of Maryland

Procurement Officer

Contracting Unit

80 Calvert St., Room #215, Annapolis, MD  
21401

Address

City, State Zip

MBEReporting@comp.state.md.us

(410)260-7220

Email

Phone Number

Signature (Required)

Date

**D-5**  
**Minority Business Enterprise Participation**  
**MBE Subcontractor Paid/Unpaid Invoice Report**

Report #:	Contract #: E00B8400029
Reporting Period (Month/Year):	Contracting Unit: Comptroller of Maryland
<b>Report is due by the 10th of the month following the month the services were performed.</b>	MBE Subcontract Amt:
	Project Begin Date:
	Project End Date:
	Services Provided:

MBE Subcontractor Name:					
MDOT Certification #:					
Contact Person:					
Address:					
City:			State:		ZIP:
Phone:		FAX:		E-mail:	
<b>Subcontractor Services Provided:</b>					
<b>List all payments received from Prime Contractor during reporting period indicated above.</b>			<b>List dates and amounts of any unpaid invoices over 30 days old.</b>		
	<b>Invoice Amount</b>	<b>Date</b>		<b>Invoice Amount</b>	<b>Date</b>
1.			1.		
2.			2.		
3.			3.		
4.			4.		
<b>Total Dollars Paid: \$</b>			<b>Total Dollars Unpaid: \$</b>		
Prime Contractor:			Contract Person:		

**Return one copy of this form to the following addresses (electronic copy with signature and date is preferred):**

Patti Tracey

---

Procurement Officer

80 Calvert St., Room #215, Annapolis, MD  
21401

---

Address

MBEReporting@comp.state.md.us

---

Email

---

Signature (Required)

Comptroller of Maryland

---

Contracting Unit

---

City, State Zip

(410)260-7220

---

Phone Number

---

Date

**Attachment E. Veteran-Owned Small Business Enterprise (VSBE) Forms**

This solicitation does not include a Veteran-Owned Small Business Enterprise goal.



**Attachment F. Maryland Living Wage Affidavit of Agreement for  
Service Contracts**

- A. This contract is subject to the Living Wage requirements under Md. Code Ann., State Finance and Procurement Article, Title 18, and the regulations proposed by the Commissioner of Labor and Industry (Commissioner). The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
    - (a) Has a State contract for services valued at less than \$100,000, or
    - (b) Employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
  - (2) A Subcontractor who:
    - (a) Performs work on a State contract for services valued at less than \$100,000,
    - (b) Employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
    - (c) Performs work for a Contractor not covered by the Living Wage Law as defined in B(1)(b) above, or B (3) or C below.
  - (3) Service contracts for the following:
    - (a) Services with a Public Service Company;
    - (b) Services with a nonprofit organization;
    - (c) Services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement ("Unit"); or
    - (d) Services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.
- D. A Contractor must not split or subdivide a State contract for services, pay an employee through a third party, or treat an employee as an independent Contractor or assign work to employees to avoid the imposition of any of the requirements of Md. Code Ann., State Finance and Procurement Article, Title 18.
- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the

Division of Labor and Industry's website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.

- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in Md. Code Ann., State Finance and Procurement Article, §18-103(c), shall not lower an employee's wage rate below the minimum wage as set in Md. Code Ann., Labor and Employment Article, §3-413. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner.
- H. A Contractor/Subcontractor may reduce the wage rates paid under Md. Code Ann., State Finance and Procurement Article, §18-103(a), by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in Md. Code Ann., Labor and Employment Article, §3-413.
- I. Under Md. Code Ann., State Finance and Procurement Article, Title 18, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.
- J. Information pertaining to reporting obligations may be found by going to the Division of Labor and Industry website <https://www.dlir.state.md.us/labor/prev/livingwage.shtml> and clicking on Living Wage for State Service Contracts.

**F-1 Maryland Living Wage Requirements Affidavit of Agreement**

Contract No. E00B8400029

Name of Contractor:

Address:

**If the Contract Is Exempt from the Living Wage Law**

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from Maryland's Living Wage Law for the following reasons (check all that apply):

- ☐ Offeror is a nonprofit organization
- ☐ Offeror is a public service company
- ☐ Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- ☐ Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

**If the Contract Is a Living Wage Contract**

- A. The Undersigned, being an authorized representative of the above-named Contractor, hereby affirms its commitment to comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Offeror agrees to pay covered employees who are subject to living wage at least the living wage rate in effect at the time service is provided for hours spent on State contract activities, and ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.
- B. \_\_\_\_\_(initial here if applicable) The Offeror affirms it has no covered employees for the following reasons: (check all that apply):
- ☐ The employee(s) proposed to work on the contract will spend less than one-half of the employee's time during any work week on the contract
- ☐ The employee(s) proposed to work on the contract is 17 years of age or younger during the duration of the contract; or
- ☐ The employee(s) proposed to work on the contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative:

Signature of Authorized Representative : \_\_\_\_\_ Date: \_\_\_\_\_

Title:

Witness Name (Typed or Printed) \_\_\_\_\_

Witness Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**SUBMIT THIS AFFIDAVIT WITH PROPOSAL**

<b>Attachment G.      Federal Funds Attachments</b>
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This solicitation does not include a Federal Funds Attachment.

**Attachment H. Conflict of Interest Affidavit and Disclosure**

**Reference COMAR 21.05.08.08**

A. "Conflict of interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the State, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.

B. "Person" has the meaning stated in COMAR 21.01.02.01B (64) and includes a Offeror, Contractor, consultant, or Subcontractor or sub-consultant at any tier, and also includes an employee or agent of any of them if the employee or agent has or will have the authority to control or supervise all or a portion of the work for which a Proposal is made.

C. The Offeror warrants that, except as disclosed in §D, below, there are no relevant facts or circumstances now giving rise or which could, in the future, give rise to a conflict of interest.

D. The following facts or circumstances give rise or could in the future give rise to a conflict of interest (explain in detail — attach additional sheets if necessary):

E. The Offeror agrees that if an actual or potential conflict of interest arises after the date of this affidavit, the Offeror shall immediately make a full disclosure in writing to the procurement officer of all relevant facts and circumstances. This disclosure shall include a description of actions which the Offeror has taken and proposes to take to avoid, mitigate, or neutralize the actual or potential conflict of interest. If the contract has been awarded and performance of the contract has begun, the Contractor shall continue performance until notified by the procurement officer of any contrary action to be taken.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_ By: \_\_\_\_\_

(Authorized Representative and Affiant)

**SUBMIT THIS AFFIDAVIT WITH Bid/PROPOSAL**

## Attachment I. Non-Disclosure Agreement (Contractor)

THIS NON-DISCLOSURE AGREEMENT (“Agreement”) is made by and between the State of Maryland (the “State”), acting by and through (Comptroller of Maryland) (the “Agency”), and \_\_\_\_\_ (the “Contractor”).

### RECITALS

**WHEREAS**, the Contractor has been awarded a contract (the “Contract”) following the solicitation for Integrated Tax System Solicitation # E00B8400029; and

**WHEREAS**, in order for the Contractor to perform the work required under the Contract, it will be necessary for the State at times to provide the Contractor and the Contractor’s employees, agents, and Subcontractors (collectively the “Contractor’s Personnel”) with access to certain information the State deems confidential information (the “Confidential Information”).

**NOW, THEREFORE**, in consideration of being given access to the Confidential Information in connection with the solicitation and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such, “Confidential Information” means (1) any and all information provided by or made available by the State to the Contractor in connection with the Contract and (2) any and all personally identifiable information (PII) (including but not limited to personal information as defined in Md. Ann. Code, General Provisions §4-101(h)) and protected health information (PHI) that is provided by a person or entity to the Contractor in connection with this Contract. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.
2. The Contractor shall not, without the State’s prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information except for the sole and exclusive purpose of performing under the Contract. The Contractor shall limit access to the Confidential Information to the Contractor’s Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information. The names of the Contractor’s Personnel are attached hereto and made a part hereof as **Attachment I-2**. Contractor shall update **Attachment I-2** by adding additional names (whether Contractor’s Personnel or a Subcontractor’s personnel) as needed, from time to time.
3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor’s performance of the Contract or will otherwise have a role in performing any aspect of the Contract, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute subjective discretion.
4. The Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, adopt or establish operating procedures and physical security measures, and take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential

- Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information.
5. The Contractor shall promptly advise the State in writing if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor's Personnel or the Contractor's former Personnel. Contractor shall, at its own expense, cooperate with the State in seeking injunctive or other equitable relief against any such person(s).
  6. The Contractor shall, at its own expense, return to the Agency all Confidential Information in its care, custody, control or possession upon request of the Agency or on termination of the Contract.
  7. A breach of this Agreement by the Contractor or the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.
  8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and costs.
  9. Contractor and each of the Contractor's Personnel who receive or have access to any Confidential Information shall execute a copy of an agreement substantially similar to this Agreement, in no event less restrictive than as set forth in this Agreement, and the Contractor shall provide originals of such executed Agreements to the State.
  10. The parties further agree that:
    - a. This Agreement shall be governed by the laws of the State of Maryland;
    - b. The rights and obligations of the Contractor under this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the State;
    - c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
    - d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement;
    - e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures;
    - f. The Recitals are not merely prefatory but are an integral part hereof; and
    - g. The effective date of this Agreement shall be the same as the effective date of the Contract entered into by the parties.

**IN WITNESS WHEREOF**, the parties have, by their duly authorized representatives, executed this Agreement as of the day and year first above written.



Contractor:

COM

By:

By:

(seal)

Printed Name:

Printed Name:

Title:

Title:

Date:

Date:

**LIST OF CONTRACTOR'S EMPLOYEES AND AGENTS WHO WILL BE GIVEN  
ACCESS TO THE CONFIDENTIAL INFORMATION**

[illegible]

**I-3 NON-DISCLOSURE AGREEMENT**

**CERTIFICATION TO ACCOMPANY RETURN OR DELETION OF CONFIDENTIAL  
INFORMATION**

I AFFIRM THAT:

To the best of my knowledge, information, and belief, and upon due inquiry, I hereby certify that: (i) all Confidential Information which is the subject matter of that certain Non-Disclosure Agreement by and between the State of Maryland and \_\_\_\_\_ (“Contractor”) dated \_\_\_\_\_, 20\_\_\_\_ (“Agreement”) is attached hereto and is hereby returned to the State in accordance with the terms and conditions of the Agreement; and (ii) I am legally authorized to bind the Contractor to this affirmation. Any and all Confidential Information that was stored electronically by me has been permanently deleted from all of my systems or electronic storage devices where such Confidential Information may have been stored.

**I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT  
THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY  
KNOWLEDGE, INFORMATION, AND BELIEF, HAVING MADE DUE INQUIRY.**

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

NAME OF CONTRACTOR: \_\_\_\_\_

BY: \_\_\_\_\_  
(Signature)

TITLE: \_\_\_\_\_  
(Authorized Representative and Affiant)

<b>Attachment J.      HIPAA Business Associate Agreement</b>
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This solicitation does not require a HIPAA Business Associate Agreement.

**Attachment K. Mercury Affidavit**

**K-1 Mercury Affidavit**

**AUTHORIZED REPRESENTATIVE THEREBY AFFIRM THAT:**

I, \_\_\_\_\_ (name of affiant) am the \_\_\_\_\_ (title) and the duly authorized representative of \_\_\_\_\_ (name of the business). I possess the legal authority to make this affidavit on behalf of myself and the business for which I am acting.

**MERCURY CONTENT INFORMATION:**

The product(s) offered do not contain mercury.

OR

- ☐ The product(s) offered do contain mercury.
- ☐ In an attachment to this Mercury Affidavit:
  - (1) Describe the product or product component that contains mercury.
  - (2) Provide the amount of mercury that is contained in the product or product component. Indicate the unit of measure being used.

**I ACKNOWLEDGE THAT** this affidavit is to be furnished to the procurement officer and may be distributed to units of (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this affidavit or any contract resulting from the submission of this Proposal shall be construed to supersede, amend, modify, or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this affidavit, (2) the contract, and (3) other affidavits comprising part of the contract.

**I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.**

\_\_\_\_\_ By: \_\_\_\_\_

Date

Signature

Print Name:

Authorized Representative and Affiant

**SUBMIT THIS AFFIDAVIT WITH PROPOSAL**

**Attachment L. Location of the Performance of Services Disclosure**

(submit with Proposal)

Pursuant to Md. Ann. Code, State Finance and Procurement Article, § 12-111, and in conjunction with the Proposal submitted in response to Solicitation No. E00B8400029, the following disclosures are hereby made:

1. At the time of Proposal submission, the Offeror and/or its proposed Subcontractors:

\_\_\_ have plans

\_\_\_ have no plans

to perform any services required under the resulting Contract outside of the United States.

2. If services required under the contract are anticipated to be performed outside the United States by either the Offeror or its proposed Subcontractors, the Offeror shall answer the following (attach additional pages if necessary):

a. Location(s) services will be performed:

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b. Reasons why it is necessary or advantageous to perform services outside the United States:

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The undersigned, being an authorized representative of the Offeror, hereby affirms that the contents of this disclosure are true to the best of my knowledge, information, and belief.

Date: \_\_\_\_\_

Offeror Name:

By: \_\_\_\_\_

Name:

Title:

Please be advised that the Agency may contract for services provided outside of the United States if: the services are not available in the United States; the price of services in the United States exceeds by an unreasonable amount the price of services provided outside the United States; or the quality of services in the United States is substantially less than the quality of comparably priced services provided outside the United States.

**Attachment M. Contract**

Comptroller of Maryland (COM)

“Integrated Tax System”

E00B8400029

THIS CONTRACT (the “Contract”) is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between \_\_\_\_\_ (the “Contractor”) and the STATE OF MARYLAND, acting through the MARYLAND Comptroller of Maryland (“COM” or the “Agency”).

In consideration of the promises and the covenants herein contained, the adequacy and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

**1. Definitions**

In this Contract, the following words have the meanings indicated:

- 1.1 “COMAR” means Code of Maryland Regulations.
- 1.2 “Contractor” means the entity first named above whose principal business address is (Contractor’s primary address) and whose principal office in Maryland is (Contractor’s local address), whose Federal Employer Identification Number or Social Security Number is (Contractor’s FEIN), and whose eMaryland Marketplace vendor ID number is (eMM Number).
- 1.3 “Financial Proposal” means the Contractor’s Financial Proposal dated \_\_\_\_\_ (Financial Proposal date), as modified by any Best and Final Offer thereto.
- 1.4 Minority Business Enterprise (MBE) – Any legal entity certified as defined at COMAR 21.01.02.01B (54) which is certified by the Maryland Department of Transportation under COMAR 21.11.03.
- 1.5 “RFP” means the Request for Proposals for Integrated Tax System, Solicitation # E00B8400029, and any amendments, addenda, and attachments thereto issued in writing by the State.
- 1.6 “State” means the State of Maryland.
- 1.7 “Technical Proposal” means the Contractor’s Technical Proposal dated. \_\_\_\_\_ (Technical Proposal date), as modified and supplemented by the Contractor’s responses to requests clarifications and requests for cure, and by any Best and Final Offer.
- 1.8 “Veteran-owned Small Business Enterprise” (VSBE) means A business that is verified by the Center for Verification and Evaluation (CVE) of the United States Department of Veterans Affairs as a veteran-owned small business. See Code of Maryland Regulations (COMAR) 21.11.13.
- 1.9 Capitalized terms not defined herein shall be ascribed the meaning given to them in the RFP.

**2. Scope of Contract**

- 2.1 The Contractor shall perform in accordance with this Contract and Exhibits A-D, which are listed below and incorporated herein by reference. If there is any conflict between this Contract and the Exhibits, the terms of the Contract shall control. If there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision:

Exhibit A – The RFP

Exhibit B – The Contract Affidavit, executed by the Contractor and dated (date of Attachment C)



Exhibit C – The Technical Proposal

Exhibit D – The Financial Proposal

- 2.2 The Procurement Officer may, at any time, by written order, make unilateral changes in the work within the general scope of the Contract. No other order, statement, or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under the Disputes clause. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.
- 2.3 Without limiting the rights of the Procurement Officer under Section 2.2 above, the Contract may be modified by mutual agreement of the parties, provided: (a) the modification is made in writing; (b) all parties sign the modification; and (c) all approvals by the required agencies as described in COMAR Title 21, are obtained.

**3. Period of Performance**

- 3.1 The term of this Contract begins on the date the Contract is signed by the Agency following any required prior approvals, including approval by the Board of Public Works, if such approval is required (the "Effective Date") and shall continue until \_\_\_\_\_ ("Initial Term").
- 3.2 In its sole discretion, the Agency shall have the unilateral right to extend the Contract for one, successive five-year renewal option (each a "Renewal Term") at the prices established in the Contract. "Term" means the Initial Term and any Renewal Term(s).
- 3.3. The Contractor's performance under the Contract shall commence as of the date provided in a written NTP.
- 3.4 The Contractor's obligation to pay invoices to Subcontractors providing products/services in connection with this Contract, as well as the audit; confidentiality; document retention; patents, copyrights & intellectual property; warranty; indemnification obligations; and limitations of liability under this Contract; and any other obligations specifically identified, shall survive expiration or termination of the Contract.

**4. Consideration and Payment**

- 4.1 In consideration of the satisfactory performance of the work set forth in this Contract, the Agency shall pay the Contractor in accordance with the terms of this Contract and at the prices quoted in the Financial Proposal. Unless properly modified (see above Section 2.3), payment to the Contractor pursuant to this Contract, including the Initial Term and any Renewal Term, shall not exceed the Contracted amount.

The total payment under a Fixed-Price Contract or the Fixed-Price element of a combined Fixed-Price – time and materials Contract shall be the firm Fixed-Price submitted by the Contractor in its Financial Proposal.

- 4.2 Unless a payment is unauthorized, deferred, delayed, or set-off under COMAR 21.02.07, payments to the Contractor pursuant to this Contract shall be made no later than 30 days after the

Agency's receipt of a proper invoice from the Contractor as required by **Section 3.3 Invoicing** of the RFP.

The Contractor may be eligible to receive late payment interest at the rate of 9% per annum if:

- (1) The Contractor submits an invoice for the late payment interest within thirty days after the date of the State's payment of the amount on which the interest accrued; and
- (2) A contract claim has not been filed under State Finance and Procurement Article, Title 15, Subtitle 2, Annotated Code of Maryland.

The State is not liable for interest:

- (1) Accruing more than one year after the 31st day after the Agency receives the proper invoice; or
- (2) On any amount representing unpaid interest. Charges for late payment of invoices are authorized only as prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, or by the Public Service Commission of Maryland with respect to regulated public utilities, as applicable.

Final payment under this Contract will not be made until after certification is received from the Comptroller of the State that all taxes have been paid.

Electronic funds transfer shall be used by the State to pay Contractor pursuant to this Contract and any other State payments due Contractor unless the State Comptroller's Office grants Contractor an exemption.

- 4.3 In addition to any other available remedies, if, in the opinion of the Procurement Officer, the Contractor fails to perform in a satisfactory and timely manner, the Procurement Officer may refuse or limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the Procurement Officer.
- 4.4 Payment of an invoice by the Agency is not evidence that services were rendered as required under this Contract.

## **5. Rights to Records**

- 5.1 The Contractor agrees that all documents and materials including, but not limited to, software, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, computations, and data prepared by the Contractor for purposes of this Contract shall be the sole property of the State and shall be available to the State at any time. The State shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.
- 5.2 The Contractor agrees that at all times during the term of this Contract and thereafter, works created as a Deliverable under this Contract (as defined in Section 7.2 below), and services performed under this Contract shall be "works made for hire" as that term is interpreted under U.S. copyright law. To the extent that any products created as a Deliverable under this Contract are not works made for hire for the State, the Contractor hereby relinquishes, transfers, and assigns to the State all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the State in effectuating and registering any necessary assignments.

- 5.3 The Contractor shall report to the Contract Monitor, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.
- 5.4 The Contractor shall not affix any restrictive markings upon any data, documentation, or other materials provided to the State hereunder and if such markings are affixed, the State shall have the right at any time to modify, remove, obliterate, or ignore such warnings.
- 5.5 Upon termination of the Contract, the Contractor, at its own expense, shall deliver any equipment, software or other property provided by the State to the place designated by the Procurement Officer.

## **6. Exclusive Use**

- 6.1 The State shall have the exclusive right to use, duplicate, and disclose any data, information, documents, records, or results, in whole or in part, in any manner for any purpose whatsoever, that may be created or generated by the Contractor in connection with this Contract. If any material, including software, is capable of being copyrighted, the State shall be the copyright owner and Contractor may copyright material connected with this project only with the express written approval of the State.
- 6.2 Except as may otherwise be set forth in this Contract, Contractor shall not use, sell, sub-lease, assign, give, or otherwise transfer to any third party any other information or material provided to Contractor by the Agency or developed by Contractor relating to the Contract, except as provided for in **Section 8. Confidential or Proprietary Information and Documentation** of the RFP.

## **7. Patents, Copyrights, and Intellectual Property**

- 7.1. All copyrights, patents, trademarks, trade secrets, and any other intellectual property rights existing prior to the Effective Date of this Contract shall belong to the party that owned such rights immediately prior to the Effective Date ("Pre-Existing Intellectual Property"). If any design, device, material, process, or other item provided by Contractor is covered by a patent or copyright or which is proprietary to or a trade secret of another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items pursuant to its rights granted under the Contract.
- 7.2 Except for (1) information created or otherwise owned by the Agency or licensed by the Agency from third parties, including all information provided by the Agency to Contractor; (2) materials created by Contractor or its Subcontractor(s) specifically for the State under the Contract ("Deliverables"), except for any Contractor Pre-Existing Intellectual Property included therein; and (3) the license rights granted to the State, all right, title, and interest in the intellectual property embodied in the Solution, including the know-how and methods by which the Solution is provided and the processes that make up the Solution, will belong solely and exclusively to Contractor and its licensors, and the Agency will have no rights to the same except as expressly granted in this Contract. Any SaaS Software developed by Contractor during the performance of the Contract will belong solely and exclusively to Contractor and its licensors. For all Software provided by the Contractor under the Contract, Contractor hereby grants to the State a nonexclusive, irrevocable, unlimited, perpetual, non-cancelable, and non-terminable right to use and make copies of the Software and any modifications to the Software. For all Contractor Pre-Existing Intellectual Property embedded in any Deliverables, Contractor grants to the State a license to use such Contractor Pre-Existing Intellectual Property in connection with its permitted use of such Deliverable. During the period between delivery of a Deliverable by Contractor and the date of payment therefor by the State in accordance with this Contract (including throughout the duration of any payment dispute discussions), subject to the terms and conditions contained herein, Contractor grants the State a royalty-free, non-exclusive, limited license to use such

- Deliverable and to use any Contractor Materials contained therein in accordance with this Contract.
- 7.3. Subject to the terms of Section 10, Contractor shall defend, indemnify and hold harmless the State and its agents and employees, from and against any and all claims, costs, losses, damages, liabilities, judgments and expenses (including without limitation reasonable attorneys' fees) arising out of or in connection with any third-party claim that the Contractor-provided products/services infringe, misappropriate or otherwise violate any third party intellectual property rights. Contractor shall not enter into any settlement involving third-party claims that contains any admission of or stipulation to any guilt, fault, liability or wrongdoing by the State or that adversely affects the State's rights or interests, without the State's prior written consent.
- 7.4. Without limiting Contractor's obligations under Section 5.3, if an infringement claim occurs, or if the State or the Contractor believes such a claim is likely to occur, Contractor (after consultation with the State and at no cost to the State): (a) shall procure for the State the right to continue using the allegedly infringing component or service in accordance with its rights under this Contract; or (b) replace or modify the allegedly infringing component or service so that it becomes non-infringing and remains compliant with all applicable specifications.
- 7.5. Except as otherwise provided herein, Contractor shall not acquire any right, title or interest (including any intellectual property rights subsisting therein) in or to any goods, Software, technical information, specifications, drawings, records, documentation, data or any other materials (including any derivative works thereof) provided by the State to the Contractor. Notwithstanding anything to the contrary herein, the State may, in its sole and absolute discretion, grant the Contractor a license to such materials, subject to the terms of a separate writing executed by the Contractor and an authorized representative of the State as well as all required State approvals.
- 7.6. Without limiting the generality of the foregoing, neither Contractor nor any of its Subcontractors shall use any Software or technology in a manner that will cause any patents, copyrights or other intellectual property which are owned or controlled by the State or any of its affiliates (or for which the State or any of its Subcontractors has received license rights) to become subject to any encumbrance or terms and conditions of any third party or open source license (including, without limitation, any open source license listed on <http://www.opensource.org/licenses/alphabetical>) (each an "Open Source License"). These restrictions, limitations, exclusions and conditions shall apply even if the State or any of its Subcontractors becomes aware of or fails to act in a manner to address any violation or failure to comply therewith. No act by the State or any of its Subcontractors that is undertaken under this Contract as to any Software or technology shall be construed as intending to cause any patents, copyrights or other intellectual property that are owned or controlled by the State (or for which the State has received license rights) to become subject to any encumbrance or terms and conditions of any open source license.
- 7.7. The Contractor shall report to the Agency, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all Deliverables delivered under this Contract.
- 7.8. The Contractor shall not affix (or permit any third party to affix), without the Agency's consent, any restrictive markings upon any Deliverables that are owned by the State, and if such markings are affixed, the Agency shall have the right at any time to modify, remove, obliterate, or ignore such warnings.

## **8. Confidential or Proprietary Information and Documentation**

- 8.1 Subject to the Maryland Public Information Act and any other applicable laws including, without limitation, HIPAA, the HI-TECH Act, and the Maryland Medical Records Act and the

implementation of regulations promulgated pursuant thereto, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems and/or cloud infrastructure, if applicable) shall be held in confidence by the other party. Each party shall, however, be permitted to disclose, as provided by and consistent with applicable law, relevant confidential information to its officers, agents, and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract. Each officer, employee and/or Subcontractor to whom any of the Agency's confidential information is to be disclosed shall be advised by Contractor of and bound by confidentiality and intellectual property terms substantially equivalent to those of this Contract.

- 8.2 The provisions of this section shall not apply to information that: (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already rightfully in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

## **9. Loss of Data**

- 9.1 In the event of loss of any State or Federal data or records where such loss is due to the act or omission of the Contractor or any of its Subcontractors or agents, the Contractor shall be responsible for restoring or recreating, as applicable, such lost data in the manner and on the schedule set by the Contract Monitor. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. At no time shall any Contractor actions (or any failures to act when Contractor has a duty to act) damage or create any vulnerabilities in data bases, systems, platforms, and/or applications with which the Contractor is working hereunder.
- 9.2 In accordance with prevailing federal or state law or regulations, the Contractor shall report the loss of non-public data as directed in **Section 3.7 Security Requirements** of the RFP.
- 9.3 Protection of data and personal privacy (as further described and defined in **Section 3.7 Security Requirements** of the RFP) shall be an integral part of the business activities of the Contractor to ensure there is no inappropriate or unauthorized use of State information at any time. To this end, the Contractor shall safeguard the confidentiality, integrity and availability of State information and comply with the conditions identified in **Section 3.7 Security Requirements** of the RFP.

## **10. Indemnification and Notification of Legal Requests**

- 10.1. At its sole cost and expense, Contractor shall (i) indemnify and hold the State, its employees and agents harmless from and against any and all claims, demands, actions, suits, damages, liabilities, losses, settlements, judgments, costs and expenses (including but not limited to attorneys' fees and costs), whether or not involving a third-party claim, which arise out of or relate to the Contractor's, or any of its Subcontractors', performance of this Contract and (ii) cooperate, assist, and consult with the State in the defense or investigation of any such claim, demand, action or suit. Contractor shall not enter into any settlement involving third-party claims that contains any admission of or stipulation to any guilt, fault, liability or wrongdoing by the State or that adversely affects the State's rights or interests, without the State's prior written consent.
- 10.2. The State has no obligation: (i) to provide legal counsel or defense to the Contractor or its Subcontractors in the event that a suit, claim or action of any character is brought against the Contractor or its Subcontractors as a result of or relating to the Contractor's obligations or performance under this Contract, or (ii) to pay any judgment or settlement of any such suit, claim or action. Notwithstanding the foregoing, the Contractor shall promptly notify the Procurement Officer of any such claims, demands, actions, or suits.



- 10.3. Notification of Legal Requests. In the event the Contractor receives a subpoena or other validly issued administrative or judicial process, or any discovery request in connection with any litigation, requesting State Pre-Existing Intellectual Property, of other information considered to be the property of the State, including but not limited to State data stored with or otherwise accessible by the Contractor, the Contractor shall not respond to such subpoena, process or other legal request without first notifying the State, unless prohibited by law from providing such notice. The Contractor shall promptly notify the State of such receipt providing the State with a reasonable opportunity to intervene in the proceeding before the time that Contractor is required to comply with such subpoena, other process or discovery request. .

#### **11. Non-Hiring of Employees**

No official or employee of the State, as defined under Md. Code Ann., General Provisions Article, § 5-101, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall, during the pendency and term of this Contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is a Subcontractor on this Contract.

#### **12. Disputes**

This Contract shall be subject to the provisions of Md. Code Ann., State Finance and Procurement Article, Title 15, Subtitle 2, and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision. Unless a lesser period is provided by applicable statute, regulation, or the Contract, the Contractor must file a written notice of claim with the Procurement Officer within thirty (30) days after the basis for the claim is known or should have been known, whichever is earlier. Contemporaneously with or within thirty (30) days of the filing of a notice of claim, but no later than the date of final payment under the Contract, the Contractor must submit to the Procurement Officer its written claim containing the information specified in COMAR 21.10.04.02.

#### **13. Maryland Law Prevails**

- 13.1 This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.
- 13.2 The Maryland Uniform Computer Information Transactions Act (Commercial Law Article, Title 22 of the Annotated Code of Maryland) does not apply to this Contract or any purchase order, task order, or Notice to Proceed issued thereunder, or any software, or any software license acquired hereunder.
- 13.3 Any and all references to the Maryland Code, annotated and contained in this Contract shall be construed to refer to such Code sections as are from time to time amended.

#### **14. Nondiscrimination in Employment**

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, sexual orientation, gender identification, marital status, national origin, ancestry, genetic information, or any otherwise unlawful use of characteristics, or disability of a qualified individual with a disability unrelated in nature and extent so as to reasonably preclude the performance of the employment, or the individual's refusal to submit to a genetic test or make available the results of a genetic test; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause Subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

**15. Contingent Fee Prohibition**

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the Contractor to solicit or secure the Contract, and that the Contractor has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of this Contract.

**16. Non-Availability of Funding**

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be canceled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

**17. Termination for Default**

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the termination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

**18. Termination for Convenience**

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination, and all reasonable costs associated with termination of the Contract. However, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12A (2).

**19. Delays and Extensions of Time**

- 19.1 The Contractor agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.
- 19.2 Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or



contractual capacity, acts of another Contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of Subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the Subcontractors or suppliers.

**20. Suspension of Work**

The State unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

**21. Pre-Existing Regulations**

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR 21) in effect on the date of execution of this Contract are applicable to this Contract.

**22. Financial Disclosure**

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State or its agencies during a calendar year under which the business is to receive in the aggregate, \$100,000 or more, shall within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

**23. Political Contribution Disclosure**

The Contractor shall comply with Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a procurement contract with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on or before: (i) May 31, to cover the six (6) month period ending April 30; and (ii) November 30, to cover the six (6) month period ending October 31. Additional information is available on the State Board of Elections website:

[http://www.elections.state.md.us/campaign\\_finance/index.html](http://www.elections.state.md.us/campaign_finance/index.html).

**24. Retention of Records**

- 24.1 Except as otherwise provided in **Section 2.3.12 Maintenance and Support** of the RFP, the Contractor and Subcontractors shall retain and maintain all records and documents in any way relating to this Contract for (i) three (3) years after final payment by the State hereunder, or (ii) any applicable federal or State retention requirements (such as HIPAA) or condition of award, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, as designated by the Procurement Officer, at all reasonable times. The Contractor shall provide copies of all documents requested by the State, including, but not limited to itemized billing documentation containing the dates, hours spent and work performed by the

Contractor and its Subcontractors under the Contract. All records related in any way to the Contract are to be retained for the entire time provided under this section.

24.2 This provision shall survive expiration of this Contract.

## **25. Right to Audit**

25.1 The State reserves the right, at its sole discretion and at any time, to perform an audit of the Contractor's performance under this Contract. An audit is defined as a planned and documented independent activity performed by qualified personnel, including but not limited to State and federal auditors, to determine by investigation, examination, or evaluation of objective evidence from data, statements, records, operations and performance practices (financial or otherwise) the Contractor's compliance with the Contract, including but not limited to adequacy and compliance with established procedures and internal controls over the services performed pursuant to the Contract.

25.2 Upon three (3) Business Days' notice, the State shall be provided reasonable access to Contractor's records to perform any such audits. The Agency may conduct these audits with any or all of its own internal resources or by securing the services of a third party accounting or audit firm, solely at the Agency's election. The Agency may copy any record related to the services performed pursuant to the Contract. The Contractor agrees to fully cooperate and assist in any audit conducted by or on behalf of the State, including, by way of example only, making records and employees available as, where, and to the extent requested by the State and by assisting the auditors in reconciling any audit variances. Contractor shall not be compensated for providing any such cooperation and assistance.

25.3 The right to audit shall include any of the Contractor's Subcontractors including but not limited to any lower tier Subcontractor(s). The Contractor and/or Subcontractor(s) shall ensure the Agency has the right to audit such Subcontractor(s).

## **26. Compliance with Laws**

The Contractor hereby represents and warrants that:

- a. It is qualified to do business in the State and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
- b. It is not in arrears with respect to the payment of any monies due and owing the State, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the Term;
- c. It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and
- d. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

## **27. Cost and Price Certification**

27.1 The Contractor, by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as of the date of its Proposal.

27.2 The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date of its Proposal, was inaccurate, incomplete, or not current.

## **28. Subcontracting; Assignment**

The Contractor may not subcontract any of its obligations under this Contract without obtaining the prior written approval of the Procurement Officer, nor may the Contractor assign this Contract or any of its rights or obligations hereunder, without the prior written approval of the Procurement Officer, each at the State's sole and absolute discretion; provided, however, that a Contractor may assign monies receivable under a contract after written notice to the State. Any subcontracts shall include such language as may be required in various clauses contained within this Contract, exhibits, and attachments. The Contract shall not be assigned until all approvals, documents, and affidavits are completed and properly registered. The State shall not be responsible for fulfillment of the Contractor's obligations to its Subcontractors.

## **29. Limitations of Liability**

- 29.1 Contractor shall be liable for any loss or damage to the State occasioned by the acts or omissions of Contractor, its Subcontractors, agents or employees as follows:
- (a) For infringement of patents, trademarks, trade secrets and copyrights as provided in Section 5 "Patents, Copyrights, Intellectual Property") of this Contract;
  - (b). Without limitation for damages for bodily injury (including death) and damage to real property and tangible personal property; and
  - (c) For all other claims, damages, loss, costs, expenses, suits or actions in any way related to this Contract and regardless of the basis on which the claim is made, Contractor's liability shall not exceed two (2) times the total value of the Contract or \$1,000,000, whichever is greater. Third-party claims arising under Section 6 ("Indemnification") of this Contract are included in this limitation of liability only if the State is immune from liability. Contractor's liability for third-party claims arising under Section 6 of this Contract shall be unlimited if the State is not immune from liability for claims arising under Section 6. The above limitation of liability is per incident.
  - (d) In no event shall the existence of a subcontract operate to release or reduce the liability of Contractor hereunder. For purposes of this Contract, Contractor agrees that all Subcontractors shall be held to be agents of Contractor.
- 29.2 Contractor's indemnification obligations for Third-party claims arising under Section 6 ("Indemnification") of this Contract are included in this limitation of liability only if the State is immune from liability. Contractor's indemnification liability for third-party claims arising under Section 6 of this Contract shall be unlimited if the State is not immune from liability for claims arising under Section 6.
- 29.3. In no event shall the existence of a subcontract operate to release or reduce the liability of Contractor hereunder. For purposes of this Contract, Contractor agrees that it is responsible for performance of the services and compliance with the relevant obligations hereunder by its Subcontractors.

## **30. Commercial Nondiscrimination**

- 30.1 As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry, national origin, sex, age, marital status, sexual orientation, sexual identity, genetic information or an individual's refusal to submit to a genetic test or make available the results of a genetic test or on the basis of disability, or otherwise unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of Subcontractors, vendors, suppliers, or commercial

customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for Subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

- 30.3 As a condition of entering into this Contract, upon the request of the Commission on Civil Rights, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all Subcontractors, vendors, and suppliers that Contractor has used in the past four (4) years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that are requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in Contract termination, disqualification by the State from participating in State contracts, and other sanctions.
- 3.4 The Contractor shall include the language from 30.1, or similar clause approved in writing by the Agency, in all subcontracts.

### **31. Prompt Pay Requirements**

- 31.1 If the Contractor withholds payment of an undisputed amount to its Subcontractor, the Agency, at its option and in its sole discretion, may take one or more of the following actions:
- (a) Not process further payments to the Contractor until payment to the Subcontractor is verified;
  - (b) Suspend all or some of the Contract work without affecting the completion date(s) for the Contract work;
  - (c) Pay or cause payment of the undisputed amount to the Subcontractor from monies otherwise due or that may become due to the Contractor;
  - (d) Place a payment for an undisputed amount in an interest-bearing escrow account; or
  - (e) Take other or further actions as appropriate to resolve the withheld payment.
- 31.2 An “undisputed amount” means an amount owed by the Contractor to a Subcontractor for which there is no good faith dispute. Such “undisputed amounts” include, without limitation: (a) retainage which had been withheld and is, by the terms of the agreement between the Contractor and Subcontractor, due to be distributed to the Subcontractor; and (b) an amount withheld because of issues arising out of an agreement or occurrence unrelated to the agreement under which the amount is withheld.
- 31.3 An act, failure to act, or decision of a Procurement Officer or a representative of the Agency concerning a withheld payment between the Contractor and a Subcontractor under this Section 31, may not:
- (a) Affect the rights of the contracting parties under any other provision of law;

- (b) Be used as evidence on the merits of a dispute between the Agency and the Contractor in any other proceeding; or
  - (c) Result in liability against or prejudice the rights of the Agency.
- 31.4 The remedies enumerated above are in addition to those provided under COMAR 21.11.03.13 with respect to Subcontractors that have contracted pursuant to the MBE program.
- 31.5 To ensure compliance with certified MBE subcontract participation goals, the Agency may, consistent with COMAR 21.11.03.13, take the following measures:
  - (a) Verify that the certified MBEs listed in the MBE participation schedule actually are performing work and receiving compensation as set forth in the MBE participation schedule. This verification may include, as appropriate:
    - i. Inspecting any relevant records of the Contractor;
    - ii. Inspecting the jobsite; and
    - iii. Interviewing Subcontractors and workers.Verification shall include a review of the:
    - i. The Contractor's monthly report listing unpaid invoices over thirty (30) days old from certified MBE Subcontractors and the reason for nonpayment; and
    - ii. The monthly report of each certified MBE Subcontractor, which lists payments received from the Contractor in the preceding thirty (30) days and invoices for which the Subcontractor has not been paid.
  - (b) If the Agency determines that the Contractor is not in compliance with certified MBE participation goals, then the Agency will notify the Contractor in writing of its findings, and will require the Contractor to take appropriate corrective action. Corrective action may include, but is not limited to, requiring the Contractor to compensate the MBE for work performed as set forth in the MBE participation schedule.
  - (c) If the Agency determines that the Contractor is in material noncompliance with MBE Contract provisions and refuses or fails to take the corrective action that the Agency requires, then the Agency may:
    - i. Terminate the Contract;
    - ii. Refer the matter to the Office of the Attorney General for appropriate action; or
    - iii. Initiate any other specific remedy identified by the Contract, including the contractual remedies required by any applicable laws, regulations, and directives regarding the payment of undisputed amounts.
  - (d) Upon completion of the Contract, but before final payment or release of retainage or both, the Contractor shall submit a final report, in affidavit form under the penalty of perjury, of all payments made to, or withheld from, MBE Subcontractors.

## **32. Living Wage**

If a Contractor subject to the Living Wage law fails to submit all records required under COMAR 21.11.10.05 to the Commissioner of Labor and Industry at the Department of Labor, Licensing and Regulation, the Agency may withhold payment of any invoice or retainage. The Agency may

require certification from the Commissioner on a quarterly basis that such records were properly submitted.

**33. Use of Estimated Quantities**

Unless specifically indicated otherwise in the State's solicitation or other controlling documents related to the Scope of Work, any sample amounts provided are estimates only and the Agency does not guarantee a minimum or maximum number of units or usage in the performance of this Contract.

**34. Risk of Loss; Transfer of Title**

Risk of loss for conforming supplies, equipment, materials and Deliverables furnished to the State hereunder shall remain with the Contractor until such supplies, equipment, materials and Deliverables are received and accepted by the State, following which, title shall pass to the State.

**35. Effect of Contractor Bankruptcy**

All rights and licenses granted by the Contractor under this Contract are and shall be deemed to be rights and licenses to "intellectual property," and the subject matter of this Contract, including services, is and shall be deemed to be "embodiments of intellectual property" for purposes of and as such terms are used and interpreted under § 365(n) of the United States Bankruptcy Code ("Code") (11 U.S.C. § 365(n) (2010)). The State has the right to exercise all rights and elections under the Code and all other applicable bankruptcy, insolvency and similar laws with respect to this Contract (including all executory statement of works). Without limiting the generality of the foregoing, if the Contractor or its estate becomes subject to any bankruptcy or similar proceeding: (a) subject to the State's rights of election, all rights and licenses granted to the State under this Contract shall continue subject to the respective terms and conditions of this Contract; and (b) the State shall be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property, and the same, if not already in the State's possession, shall be promptly delivered to the State, unless the Contractor elects to and does in fact continue to perform all of its obligations under this Contract.

**36. Miscellaneous**

- 36.1 Any provision of this Contract which contemplates performance or observance subsequent to any termination or expiration of this Contract shall survive termination or expiration of this Contract and continue in full force and effect.
- 36.2 If any term contained in this Contract is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such term shall be severed from this Contract, and the remaining terms contained herein shall continue in full force and effect, and shall in no way be affected, prejudiced, or disturbed thereby.
- 36.3 Headers Provision. The headings of the sections contained in this Contract are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Contract.
- 36.4 Electronic signatures provision. This Contract may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Signatures provided by facsimile or other electronic means, e.g., and not by way of limitation, in Adobe .PDF sent by electronic mail, shall be deemed to be original signatures.

**37. Contract Monitor and Procurement Officer**

- 37.1 The State representative for this Contract who is primarily responsible for Contract administration functions, including issuing written direction, invoice approval, monitoring this Contract to ensure compliance with the terms and conditions of the Contract, monitoring MBE and VSBE compliance, and achieving completion of the Contract on budget, on time, and within scope. The



Contract Monitor may authorize in writing one or more State representatives to act on behalf of the Contract Monitor in the performance of the Contract Monitor's responsibilities. The Agency may change the Contract Monitor at any time by written notice to the Contractor.

- 37.2 The Procurement Officer has responsibilities as detailed in the Contract, and is the only State representative who can authorize changes to the Contract. The Agency may change the Procurement Officer at any time by written notice to the Contractor.

### **38. Notices**

All notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid, as follows:

If to the State:

Debora Gorman  
Comptroller of Maryland (COM)  
80 Calvert St., Room 215, Annapolis, MD 21401  
Phone Number: (410)260-7385  
E-Mail: dgorman@comp.state.md.us

With a copy to:

Patti Tracey  
Comptroller of Maryland (COM)  
80 Calvert St., Room 215, Annapolis, MD 21401  
Phone Number: (410) 260-7220  
E-Mail: ITPROCUREMENT@comp.state.md.us

If to the Contractor:

(Contractor's Name)  
(Contractor's primary address)  
Attn: \_\_\_\_\_

Parent Company Guarantor

Contact: \_\_\_\_\_  
Attn: \_\_\_\_\_

### **39. Liquidated Damages for MBE**

- 39.1 The Contract requires the Contractor to comply in good faith with the MBE Program and Contract provisions. The State and the Contractor acknowledge and agree that the State will incur damages, including but not limited to loss of goodwill, detrimental impact on economic development, and diversion of internal staff resources, if the Contractor does not comply in good faith with the requirements of the MBE Program and MBE Contract provisions. The parties further acknowledge and agree that the damages the State might reasonably be anticipated to accrue as a result of such lack of compliance are difficult to ascertain with precision.
- 39.2 Therefore, upon issuance of a written determination by the State that the Contractor failed to comply in good faith with one or more of the specified MBE Program requirements or MBE Contract provisions, the Contractor shall pay liquidated damages to the State at the rates set forth



below. The Contractor expressly agrees that the State may withhold payment on any invoices as a set-off against liquidated damages owed. The Contractor further agrees that for each specified violation, the agreed upon liquidated damages are reasonably proximate to the loss the State is anticipated to incur as a result of such violation.

- (a) Failure to submit each monthly payment report in full compliance with COMAR 21.11.03.13B (3): \$32.96 per day until the monthly report is submitted as required.
- (b) Failure to include in its agreements with MBE Subcontractors a provision requiring submission of payment reports in full compliance with COMAR 21.11.03.13B (4): \$115.00 per MBE Subcontractor.
- (c) Failure to comply with COMAR 21.11.03.12 in terminating, canceling, or changing the scope of work/value of a contract with an MBE Subcontractor and/or amendment of the MBE participation schedule: the difference between the dollar value of the MBE participation commitment on the MBE participation schedule for that specific MBE firm and the dollar value of the work performed by that MBE firm for the Contract.
- (d) Failure to meet the Contractor's total MBE participation goal and sub goal commitments: the difference between the dollar value of the total MBE participation commitment on the MBE participation schedule and the MBE participation actually achieved.
- (e) Failure to promptly pay all undisputed amounts to a Subcontractor in full compliance with the prompt payment provisions of the Contract: \$100 per day until the undisputed amount due to the Subcontractor is paid.

39.2 Notwithstanding the assessment or availability of liquidated damages, the State reserves the right to terminate the Contract and exercise any and all other rights or remedies which may be available under the Contract or Law.

#### **40. Parent Company Guarantee (If applicable)**

(Corporate name of Contractor's Parent Company) hereby guarantees absolutely the full, prompt, and complete performance by (Contractor) of all the terms, conditions and obligations contained in this Contract, as it may be amended from time to time, including any and all exhibits that are now or may become incorporated hereunto, and other obligations of every nature and kind that now or may in the future arise out of or in connection with this Contract, including any and all financial commitments, obligations, and liabilities. (Corporate name of Contractor's Parent Company) may not transfer this absolute guaranty to any other person or entity without the prior express written approval of the State, which approval the State may grant, withhold, or qualify in its sole and absolute subjective discretion. (Corporate name of Contractor's Parent Company) further agrees that if the State brings any claim, action, lawsuit or proceeding against (Contractor), (Corporate name of Contractor's Parent Company) may be named as a party, in its capacity as Absolute Guarantor.

#### **41. Limited English Proficiency**

The Contractor shall provide equal access to public services to individuals with limited English proficiency in compliance with Md. Code Ann., State Government Article, §§ 10-1101 et seq., and Policy Guidance issued by the Office of Civil Rights, Department of Health and Human Services, and DHMH Policy 02.06.07.

SIGNATURES ON NEXT PAGE

IN WITNESS THEREOF, the parties have executed this Contract as of the date hereinabove set forth.

Contractor

State of Maryland

Comptroller of Maryland (COM)

By:

By: Ken Smith, Director, Office of  
Administration and Finance

Or designee:

Date

PARENT COMPANY (GUARANTOR) (if  
applicable)

By:

\_\_\_\_\_

\_\_\_\_\_

By:

Date

\_\_\_\_\_

Date

Approved for form and legal sufficiency

this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

Assistant Attorney General

APPROVED BY BPW: \_\_\_\_\_

(Date) (BPW Item #)

**Attachment N. Contract Affidavit**

**A. AUTHORITY**

I hereby affirm that I, \_\_\_\_\_ (name of affiant) am the  
\_\_\_\_\_ (title) and duly authorized representative of  
\_\_\_\_\_ (name of business entity) and that I possess the legal authority to  
make this affidavit on behalf of the business for which I am acting.

**B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE  
DEPARTMENT OF ASSESSMENTS AND TAXATION**

**I FURTHER AFFIRM THAT:**

The business named above is a (check applicable box):

- (1) Corporation - ☐ domestic or ☐ foreign;
- (2) Limited Liability Company - ☐ domestic or ☐ foreign;
- (3) Partnership - ☐ domestic or ☐ foreign;
- (4) Statutory Trust - ☐ domestic or ☐ foreign;
- (5) ☐ Sole Proprietorship.

and is registered or qualified as required under Maryland Law. I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID Number: \_\_\_\_\_

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

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID Number: \_\_\_\_\_

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

**C. FINANCIAL DISCLOSURE AFFIRMATION**

**I FURTHER AFFIRM THAT:**

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

**D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION**

**I FURTHER AFFIRM THAT:**

I am aware of, and the above business will comply with, Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a contract for a procurement

with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on or before: (i) May 31, to cover the six (6) month period ending April 30; and (ii) November 30, to cover the six (6) month period ending October 31.

**E. DRUG AND ALCOHOL FREE WORKPLACE**

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

**I CERTIFY THAT:**

- (1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.
- (2) By submission of its Proposal, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:
  - (a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;
  - (b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;
  - (c) Prohibit its employees from working under the influence of drugs or alcohol;
  - (d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;
  - (e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;
  - (f) Establish drug and alcohol abuse awareness programs to inform its employees about:
    - (i) The dangers of drug and alcohol abuse in the workplace;
    - (ii) The business's policy of maintaining a drug and alcohol free workplace;
    - (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
    - (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;
  - (g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), above;

- (h) Notify its employees in the statement required by §E(2)(b), above, that as a condition of continued employment on the contract, the employee shall:
  - (i) Abide by the terms of the statement; and
  - (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;
- (i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;
- (j) Within 30 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:
  - (i) Take appropriate personnel action against an employee, up to and including termination; or
  - (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and
- (k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), above.
- (3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.
- (4) I acknowledge and agree that:
  - (a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;
  - (b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and
  - (c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

**F. CERTAIN AFFIRMATIONS VALID**

**I FURTHER AFFIRM THAT:**

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Proposal Affidavit dated \_\_\_\_\_, 201\_\_\_\_, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

**I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.**

Date: \_\_\_\_\_

By: \_\_\_\_\_ (print name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

**Attachment O. DHR Hiring Agreement**

This solicitation does not require a DHR Hiring Agreement.

## **Appendix 1. Abbreviations and Definitions**

For purposes of this RFP, the following abbreviations or terms have the meanings indicated below:

1. A&A – Admissions and Amusement Tax.
2. Abandoned Property (AP) – Used interchangeably with Unclaimed Property.
3. Acceptable Use Policy (AUP) - A written policy documenting constraints and practices that a user must agree to in order to Access a private network or the Internet
4. Access - The ability or the means necessary to read, write, modify, or communicate data/information or otherwise use any Information System resource.
5. Account - A Tax Type specific account associated with a particular Entity.
6. ACF2 (version 8.0) - The mainframe Security system provided by Computer Associates.
7. ACH Credit - Funds issued via direct deposit.
8. Activity – a task or set of related tasks assigned to a User within a Workflow.
9. ADC – Annapolis Data Center.
10. Agency - Comptroller of Maryland.
11. Application – Form filed by an applicant to request a license, permit, or certificate issued by the COM.
12. Application Program Interface (API) - Code that allows two software programs to communicate with each other.
13. Automated Call Distributor (ACD) - part of the Private Branch Exchange (PBX) system which receives incoming calls, welcomes callers to the system, and transfers them in a programmed sequence to Taxpayer Service agents.
14. Automated Clearing House (ACH) – an electronic network for batch processing financial transactions.
15. Bank Attachment – Process by which the COM may seize and attach amounts which are subject to a tax lien and are held by a financial institution in one or more accounts in the name of an obligor.
16. BI- Business Intelligence.
17. BRE – Bureau of Revenue Estimates.
18. BRF – Bay Restoration Fee.
19. Business Day(s) – The official working days of the week to include Monday through Friday. Official working days excluding State Holidays (see definition of “Normal State Business Hours” below).
20. CACI – CACI International, Inc.
21. CACS – Computer-Assisted Collections System.
22. CAR – Courtesy Amount Recognition.
23. Case – A collective representation of all associated Case Activities which are managed over a period of time from initiation through disposition, according to a generally established order or schedule which may be impacted by the outcome of Case Activities or intervening events.



24. Case Activity – A scheduled or unscheduled task or occurrence within a Case.
25. CBT – Computer based training.
26. CD – Compliance Division.
27. CGI – CGI Group, Inc.
28. CMS – Content management system.
29. COMAR – Code of Maryland Regulations available on-line at <http://www.dsd.state.md.us/COMAR/ComarHome.html>.
30. Commercial off-the-shelf software (COTS) – A solution which provides generalized integrated tax system functionality, is highly configurable so as to support significant customization without modification to the source code, is upgradeable via a regular releases to maintain currency with new versions of operating systems, database management systems, and any third party products required for operation or maintenance, and allows for the addition of site specific customizations.
31. Compass Program (also Program) – Collection of all projects managed by the COM Program Manager contributing to implementation of the ITS Solution. Comptroller of Maryland (COM, Comptroller, Comptroller's Office, or the Agency) – the Agency issuing this solicitation.
32. Contract – The Contract awarded to the successful Offeror pursuant to this RFP. The Contract will be in the form of **Attachment M Contract**.
33. Contract Monitor – The State representative for this Contract who is primarily responsible for Contract administration functions, including issuing written direction, invoice approval, monitoring this Contract to ensure compliance with the terms and conditions of the Contract, monitoring MBE and VSBE compliance, and achieving completion of the Contract on budget, on time, and within scope. The Contract Monitor may authorize in writing one or more State representatives to act on behalf of the Contract Monitor in the performance of the Contract Monitor's responsibilities. The Agency may change the Contract Monitor at any time by written notice to the Contractor.
34. Contractor – The selected Offeror that is awarded a Contract by the State. Unless otherwise noted, Contractor includes Subcontractors performing work on behalf of the Contractor under the terms of the Contract awarded from this RFP.
35. Contractor Personnel - Employees, officials, and agents and Subcontractor employees, officials, and agents performing work at the direction of the Contractor under the terms of the Contract awarded from this RFP.
36. Contractor's Point of Contact - Person designated at the time of Contract award by the Contractor as the single point of contact with the authority and knowledge to resolve Contract issues.
37. Correspondence – Paper or electronic written communication, including notices, between the COM and an Entity.
38. COT/GAD X10 form - Vendor Electronic Funds (EFT) Registration Request Form.
39. CP2000 - The term the IRS uses for Computer Paragraph 2000 from their automated system. The State has adopted the same name. The program identifies sources of unreported income.
40. CR - Central Registration system / Combined Registration system (these terms are used interchangeably).

41. CR Number - Central Registration Number.
42. CSS - Cascading Style Sheets.
43. CSV - Comma-Separated Values.
44. Cultural Change Management (CCM) – The COM’s project to manage changes to organizational culture brought about by the Compass Program.
45. Customer Information Control System (CICS) - The IBM proprietary product feature for the online processing system.
46. CVIEW - Commercial Vehicle Information Exchange Window.
47. CVISN - Commercial Vehicle Information Systems and Network.
48. DASD - Direct Access Storage Device.
49. Data Breach – The unauthorized acquisition, use, modification or disclosure of State data, or other Sensitive Data.
50. DBA - Database Administrator.
51. DBM – Maryland Department of Budget and Management.
52. DBMS - Database Management System.
53. DGS - Maryland Department of General Services.
54. DHCP - Dynamic Host Control Protocol.
55. DLLR – Maryland Department of Labor, Licensing, and Regulation.
56. DLN – Document locator number.
57. DoIT - Maryland Department of Information Technology.
58. DPAF – Deliverable Product Acceptance Form
59. DR - Disaster Recovery.
60. DW - Data Warehouse.
61. Earned Income Credit (EIC) - the EIC program compares the earned income credit reported on the federal return to the earned income amount claimed on the Maryland Return.
62. EFIN – Electronic filer identification number.
63. EFT - Electronic Funds Transfer.
64. eMM – eMaryland Marketplace (see **Section 4.2 eMaryland Marketplace (eMM)**).
65. Enterprise License Agreement (ELA) – An agreement to license the entire population of an entity (employees, on-site contractors, off-site contractors) accessing a software or service for a specified period of time for a specified value.
66. Entity – The supertype within the ITS Solution representing an individual, business, trust, estate, licensee, permittee, representative, or agent having business with the COM. An Entity may be associated with one or more Accounts, or with another Entity.
67. ETL - Extract, Transform, and Load.
68. Executive Steering Committee (ESC) – The governing body for the Compass Program, chaired by the Program Sponsor, responsible for ensuring that Program functional, technical, and business goals are achieved. The ESC is also responsible for approving budgetary

strategy, defining and realizing benefits, and monitoring risks, quality and timeliness for the Compass Program.

69. Federal Adjusted Gross Income Match (FAGIM) - the FAGIM program compares the adjusted gross income on the federal return to the amount reported on the Maryland Return.
70. FEIN - Federal Employer Identification Number.
71. Fixed-Price - Pricing option which places responsibility on the Contractor for the delivery of any products and the complete performance of any services in accordance with the RFP at a price that is not subject to adjustment.
72. FMIS - Maryland State Financial Management and Information System.
73. FMS/TOP - Financial Management Services / Treasury Offset Program - an interface with the US Treasury.
74. Form – A Return, Report, Application, or other document used to submit information to the COM.
75. FSET – Fed/State Employment Taxes.
76. G-Nav Global Navigator - a feature of the Automatic Call Distributor and the Interactive Voice Response telephone system that enables supervisors to view call activity statistics, monitor agent workload, and generate call accounting reports.
77. GUI - Graphical User Interface.
78. H&A – Hearings and Appeals section.
79. HighVIEW – Commercial-off-the-shelf software platform used by the COM's Abandoned Property and estate tax units for data storage, document management, and Workflow (a CACI proprietary system).
80. Ibml - Imaging Business Machines, LLC high-speed scanners.
81. ICR - Intelligent Character Recognition.
82. Identity Theft Tax Refund Fraud Information Sharing and Analysis Center (ISAC) – information sharing project led by the IRS, with participation from State and tax industry partners (Security Summit partners) for the purpose of identifying emerging identity theft schemes and quickly sharing that information among Summit partners so that all of the participants can enact safeguards.
83. IFTA Clearinghouse (also Clearinghouse) – Central repository administered by the International Fuel Tax Association, Inc. Inc. responsible for the maintenance and administration of licensee demographic and transmittal data transmitted by participating members in the International Fuel Tax Agreement. The Clearinghouse is also responsible for providing a mechanism for the exchange of interjurisdictional audit reports.
84. IFL - Integrated Facility for LINUX.
85. IFPS - Intelligent Forms Processing System (an IBM proprietary system).
86. IFTA - International Fuel Tax Agreement.
87. IMF - IRS Individual Master File.
88. Information System – A discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

89. Information Technology (IT) – All electronic information-processing hardware and software, including: (a) Maintenance; (b) Telecommunications; and (c) Associated consulting services.
90. Integrated Tax System Solution (also “ITS Solution” or “Solution”) – The entire solution being proposed by an Offeror in response to this RFP. The Solution includes all hardware, software, deliverables, services, hosting, infrastructure, and activities necessary to fully provide and support the RFP scope of work. This definition of Solution includes all System Documentation developed as a result of this Contract. Also included are all Upgrades, patches, break/fix activities, enhancements and general maintenance and support of the Solution and its infrastructure.
91. Interactive Voice Response (IVR) - a telephone based system used by taxpayers to file certain business Returns/Forms.
92. IP - Internet Protocol.
93. IRMF - IRS Individual Return Master File.
94. IRS - Internal Revenue Service.
95. ITD - Information Technology Division.
96. Itemized Deduction Program (IDP) – the itemized deduction program compares the itemized deductions reported on the federal return to the itemized deductions claimed on the Maryland Return.
97. Iteration – A single increment of developing, configuring, and customizing ITS Solution functionality culminating in an Iterative Release to the production environment.
98. ITS - Integrated Tax System.
99. Key Personnel – All Contractor Personnel identified in the solicitation as such that are essential to the work being performed under the Contract. See **3.10 Performance and Personnel**.
100. KPL – Kilometers per liter.
101. LAN - Local Area Network.
102. LAR – Legal amount recognition.
103. Leads – Potential audit targets.
104. Letter of Authorization - A document issued by the manufacturer or distributor authorizing the Offeror / Contractor to sell and/or provide services for the manufacturer’s product line.
105. Local Time – Time in the Eastern Time Zone as observed by the State of Maryland. Unless otherwise specified, all stated times shall be Local Time, even if not expressly designated as such.
106. MeF - Modernized e-File.
107. Minority Business Enterprise (MBE) – Any legal entity certified as defined at COMAR 21.01.02.01B (54) which is certified by the Maryland Department of Transportation under COMAR 21.11.03.
108. MIPS - Million instructions per second.
109. MPG – Miles per gallon.
110. MS – Microsoft.

- 111. MTD – Month-to-date.
- 112. MVS - The mainframe operating system (IBM z13s).
- 113. NAICS - North American Industry Classification System.
- 114. NAUPA – National Association of Unclaimed Property Administrators.
- 115. Normal State Business Hours - Normal State business hours are 8:00 a.m. – 5:00 p.m. Monday through Friday except State Holidays, which can be found at: [www.dbm.maryland.gov](http://www.dbm.maryland.gov) – keyword: State Holidays.
- 116. Notice to Proceed (NTP) – A written notice from the Procurement Officer that work under the Contract, project, Task Order or Work Order (as applicable) is to begin as of a specified date. The NTP Date is the start date of work under the Contract, project, Task Order or Work Order. Additional NTPs may be issued by either the Procurement Officer or the Contract Monitor regarding the start date for any service included within this solicitation with a delayed or non-specified implementation date.
- 117. NTE – Not to exceed.
- 118. NTP Date – The date specified in a NTP for work on Contract, project, Task Order or Work Order to begin.
- 119. OCR - Optical Character Recognition.
- 120. Offeror – An entity that submits a Proposal in response to this RFP.
- 121. OIC – Offer in compromise.
- 122. ORM – Office of Risk Management.
- 123. OS - Operating System.
- 124. OTP - Other Tobacco Products.
- 125. PC - Personal Computer.
- 126. PCA – Program cost account.
- 127. PDF - Portable Document Format.
- 128. Personally Identifiable Information (PII) – Any information about an individual maintained by the State, including (1) any information that can be used to distinguish or trace an individual identity, such as name, social security number, date and place of birth, mother 's maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.
- 129. POC - Point of Contact.
- 130. Portal user – a user of the COM's externally facing user interface to Access tax, fee, license, or permit information maintained by the ITS.
- 131. Procurement Officer – Prior to the award of any Contract, the sole point of contact in the State for purposes of this solicitation. After Contract award, the Procurement Officer has responsibilities as detailed in the Contract (**Attachment M Contract**), and is the only State representative who can authorize changes to the Contract. The Agency may change the Procurement Officer at any time by written notice to the Contractor.
- 132. Program Oversight Committee (POC) – The governing body, chaired by the COM Program Manager and staffed with senior members of the COM that works with the Compass Program team to provide overall management of Program activities.

- 133. Project Phase (or “Phase”) – A high level division of the project activities corresponding to project milestones.
- 134. Proposal – As appropriate, either or both of an Offeror’s Technical or Financial Proposal.
- 135. PTE – Pass-Through Entity.
- 136. PTIN – Paid preparer tax identification number (issued by the IRS).
- 137. QA – Quality assurance.
- 138. R\*STARS - Relational Standard Accounting and Reporting System.
- 139. RA Revenue accounting.
- 140. RAD - Revenue Administration Division.
- 141. RAID - Redundant Array of Independent Disks.
- 142. Request for Proposals (RFP) – This Request for Proposals issued by the Comptroller of Maryland (Agency), with the Solicitation Number and date of issuance indicated in the Key Information Summary Sheet, including any amendments thereto.
- 143. Report – A paper or electronic document used to report required tax or fee information with the COM. A Report includes all supporting schedules and attachments.
- 144. Responsible - In the context of a Responsible Offeror, a person who has the capability in all respects to perform fully the Contract requirements, and the integrity and reliability that shall assure good faith performance. See COMAR 21.01.02.01.
- 145. Responsible Person – An individual personally liable for filing required Returns or Reports and/or and for payment of a tax, fee, interest, and/or penalty on behalf of a corporation, limited liability company, or limited liability partnership.
- 146. Return – A paper or electronic document used to file required tax or fee information with the COM for processing. Returns may be filed with or without payments, and include all supporting schedules and attachments.
- 147. Revenue Agent Report (RAR) - the report that identifies changes to a taxpayer's return based on a Federal revenue agent audit. The COM makes the corresponding changes on the Maryland Return.
- 148. RPO - Recovery Point Objective.
- 149. RTN – Routing transit number.
- 150. SDD - Solution Design Document.
- 151. SDLC - System Development Life Cycle.
- 152. Security Incident – A violation or imminent threat of violation of computer Security policies, Security Measures, Acceptable Use Policies, or standard Security practices. “Imminent threat of violation” is a situation in which the organization has a factual basis for believing that a specific incident is about to occur.
- 153. Security or Security Measures – The technology, policy and procedures that a) protects and b) controls Access to networks, systems, and data.
- 154. Sensitive Data - Means PII;PHI; other proprietary or confidential data as defined by the State, including but not limited to “personal information” under Md. Code Ann., Commercial Law § 14-3501(d) and Md. Code Ann., St. Govt. § 10-1301(c) and information not subject to disclosure under the Public Information Act, Title 4 of the General Provisions Article; and

.information about an individual that (1) can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records; (2) is linked or linkable to an individual, such as medical, educational, financial, and employment information.

- 155. Service Level Agreement (SLA) - Commitment by the Contractor to the Agency that defines the performance standards the Contractor is obligated to meet.
- 156. Service Provider - The entity responsible for directly providing or fulfilling services awarded under this Contract; the Service Provider may be the Contractor or a third-party entity.
- 157. SIC - Standard Industrial Classification.
- 158. SLA Activation Date\*\*Make sure this is applicable to this RFP; delete if not applicable\*\* - The date on which SLA charges commence under this Contract, which may include, but to, the date of (a) completion of Transition in, (b) a delivery, or (c) releases of work.
- 159. SMART - State of Maryland Tax System.
- 160. SME - Subject Matter Expert.
- 161. SOA - Service-Oriented Architecture.
- 162. Software - The object code version of computer programs licensed pursuant to this Contract. Embedded code, firmware, internal code, microcode, and any other term referring to software that is necessary for proper operation is included in this definition of Software. Software includes all prior, current, and future versions of the Software and all maintenance updates and error corrections. Software also includes any upgrades, updates, bug fixes or modified versions or backup copies of the Software licensed to the State by Contractor or an authorized distributor.
- 163. SOW - Statement Of Work.
- 164. Source Code – Executable instructions for Software in its high level, human readable form which are in turn interpreted, parsed and/or compiled to be executed as part of a computing system.
- 165. Sprint – A grouping of tasks within an Iteration that may be delivered incrementally as part of that Iteration.
- 166. SSN - Social Security Number.
- 167. State – The State of Maryland.
- 168. State Income Tax Levy Program (SITLP) - an interface with the IRS.
- 169. State Procurement Regulations, COMAR Title 21 - The procurement regulations referenced for the procurement for RFP E00B8400029.
- 170. Statewide IT Security Standards - State of Maryland's Department of Information Technology, Information Security Policy, version 3.1.
- 171. STO - Maryland State Treasurer's Office
- 172. Subcontractor – An agent, service provider, supplier, or vendor selected by the Contractor to provide subcontracted services or products under the direction of the Contractor or other Subcontractors, and including any direct or indirect Subcontractors of a Subcontractor. Subcontractors are subject to the same terms and conditions as the Contractor.
- 173. SUT - Sales and Use Tax.



174. System Availability – The period of time the Solution works as required excluding non-operational periods associated with planned maintenance.
175. System Documentation – Those materials necessary to wholly reproduce and fully operate the most current deployed version of the Solution in a manner equivalent to the original Solution including, but not limited to:
- 1) Source Code: this includes source code created by the Contractor or Subcontractor(s) and source code that is leveraged or extended by the Contractor for use in the Contract.
  - 2) All associated rules, reports, forms, templates, scripts, data dictionaries and database functionality.
  - 3) All associated configuration file details needed to duplicate the run time environment as deployed in the current deployed version of the system.
  - 4) All associated design details, flow charts, algorithms, processes, formulas, pseudo-code, procedures, instructions, help files, programmer's notes and other documentation.
  - 5) A complete list of Third-Party, open source, or commercial software components and detailed configuration notes for each component necessary to reproduce the system (e.g., operating system, relational database, and rules engine software).
  - 6) All associated user instructions and/or training materials for business users and technical staff, including maintenance manuals, administrative guides and user how-to guides.
  - 7) All associated Security and audit processes, configurations, and reports.
  - 8) Operating procedures
176. System Integration Services (SIS) – the COM's project to address data clean-up, data conversion, temporary interfaces, and system retirement associated with the Compass Program.
177. TA – Taxpayer accounting.
178. Tax Type - This term includes each of the taxes, fees, and licenses administered by the Comptroller (e.g., sales and use tax, corporation income tax, tire fee.)
179. Technical Safeguards – The technology and the policy and procedures for its use that protect State Data and control Access to it.
180. Terms of Service (TOS) - The terms of service governing access to and use of the services provided pursuant to this Contract.
181. Third Party Software – Software and supporting documentation that:
- 1) are owned by a third party, not by the State, the Contractor, or a Subcontractor,
  - 2) are included in, or necessary or helpful to the operation, maintenance, support or modification of the Solution; and
  - 3) were specifically identified and listed as Third-Party Software in the Proposal.
182. TO – Task Order.
183. Total Proposal Price - The Offeror's total proposed price for services in response to this solicitation, included in the Financial Proposal with **Attachment B** – Financial Proposal

Form, and used in the financial evaluation of Proposals (see **Section 5.4 Volume 2 - Financial Proposal**).

- 184. TSOTime-Sharing Option - an IBM proprietary batching feature used for creation, modification, and retrieval of z/OS (OS/390) data sets; interactive execution of programs; and for submitting and viewing batch jobs
- 185. Unclaimed Property (UP) - used interchangeably with Abandoned Property.
- 186. Upgrade - A new release of any component of the Solution containing major new features, functionality and/or performance improvements.
- 187. URL – Universal resource locator.
- 188. User – An employee or other individual authorized by the COM to use the non-public facing functionality of the ITS Solution.
- 189. USB – Universal serial bus.
- 190. VDA – Voluntary disclosure agreement.
- 191. VDD - Version Description Document
- 192. Veteran-owned Small Business Enterprise (VSBE) – A business that is verified by the Center for Verification and Evaluation (CVE) of the United States Department of Veterans Affairs as a veteran-owned small business. See Code of Maryland Regulations (COMAR) 21.11.13.
- 193. VPN - Virtual Private Network.
- 194. VPS - VTAM Printer Support.
- 195. VSAM - Virtual Storage Access Method.
- 196. VTAM - Virtual Telecommunications Access Method.
- 197. WAN - Wide Area Network.
- 198. WBS - Work Breakdown Structure.
- 199. WH - Employer Withholding Tax.
- 200. Workflow – An automated, repeatable sequence of functional Activities through which work passes from initiation to completion.
- 201. Work Item – The smallest unit of work assigned to a User within a Workflow.
- 202. Work Queue – A collection of related Work Items.
- 203. Work Order – A subset of work authorized by the Contract Monitor performed under the general scope of this RFP, which is defined in advance of Contractor fulfillment, and which may not require a Contract Modification. Except as otherwise provided, any reference to the Contract shall be deemed to include reference to a Work Order.
- 204. XML - Extensible Markup Language.
- 205. YTD – Year-to-date.

## Appendix 2. Offeror Information Sheet

Offeror	
Company Name	
Street Address	
City, State, Zip Code	
Contractor Federal Employer Identification Number (FEIN)	
Contractor eMM ID number	As of the date of Proposal submission, are you registered to do business with the state of Maryland? (Y) / (N)
SBE / MBE/ VSBE Certification	
SBE	Number: Expiration Date:
VSBE	Number: Expiration Date:
MBE	Number: Expiration Date: Categories to be applied to this solicitation (dual certified firms must choose only one category).
Offeror Primary Contact	
Name	
Title	
Office Telephone number (with area code)	
Cell Telephone number (with area code)	
e-mail address	
Authorized Offer Signatory	
Name	
Title	
Office Telephone number (with area code)	
Cell Telephone number (with area code)	
e-mail address	

### Appendix 3. Offeror Minimum Qualifications Response Form

<b>Offeror Name:</b>									
<b>Offeror Address:</b>									
<b>Offeror Phone:</b>									
<b>MINIMUM QUALIFICATION</b>	<b>OFFEROR'S RESPONSE</b>								
<p>1.1.1 Offeror shall have a minimum of three (3) years of experience in the development and implementation of a Commercial off-the-shelf (COTS) Integrated Tax System (ITS).</p> <p>Offeror meets this minimum qualification (check Yes or No):</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<table border="1"> <tr> <td>Project Title / Number:</td> </tr> <tr> <td>Date From:</td> </tr> <tr> <td>Date to:</td> </tr> <tr> <td>Client Name:</td> </tr> <tr> <td>Contact Name:</td> </tr> <tr> <td>Contact Phone:</td> </tr> <tr> <td>Contact email:</td> </tr> <tr> <td>Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied):</td> </tr> </table> <p>Only include one reference in each text box. Use multiple text boxes when more than one reference is needed to satisfy the Minimum Qualification.</p>	Project Title / Number:	Date From:	Date to:	Client Name:	Contact Name:	Contact Phone:	Contact email:	Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied):
Project Title / Number:									
Date From:									
Date to:									
Client Name:									
Contact Name:									
Contact Phone:									
Contact email:									
Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied):									

<p>1.1.2 Within the past seven (7) years, the Offeror must have implemented in production, at least one (1) COTS ITS in a state Revenue department within the US or the District of Columbia that provides tax processing and collection functionality for personal income tax plus at least one (1) of the following tax types:</p> <ul style="list-style-type: none"><li>A. Corporate Income Tax;</li><li>B. Sales and Use Tax; or</li><li>C. Employer Withholding.</li></ul> <p>Offer meets this minimum qualification (check Yes or No):</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<table border="1"><tr><td>Project Title / Number:</td></tr><tr><td>Date From:</td></tr><tr><td>Date to:</td></tr><tr><td>Client Name:</td></tr><tr><td>Contact Name:</td></tr><tr><td>Contact Phone:</td></tr><tr><td>Contact email:</td></tr><tr><td>Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied, including which Tax Types Offeror has implemented):</td></tr></table>	Project Title / Number:	Date From:	Date to:	Client Name:	Contact Name:	Contact Phone:	Contact email:	Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied, including which Tax Types Offeror has implemented):
	Project Title / Number:								
	Date From:								
	Date to:								
	Client Name:								
	Contact Name:								
	Contact Phone:								
	Contact email:								
	Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied, including which Tax Types Offeror has implemented):								

1.1.3 Offeror shall have managed a minimum of one (1) implementation of a large-scale IT project that included data conversion, system integration, and interfaces.

Offer meets this minimum qualification (check Yes or No):

☐ Yes

☐ No

Project Title / Number:

Date From:

Date to:

Client Name:

Contact Name:

Contact Phone:

Contact email:

Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied):

1.1.4 Within the past seven (7) years, Offeror shall have performed a minimum of one (1) integration of its COTS ITS with an existing Business Intelligence / Data Warehouse in a state revenue department within the US or the District of Columbia.

Offer meets this minimum qualification (check Yes or No):

☐ Yes

☐ No

Project Title / Number:

Date From:

Date to:

Client Name:

Contact Name:

Contact Phone:

Contact email:

Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied):



<p>1.1.5 Offeror shall have experience in at least one (1) implementation of its COTS ITS using iterative phased project management methodologies.</p> <p>Offer meets this minimum qualification (check Yes or No):</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p>Project Title / Number:</p>
	<p>Date From:</p>
	<p>Date to:</p>
	<p>Client Name:</p>
	<p>Contact Name:</p>
	<p>Contact Phone:</p>
	<p>Contact email:</p>
	<p>Project Details (use this area to fully explain how this reference satisfies the Minimum Qualification to which it is being applied)</p>

## Appendix 4. Key Personnel Resume Summary

### INSTRUCTIONS:

1. For each person proposed, complete one Key Personnel Resume Summary to document how the proposed person meets each of the minimum requirements.

For example: If you propose John Smith, who is your Subcontractor, and you believe he meets the requirements of the Group Facilitator, you will complete the top section of the form by entering John Smith's name and the Subcontractor's company name. You will then complete the right side of the Group Facilitator form documenting how the individual meets each of the requirements. Where there is a time requirement such as three months' experience, you must provide the dates from and to showing an amount of time that equals or exceeds mandatory time requirement; in this case, three months.

2. Additional information may be attached to each Key Personnel Resume Summary that may assist a full and complete understanding of the individual being proposed.

RFP # E00B8400029

Instructions: Enter resume information in the fields below; do not submit other resume formats. Submit one resume for each proposed resource

Candidate Name:

Contractor: (OfferorCompanyName)

### Education / Training

Institution Name / City / State	Degree / Certification	Year Completed	Field Of Study
<add lines as needed>			

### Relevant Work Experience

Describe work experience relevant to the Duties / Responsibilities and Minimum Qualifications described in the RFP. Starts with the most recent experience first; do not include non-relevant experience.

[Organization] [Title / Role] [Period of Employment / Work] [Location] [Contact Person (Optional if current employer)]	Description of Work...
[Organization] [Title / Role] [Period of Employment / Work] [Location] [Contact Person]	Description of Work...

<add lines as needed>

### Employment History

List employment history, starting with the most recent employment first

Start and End Dates	Job Title or Position	Organization Name	Reason for Leaving
<add lines as needed>			

Personnel Resume Summary (Continued)

\*“Candidate Relevant Experience” section must be filled out. Do not enter “see resume” as a response.

### References

List persons the State may contact as employment references

Reference Name	Job Title or Position	Organization Name	Telephone / E-mail
<add lines as needed>			

Proposed Individual’s Name/Company Name:	How does the proposed individual meet each requirement?
<b>KEY PERSONNEL TITLE:</b>	<i>Offeror to Enter the Key Personnel role.</i>
Requirement (See <b>Section 3.10.4</b> )	Candidate Relevant Experience *
Education: Must meet education requirements for each specified Key Personnel role as specified in Section 3.10.4.	Education:
Experience: Must meet experience requirements for each specified Key Personnel role as specified in Section 3.10.4.	Experience:
Duties: Must meet responsibilities requirements for each specified Key Personnel role as specified in Section 3.10.4.	Duties:

The information provided on this form for this labor category is true and correct to the best of my knowledge:

Contractor Representative:

Proposed Individual:

Signature

Signature

Printed Name:

Printed Name

---

Date

---

Date

**Sign each Form**

## **Appendix 5. Non-Disclosure Agreement (Offeror)**

This Non-Disclosure Agreement (the "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_ (hereinafter referred to as "the OFFEROR ") and the State of Maryland (hereinafter referred to as "the State").

OFFEROR warrants and represents that it intends to submit a Technical Proposal in response to RFP # E00B8400029 for Integrated Tax System. In order for the OFFEROR to submit a Technical Proposal, it will be necessary for the State to provide the OFFEROR with access to certain confidential information including, but not limited to, functional and technical specifications and enforcement protocols. All such information provided by the State shall be considered Confidential Information regardless of the form, format, or media upon which or in which such information is contained or provided, regardless of whether it is oral, written, electronic, or any other form, and regardless of whether the information is marked as "Confidential Information". As a condition for its receipt and access to the Confidential Information described above, the OFFEROR agrees as follows:

1. OFFEROR will not copy, disclose, publish, release, transfer, disseminate or use for any purpose in any form any Confidential Information received, except in connection with the preparation of its Technical Proposal. Any notes created by Offeror during review of Confidential Information shall also be considered Confidential Information, and shall be subject to the terms of this Agreement.
2. Each employee or agent of the OFFEROR who receives or has access to the Confidential Information shall execute a copy of this Agreement and the OFFEROR shall provide originals of such executed Agreements to the State. Each employee or agent of the OFFEROR who signs this Agreement shall be subject to the same terms, conditions, requirements and liabilities set forth herein that are applicable to the OFFEROR.
3. OFFEROR shall return the Confidential Information to the State within five Business Days of the State's Notice of recommended award. If the OFFEROR does not submit a Proposal, the OFFEROR shall return the Confidential Information to the Procurement Officer on or before the due date for Proposals.
4. OFFEROR acknowledges that the disclosure of the Confidential Information may cause irreparable harm to the State and agrees that the State may obtain an injunction to prevent the disclosure, copying, or other impermissible use of the Confidential Information. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and/or to seek damages for the OFFEROR'S failure to comply with the requirements of this Agreement. The OFFEROR consents to personal jurisdiction in the Maryland State Courts.
5. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the OFFEROR or any employee or agent of the OFFEROR to comply with the requirements of this Agreement, OFFEROR and such employees and agents of OFFEROR shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and/or costs.
6. This Agreement shall be governed by the laws of the State of Maryland.
7. OFFEROR acknowledges that pursuant to Section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland, a person may not willfully make a false or fraudulent statement or representation of a material fact in connection with a procurement contract. Persons making such statements are guilty of a felony and on conviction subject to a fine of not more than \$20,000 and/or imprisonment not exceeding five (5) years or both. OFFEROR further acknowledges that this Agreement is a statement made in connection with a procurement contract.

8. The individual signing below warrants and represents that they are fully authorized to bind the OFFEROR to the terms and conditions specified in this Agreement. If signed below by an individual employee or agent of the OFFEROR under Section 2 of this Agreement, such individual acknowledges that a failure to comply with the requirements specified in this Agreement may result in personal liability.

Offeror: \_\_\_\_\_

By: \_\_\_\_\_  
*Signature/Seal*

Printed Name: \_\_\_\_\_

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

Date: \_\_\_\_\_

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

## **Appendix 6. Functional Requirements Matrix**

The Functional Requirements Matrix contains the functional requirements for the ITS Solution. Offerors shall respond to each requirement in the Matrix (Tabs 6.1 – 6.17) according to the instructions on the Instruction Tab. The completed Functional Requirements Matrix shall be returned with the Offeror's Proposal.

### Functional Requirements Matrix



Appendix 6 -  
Functional Requirements



## **Appendix 7. Technical Requirements Matrix**

The Technical Requirements Matrix contains the technical requirements for the ITS Solution. Offerors shall respond to each requirement in the Matrix according to the instructions on the Instruction Tab. The completed Technical Requirements Matrix shall be returned with the Offeror's Proposal.

### Technical Requirements Matrix



Appendix 7 -  
Technical Requiremen

## Appendix 8. Managed Hosting Requirements Matrix

The Managed Hosting Requirements Matrix contains the managed hosting requirements for the ITS Solution. Offerors shall respond to each requirement in the Matrix according to the instructions on the Instruction Tab. The completed Managed Hosting Requirements Matrix shall be returned with the Offeror's Proposal.

### Managed Hosting Requirements Matrix



Appendix 8 -  
Managed Hosting Re

## Appendix 9. Confidentiality of IRS and State Tax Information

This appendix to this Contract is to clarify the Contractor's and all Subcontractors, hereinafter collectively referred to as Contractor, responsibilities as required by the Comptroller of Maryland and the Internal Revenue Service as it relates to the Privacy Act of 1974, 5 U.S.C. 552a.

A. In performance of this Contract, the Contractor agrees to comply with and assume responsibility for compliance by Contractor Personnel, as defined in Integrated Tax System Solicitation #E00B8400029 **Appendix 1 Abbreviations and Definitions**, with the following requirements:

- (1) All work will be performed under the supervision of the Contractor or Contractor Personnel.
- (2) The Contractor and Contractor Personnel with access to or who use federal tax information (FTI) or State tax information (STI) must meet the background check requirements defined in IRS Publication 1075.
- (3) Any Federal or State tax Returns or Return information (hereafter referred to as Returns or Return information) made available 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 this Contract. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited.
- (4) All Returns and Return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.
- (5) 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 or state data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS or State data will be given to the Comptroller of Maryland 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 Comptroller of Maryland or his or her designee with a statement containing the date of destruction, description of the material destroyed, and the method used.
- (7) All computer systems receiving, processing, storing or transmitting FTI or STI 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 or State Tax Information.
- (8) No work involving Returns or Return information furnished under this Contract will be subcontracted without prior written approval of the IRS and the State.
- (9) The Contractor will maintain a list of Contractor Personnel authorized access. Such list will be provided to the State and, upon request, to the IRS reviewing office.

- (10) The State will have the right to void the Contract if the Contractor fails to provide the safeguards described above.

**B. Criminal/Civil Sanctions:**

- (1) Each officer or employee or any person to whom Returns or Return information is or may be disclosed shall 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 five 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 section 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1. State penalties may also be prescribed.
- (2) 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 this 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 \$1,000.00 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 \$1,000.00 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 and set forth at 26 CFR 301.6103(n)-1.
- (3) Additionally, it is incumbent upon the Contractor to inform its Contractor Personnel 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 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 state 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 state not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- (4) Granting Contractor Personnel access to FTI and STI must be preceded by certifying that each individual understands the state's Security policy and procedures for safeguarding IRS and State information. Contractor and Contractor Personnel must maintain their authorization to access FTI and STI through annual recertification. The initial certification and recertification must be documented and placed in the state's files for review. As part of the certification and at least annually afterwards, Contractors and Contractor Personnel must be advised of the provisions of

IRC section 7431, 7213, and 7213A. 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. For both the initial certification and the annual certification, the Contractor Personnel must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the Security requirements.

**C. Inspection:**

The IRS and the State, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the Contractor to inspect facilities and operations performing any work with FTI or STI under this Contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the Contractor is found to be noncompliant with Contract safeguards.

BPO Number: \_\_\_\_\_

BPO Award Date: \_\_\_\_\_

\_\_\_\_\_  
Contractor Name **Comptroller of Maryland**

Printed Name: \_\_\_\_\_ Printed Name: \_\_\_\_\_

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

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

Date: \_\_\_\_\_ Date: \_\_\_\_\_

## Appendix 10. Certificate of Confidentiality for Contractor Personnel

**Part 1:** I understand that under federal and Maryland state law it is illegal for me:

- To disclose any information from *any* tax Return, Report, or document filed with *any* division of the Comptroller's Office;
- To willfully and without authorization alter, deface, destroy, remove, or conceal any public records; and
- To willfully and without authorization Access *any* part of any computer system in the Comptroller's Office.

I will not examine any Return, Report, or document filed with the Comptroller unless a member of the Comptroller's project management staff directs me to do so, and then I will only examine those documents assigned to me.

I will hold any and all information I see in the strictest of confidence. I will not use it against any taxpayer for any personal reason nor will I use it to obtain special treatment or favors from any taxpayer.

I understand that the comptroller has the authority to adopt this certificate of confidentiality to carry out his administrative duties and that I must abide by its provisions during as well as after the conclusion of my contract with the Comptroller's Office.

I understand that if I violate any of these provisions, I will be subject to criminal prosecution and to disciplinary action under the law and the regulations.

The issue of confidentiality of tax data is addressed in:

- Maryland Tax-General Article, §13-201, 202, 203, 204, 205, 206 and 1018
- Maryland Criminal Law Article, §7-3 02 and 8-606
- *44 Opinions of Attorney General* 350 (1959)
- Internal Revenue Service Publication 1075
- Internal Revenue Code, 26 USC 6103, 7213, 7213A and 7431

**Part 2:** Have you had any criminal convictions other than minor traffic violations?

No ☐ Yes ☐ If yes, explain: \_\_\_\_\_

**Part 3:** Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20.

\_\_\_\_\_  
Contractor Name (please print)

\_\_\_\_\_  
Witness Name (please print)

\_\_\_\_\_  
Contractor Signature

\_\_\_\_\_  
Witness Signature

## Appendix 11. Authorization of Release of Information

I, \_\_\_\_\_,  
a candidate to perform work on the Contract for the Comptroller of Maryland's Integrated Tax System #E00B8400029 ("Contract"), acknowledge that in performance of my work on this Contract I will have access to Comptroller of Maryland offices and records, including offices and records of the Field Enforcement Division, and I hereby authorize a review and full disclosure of all criminal and civil records, or any part thereof, concerning myself by/to any duly authorized agent of the Field Enforcement Division of the Comptroller of Maryland, whether the said records are public or private, and including those which may be deemed to be of privilege or confidential nature. Furthermore I agree to provide two (2) complete sets of legible fingerprints taken in a format approved by the Director of the Central Repository of the Department of Public Safety and Correctional Services ("Central Repository") and the Director of the Federal Bureau of Investigation and I authorize the Comptroller of Maryland to submit my fingerprints to the Central Repository as part of the application for a criminal history records check. The intention of these authorizations is to provide information which will be utilized for investigative resource material.

I agree that if the COM, the State, or the IRS modifies any Security requirements during the course of this Contract, I will comply with the modified Security requirements.

I agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees, from and against all claims, damages, losses and expenses, including reasonable attorney fees arising out of or complying with this request.

I further understand that the sources of confidential information cannot be revealed to me. A photocopy of this release form will be valid as an original hereof, even though the said photocopy does not contain an original writing of my signature.

Please print the following information:

FIRST NAME	MIDDLE NAME	LAST NAME	RACE	SEX
DATE OF BIRTH				
ADDRESS	CITY	STATE	ZIP	SOCIAL SECURITY NUMBER
APPLICANT SIGNATURE		DATE		



## Appendix 12. Indicators

Examples of Indicators
Abusive Taxpayer
Amnesty
Annual Abatement / Abatement Eligible
Appeal
Audit
Bankruptcy
Blocked Preparer
Caught in the Web
Caution Upon Contact
Certified Funds Required
Charter Revoked
Deceased
Delinquent
FED Investigation
FED Violation / Offense
Fraud
Identity Theft Victim
Incarcerated
Injured Spouse
Innocent Spouse
License Hold
Master Account
Outside Collection Agency
Power of Attorney
Potentially Dangerous Taxpayer
Questionable Preparer
Special Handling (Management)
Subsidiary Account
SUT Exempt
Tax Protestor

## Appendix 13. Relationships

Examples of Relationships
Agent - Entity
Applicant - Certificate
Applicant - License
Applicant - Permit
Attorney - Client
CPA - Client
Employer - Contractor
Employer - Employee
Entity - Dependent
Estate - Beneficiary
Executor - Estate
Licensee - License
Licensee - License Holder
Licensing Agent - Entity
Liquor License Holder - Entity
Master - Subsidiary
Officer - Corporation
Paid Preparer - Entity
Parent - Subsidiary
Partner - Partnership
Permitee - Permit
Permitee - Permit Holder
Power of Attorney - Entity
Related Entity - Related Entity
Representative - Entity
Responsible Person - Entity
Sole Proprietor - Business
Spouse - Spouse
Third-party payroll provider - Account
Trust - Beneficiary
Trustee - Trust

## Appendix 14. Forms Inventory

Form #	Form Name	Tax Year In Use			
		≤ 2015	2016	2017	
<b><u>Business Registration Forms</u></b>					
109-B	Change of Business Address	✓	✓	✓	
106	Stop Payment Request	✓	✓	✓	
156	Authorization for the Release of Tax Records/Information	✓	✓		
CRA	Combined Registration Application	✓	✓	✓	
EFT	Authorization Agreement for Electronic Funds Transfers	✓	✓	✓	
SUTEC	Sales & Use Tax Exemption Cert Registration Application			✓	
<b><u>Alcohol Tax Forms</u></b>					
<i>Bonds</i>					
364 (replaces Form ATT-4)	Wine and Liquor Bond	✓	✓	✓	
365-1 (replaces Form ATT-5)	Beer Bond	✓	✓	✓	
365-2 (replaces Form 325)	Resident Dealer and Nonresident Dealer Beer Bond	✓	✓	✓	
366 (replaces Form ATT-6)	Wine Bond	✓	✓	✓	
379	Direct Wine Shipper Bond	✓	✓	✓	
<i>License Applications</i>					
367	Manufacturer and Wholesaler	✓	✓	✓	
367-1 (replaces Form ATT 7-1)	Change in Location	✓	✓	✓	
367-2 (replaces Form ATT-7-2)	Additional License Location	✓	✓	✓	
367-3 (replaces Form ATT-7-3)	Individual License Applicant Statement	✓	✓	✓	
368 (replaces Form ATT-8)	Alcohol Beverage License Renewal	✓	✓	✓	
369 (replaces Form ATT-9)	Water Vessel, Railroad, Airplane Beer Wine or Liquor License Renewal	✓	✓	✓	
369-1 (replaces Form ATT-9-1)	Class C Special	✓	✓	✓	
371 (replaces Form ATT-11)	Statewide Caterer	✓	✓	✓	
371-2 (replaces Form ATT-11-2)	Catered Event Certificate and Notice	✓	✓	✓	
<i>Checklists</i>					
335-1	Checklist for Manufacturer and Wholesaler	✓	✓	✓	
335-2	Checklist for Water Vessel	✓	✓	✓	
335-3	Checklist for Statewide Caterer	✓	✓	✓	
381-1	Checklist for Direct Wine Shipper	✓	✓	✓	
335-4	Checklist for Nonresident Winery	✓	✓	✓	
335-5	Checklist for Nonresident Distillery	✓	✓	✓	
326	Checklist for Resident Dealer or Nonresident Dealer: Wine and Distilled Spirits	✓	✓	✓	
327	Checklist for Resident Dealer or Nonresident	✓	✓	✓	

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
	Dealer: Beer			
348	Checklist for Beer Nonresident Brewery Permit	✓	✓	✓
<i>Permits</i>				
328	General Permit Application	✓	✓	✓
329	Bulk Transfer Permit	✓	✓	✓
354	Farmer's Market Permit Application	✓	✓	✓
355	Non-Profit Festival Permit Application	✓	✓	✓
370-5	Solicitor's Permit	✓	✓	✓
381	Direct Wine Shipper Permit	✓	✓	✓
383	Common Carrier Permit	✓	✓	✓
384	Application for an Off-Site Permit	✓	✓	✓
385	Brewery Special Event Permit Application	✓	✓	✓
386	Off-site Event Form - Intent to Participate	✓	✓	✓
ATT-753	Alcohol Awareness Permit	✓	✓	✓
ATT-10-2 / COT/ATT-001	Additional Vehicle Identification Cards	✓	✓	✓
ATT-10-6	Fuel-alcohol Permit	✓	✓	✓
ATT-10-7	National Family Beer and/or Wine Exhibition Permit	✓	✓	✓
ATT-10-9	Charity Wine Auction Permit	✓	✓	✓
ATT-20-3A	Private Bulk Sale Permit	✓	✓	✓
<i>Returns &amp; Reports</i>				
323	Resident/Nonresident Dealer's Monthly Report of Beer Deliveries into Maryland	✓	✓	✓
330	Beer Franchise Form	✓	✓	✓
374	Nonresident Brewery Monthly Report of Beer Deliveries into Maryland	✓	✓	✓
324	Resident/Nonresident Dealer Beer Tax Return	✓	✓	✓
375	Nonresident Brewery Tax Return	✓	✓	✓
376 (replaces Form ATT-016)	Brewery Tax Return	✓	✓	✓
376A	Brewer's Report of Contracted Beer Acquisitions	✓	✓	✓
376D (replaces Form ATT-37-6)	Brewer's Report of Beer Dispositions	✓	✓	✓
389	Claim for Refund of Tax on Beer Delivered and Consumed on Federal Reservations	✓	✓	✓
ATT-037	Maryland Wholesaler's Monthly Beer Report	✓	✓	✓
ATT-037-2	Recapitulation of Beer Deliveries in Gallons	✓	✓	✓
ATT-037-5	Maryland Wholesaler's Report of Beer Acquisitions	✓	✓	✓
ATT-40	Request for Maryland Release of Foreign Beer	✓	✓	✓
ATT-751	Beer Keg Registration Booklet Order Form	✓	✓	✓
<i>Wine</i>				

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
ATT-018	Nonresident Winery Tax Return	✓	✓	✓
ATT-018-1	Nonresident Monthly Report of Wine Deliveries to Maryland Retailers	✓	✓	✓
DWS 315 (2014)	Direct Wine Shipper Return	✓	✓	✓
DWS 363 (2014)	Common Carrier Direct Wine Shipment Report	✓		
DWS 363 (2015)	Common Carrier Report	✓	✓	✓
<i>Beer &amp; Wine</i>				
ATT-532	Family Beer and Wine Facility Permit Report	✓	✓	✓
ATT-532-1	Family Beer and Wine Facility Detail Report	✓	✓	✓
ATT-532-2	Family Beer and/or Wine Exhibition Report	✓	✓	✓
ATT-533-1	Charity Wine Auction Permit Holder Report	✓	✓	✓
<i>Wine &amp; Distilled Spirits</i>				
ATT-34	Manufacturers and Wholesalers of Distilled Spirits and Wine	✓	✓	✓
ATT-34-2	Finished Products Acquisition	✓	✓	✓
ATT-34-3	Finished Products Disposition	✓	✓	✓
ATT-34-3E	Finished Products Disposition-Schedule E	✓	✓	✓
ATT-34-5	Recapitulation of Deliveries in Gallons to Retailers	✓	✓	✓
ATT-34-10	Finished Products Disposition of Samples Used	✓	✓	✓
395	Nonresident Distillery Return			✓
395-1	Nonresident Distillery-Monthly Report of Deliveries to Maryland Retailers			✓
<i>Beer, Wine &amp; Distilled Spirits</i>				
317	Railroad, Steamboats, and Airplanes Monthly Return	✓	✓	✓
<i>Fuel Alcohol</i>				
ATT-22	Production of Alcohol for Fuel Use	✓	✓	✓
<i>Public Storage</i>				
27	Alcoholic Beverages Public Storage Report	✓	✓	✓
027-1	Public Storage Report of Beer, Wine and Distilled Spirits (Received)	✓	✓	✓
027-2	Public Storage Report of Beer, Wine and Distilled Spirits (Shipped and Delivered)	✓	✓	✓
28	Report of Activities by Holder of Import-Export or Non-resident Storage Permit	✓	✓	✓
<i>Miscellaneous</i>				
ATT-001-1	Claim for Refund	✓	✓	✓
ATT-19	Monthly Retail License Activity	✓	✓	✓
ATT-19-3	Monthly Violations/Suspensions/Revocations	✓	✓	✓
ATT-66	Annual Revenue and License Report	✓	✓	✓

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
FED-304	Schedule of Planned Promotional Activities	✓	✓	✓
FED-301	Wine and Distilled Spirits Wholesaler Brand Supplier Report	✓	✓	✓
N/A	SLOT license	✓	✓	✓
COM/RAD 410	SLOT machine license Application	✓	✓	✓
<b><u>Tobacco Tax Forms</u></b>				
<i>Cigarettes</i>				
027T	Cigarette Storage Warehouse Report	✓	✓	✓
027-1T	Cigarette Storage Warehouse Report - Acquisitions	✓	✓	✓
027-2T	Cigarette Storage Warehouse Report - Dispositions	✓	✓	✓
302	Manufacturer - Certify Fire Safe Cigarettes	✓	✓	✓
302-1	Manufacturer - Addendum - Fire Safe Cigarettes	✓	✓	✓
601	Wholesaler's Affidavit for Refund of Stamps	✓	✓	✓
602	Maryland Cigarette Tax - Physical Inventory Schedule	✓	✓	✓
603	Wholesaler's Claim for Credit - Cigarette Tax Stamps	✓	✓	✓
605-A	Schedule A - Cigarette Packs Received From Manufacturers	✓	✓	✓
605-B	Schedule B - Cigarettes Received From Other Sources	✓	✓	✓
605-C	Schedule C - Cigarette Packs Sold (outside MD retail; to military; or to others authorized to buy for out-of-state retail)	✓	✓	✓
605-D	Schedule D - Cigarettes Returned For Credit To Manufacturers	✓	✓	✓
605-E	Schedule E - Miscellaneous Dispositions	✓	✓	✓
605-F	Schedule F - Out-of-State Stamp Purchases	✓	✓	✓
608	Maryland Cigarette Wholesaler Monthly Report of Cigarette Packs and Cigarette Tax Stamps	✓	✓	✓
608-1	Distributor's Monthly Report of Cigarette Packs and Cigarette Tax Stamps	✓	✓	✓
608-2	Maryland Cigarette Stamp Purchases and Payments	✓	✓	✓
608-3	Wholesaler's Tobacco Product Manufacturer Report	✓	✓	✓
608-4	Recapitulation of Wholesaler's Sales of Maryland Stamped Cigarettes	✓	✓	✓
622	Cigarette Bond	✓	✓	✓
623	Maryland Cigarette Tax Stamp Request	✓	✓	✓
634	Manufacturer's Monthly Sample Cigarette Tax Return	✓	✓	✓

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
637	License Application for Cigarette and Other Tobacco Products (OTP) Licenses	✓	✓	✓
N/A	Checklist for Cigarette and OTP License Application	✓	✓	✓
643	Cigarette Wholesale Cost of Doing Business	✓	✓	✓
C5	Signature Card - Cigarette Tax Stamps	✓	✓	✓
<b>Other Tobacco Products</b>				
609	Wholesaler Tax Return	✓	✓	✓
609A	Schedule A - Roll-Your-Own (RYO) Tobacco	✓	✓	✓
609R	OTP Claim of Refund Form for Wholesalers, Retailers, and Tobacconists	✓	✓	✓
610	Maryland OTP Tax Return	✓	✓	✓
610A	Schedule A - Roll-Your-Own (RYO) Tobacco	✓	✓	✓
610C	Schedule C - OTP Tax Credit for Out of State Sales	✓	✓	✓
610F	OTP Floor Tax Return for Retailers and Tobacconists (used if tax rates change)	✓		
610R	OTP Floor Tax Claim for Refund (used if tax rates change)	✓		
611	OTP Manufacturer Report	✓	✓	✓
612	OTP Storage Warehouse Report	✓	✓	✓
612-1	OTP Storage Warehouse Report - Acquisitions	✓	✓	✓
612-2	OTP Storage Warehouse Report - Dispositions	✓	✓	✓
620	Maryland Consumer Premium Cigar Tax Return	✓	✓	✓
722	Other Tobacco Products (OTP) Bond	✓	✓	✓
COM/ATT 900	Tobacco Floor Tax	✓	✓	✓
<b>Motor Fuel</b>				
775	Petroleum Transporter Report - Movement of Petroleum Products	✓	✓	✓
776	Annual Special Fuel User Worksheet	✓	✓	✓
776-1	Special Fuel User Worksheet	✓	✓	✓
776-2	Dealer/Seller Worksheet	✓	✓	✓
779 CPI/SUTE	Inventory - Tax Adjustment (formally 779 CPI & SUTE)	✓		✓
779-CPI	CPI Inventory - Tax Adjustment	✓	✓	
779-SUTE	SUTE Inventory - Tax Adjustment	✓	✓	
771 (replaces MFT-015)	Special Fuel User Schedule of Receipts	✓	✓	✓
772 (replaces MFT-016)	Special Fuel User Schedule of Disbursements	✓	✓	✓
MFT-023	Application for Motor Fuel Inspection Registration	✓	✓	✓
MFT-044	Application for Petroleum Transporter Registration	✓	✓	✓
MFT-046	Application for Motor Fuel License	✓	✓	✓



Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
MFT-047	Application for Special Fuel Tax Exemption Certificate	✓	✓	✓
768A (replaces MFT-048)	Aviation Gas/Jet Fuel Schedule of Receipts	✓	✓	✓
768D (replaces MFT-048)	Dealer Gasoline Schedule of Receipts	✓	✓	✓
768S (replaces MFT-048)	Seller Special Fuel Schedule of Receipts	✓	✓	✓
769A (replaces MFT-049)	Aviation Gas/Jet Fuel Schedule of Disbursements	✓	✓	✓
769D (replaces MFT-049)	Dealer Gasoline Schedule of Disbursements	✓	✓	✓
769S (replaces MFT-049)	Seller Special Fuel Schedule of Disbursements	✓	✓	✓
MFT-105	Application for Wholesale Purchaser/Consumer Motor Fuel Inspection and Testing	✓	✓	✓
FED-305	Application for Registration of Terminal Agreement and Additives	✓	✓	✓
FED-306	Application for Registration of Exchange Agreement, Specifications and Additives	✓	✓	✓
FED-402	Below Cost Selling of Motor Fuel Complaint Form	✓	✓	✓
GTD-1	Dealer State Codes for MFT Form GTD-1	✓	✓	✓
COT/MFT 001	Certificate of Registration for Motor Fuel Inspection	✓	✓	✓
COT/MFT 002	Special Fuel Exemption Certificate	✓	✓	✓
COT/MFT 003	Motor Fuel Dealer/Special Fuel License	✓	✓	✓
N/A	Miscellaneous receipts	✓	✓	✓
COT/MFT-102	Distributor Sales Exempt from Motor Fuel Tax	✓	✓	✓
COM/RAD 706 & GTD 106	Motor Fuel Refund	✓	✓	✓
GTD-106-PTO	PTO refund claim form	✓	✓	✓
N/A	Refund document checklist	✓	✓	✓
COT/MFT - 008	Motor Fuel Surety Bond	✓	✓	✓
COM/RAD 061	Record of Motor Fuel Used	✓	✓	✓
COM/RAD 079	Motor Fuel Exports	✓	✓	✓
COM/RAD 080	Statement of Sales outside of the state of Maryland	✓	✓	✓
COM/RAD 081	Certificate of Verification of out-of-state shipment	✓	✓	✓
COM/RAD 091	Government authorization form	✓	✓	✓
GTD-101-AV	Aviation fuel tax statement	✓	✓	✓
COM/FED-025	Distillate Fuel Laboratory Report	✓	✓	✓
COMP-FED-506	Gasoline Laboratory Report	✓	✓	✓
GT1 & COM/RAD 776	Dealer Return	✓	✓	✓
GT300	Special Fuel Return	✓	✓	✓
COM/RAD 764	Jet Fuel/Aviation Schedule of Receipts			✓
COM/RAD 765	Jet Fuel/Aviation Schedule of Disbursements			✓
COM/RAD 758	User Return			✓

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
COM/RAD 770	Seller Return			✓
COM/RAD 767	Dealer/Seller Summary			✓
COM/RAD 762	Jet Fuel/Aviation Return			✓
COM/RAD 773	Class W Distributor Return			✓
COM/RAD 774	Class W Schedule of Receipts			✓
COM/RAD 761	User Schedule of Disbursements			✓
COM/RAD 760	User Schedule of Receipts			✓
COM/RAD 777	Co-mingled Storage - Gasoline only			✓
COM/RAD 778	Co-mingled Storage - Special fuels			✓
<b>Corporate Tax</b>				
500	Maryland Corporation Income Tax Return	✓	✓	✓
500CR	Business Income Tax Credits	✓	✓	✓
500CW	Waiver Request for Electronic Filing of the 500CR	✓	✓	✓
500D	Declaration of Estimated Corporation Income Tax	✓	✓	✓
500DM	Decoupling Modification	✓	✓	✓
500E	Application for an Extension to File Corporation Income Tax Return	✓	✓	✓
500MC	Report of Maryland Multistate Manufacturing Corporation	✓		
500UP	Underpayment of Estimated Income Tax by Corporations and Pass-Through Entities	✓	✓	✓
500X	Amended Corporation Income Tax Return	✓	✓	✓
510	Pass-Through Entity Tax Return	✓	✓	✓
510 Schedule K-1	Maryland Pass-Through Entity Members Information	✓	✓	✓
510C	Maryland Composite Pass-Through Entity Income tax Return	✓	✓	✓
510D	Declaration of Estimated Pass-Through Entity Tax	✓	✓	✓
510E	Application for Extension to File Pass-Through Entity	✓	✓	✓
EL101B	Maryland Income Tax Declaration for Corporate Electronic Filing	✓	✓	✓
EL102B	Maryland Income Tax payment voucher for business electronic filers.	✓	✓	✓
<b>Business Tax Forms</b>				
MW506	Employer's Return of Income Tax Withheld	✓	✓	✓
MW506A	Employer's Return of Income Tax Withheld - Amended	✓	✓	✓
MW506AE	Application for Certificate of Full or Partial Exemption	✓	✓	✓

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
MW506AM	Employer's Return of Income Tax Withheld for Accelerated Filers - Amended	✓	✓	✓
MW506FR	Maryland Employer Withholding - Final Return	✓	✓	✓
MW506M	Employer's Return of Income Tax Withheld for Accelerated Filers	✓	✓	✓
MW506NRS	Return of Income Tax Withholding for Nonresident Sale of Real Property	✓	✓	✓
MW506R	Application for Tentative Refund of Withholding on Sales of Real Property by Nonresidents	✓	✓	✓
MW507	Employee's Maryland Withholding Exemption Certificate	✓	✓	✓
MW507M	Exemption from Maryland Withholding Tax for a Qualified Civilian Spouse of a U. S. Armed Forces Service member	✓	✓	✓
MW507P	Annuity and Sick Pay Request for Maryland Income Tax Withholding	✓	✓	✓
MW508	Annual Employer Withholding Reconciliation Return	✓	✓	✓
MW508A	Amended Annual Employer Withholding Reconciliation Return	✓	✓	✓
MW508CR	Business Income Tax Credits	✓	✓	✓
MW508NRS	MONTHLY RECONCILIATION RETURN FOR SALES OF REAL PROPERTY BY NONRESIDENTS	✓	✓	✓
RAD097	Sales and Use License Application for Out-of-State Vendors	✓	✓	✓
ST203	Temporary Sales Tax License	✓	✓	✓
ST205	Sales and Use Tax Refund Application	✓	✓	✓
ST212	Purchases for Resale Refund by Fax	✓	✓	✓
ST206	Exemption Certification for Utilities or Fuel Used in Production Activities	✓	✓	✓
N/A	Farmers Market Permit Application	✓	✓	✓
SUT202	Maryland Sales and Use Tax Return	✓	✓	✓
SUT202EC	Sales & Use Tax Exemption Certificate Renewal Application	✓	✓	✓
SUT202FR	Sales and Use Tax Final Return Form	✓	✓	✓
ST118A	Consumer Use Tax Return For Purchases	✓	✓	✓
ST118B	Consumer Use Tax Return For Purchases of Alcoholic Beverages	✓	✓	✓

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
WH-AR	Certification of Exemption from Withholding Upon Disposition of Maryland Real Estate Affidavit of Residence or Principal Residence	✓	✓	✓
	Requests for Coupons	✓	✓	✓
<b><u>Misc. Forms</u></b>				
N/A	Admission and Amusement Tax Return	✓	✓	✓
N/A	Admission and Amusement Tax Refund Application	✓	✓	✓
ST602	Admission and Amusement Tax Notice to Comptroller	✓	✓	✓
BRF-1	Bay Restoration Fee Return	✓	✓	✓
N/A	Tire Fee Return	✓	✓	✓
N/A	Environmental Surcharge on Electricity	✓	✓	✓
N/A	Telecommunications Access Surcharge	✓	✓	✓
SMS-1	Speed Monitoring System Report	✓	✓	✓
TNC-1	Transportation Network Companies	✓	✓	✓
N/A	Report of Collection of Agricultural Land Tax - Woodland Program Form	✓	✓	✓
N/A	Report of Collection of Agricultural Transfer Tax Form	✓	✓	✓
COT ST912	Unclaimed Property Claim Form & Checklist	✓	✓	✓
COM CD-912	Unclaimed Property Claim Form & Checklist - Spanish Version	✓	✓	✓
COT ST917	Unclaimed Property Holder Claim Form	✓	✓	✓
COT ST918	Unclaimed Property Report	✓	✓	✓
COT ST919	Unclaimed Property Detail Sheet	✓	✓	✓
N/A	New Holder Information Form	✓	✓	✓
N/A	Local Jurisdiction's Remittance of State Property Tax	✓	✓	✓
<b><u>Tax Compliance Forms</u></b>				
COT/ST 601	Admissions and Amusement Tax Refund Application	✓	✓	✓
COT/ST 205	Sales and Use Tax Refund Application	✓	✓	✓
COT/ST 212	Purchases for Resale Refund by Fax	✓	✓	✓
MD656	Offer in Compromise	✓	✓	✓
MD-433A	Collection Information Statement for Individuals	✓	✓	✓
MD-433B	Collection Information Statement for Businesses	✓	✓	✓
130	Request for Certifications of Tax Filings	✓	✓	✓
129	Request for Copy of Tax Form	✓	✓	✓
106	Stop Payment Request	✓	✓	✓
<b><u>Personal Income Tax Forms</u></b>				

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
502	Maryland Resident Income Tax Return	✓	✓	✓
502AC	Maryland Subtraction for Contribution of Artwork	✓	✓	✓
502AE	Maryland Subtraction for Income Derived within an Arts and Entertainment District	✓	✓	✓
502B	Maryland Dependents Information	✓	✓	✓
502CR	Maryland Personal Income Tax Credits for Individuals and Instructions	✓	✓	✓
502D	Maryland Personal Declaration of Estimated Income Tax	✓	✓	✓
502DEP	Maryland Personal Declaration of Estimated Income Tax - Preprinted	✓	✓	✓
502E	Maryland Application for Extension of Time to File Personal Income Tax Return	✓	✓	✓
502H	Maryland Heritage Structure Rehabilitation Tax Credit	✓		
502INJ	Injured Spouse Claim Form	✓	✓	✓
502R	Retirement Income		✓	✓
502S	Maryland Sustainable Communities Tax Credit	✓		
502S	Heritage Structure Rehabilitation Tax Credit		✓	✓
502SU	Maryland Subtractions from Income	✓	✓	✓
502TP	Computation of Tax Preference Income Modification	✓	✓	✓
502UP	Underpayment of Estimated Maryland Income Tax by Individuals	✓	✓	✓
502V	Use of Vehicle for Charitable Purposes	✓	✓	✓
502X	Maryland Amended Tax Form and Instructions	✓	✓	✓
503	Maryland Resident Income Tax Return (Short Form)	✓		
504	Maryland Fiduciary Tax Return	✓	✓	✓
504A	Maryland Fiduciary Income Tax Return Schedule A			✓
504CR	Business Income Tax Credits for Fiduciaries	✓	✓	✓
504D	Fiduciary Declaration of Estimated Income Tax	✓	✓	✓
504E	Application for Extension to File Fiduciary Return	✓	✓	✓
504NR	Fiduciary Computation of the Maryland Modification for a Nonresident Fiduciary and Checklist	✓	✓	✓
504 K-1	Fiduciary Modified Schedule K-1 Beneficiary's Information	✓	✓	✓
504UP	Underpayment of Fiduciary Income Tax	✓	✓	✓
505	Maryland Nonresident Income Tax Return	✓	✓	✓
505NR	Nonresident Income Tax Computation	✓	✓	✓

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
505SU	Nonresident Subtractions	✓	✓	✓
505X	Maryland Nonresident Amended Tax Return	✓	✓	✓
515	Maryland Tax Return - Nonresident Local Tax	✓	✓	✓
588	Direct Deposit of Maryland Income Tax Refund to More Than One Account	✓	✓	✓
EL101	Maryland Income Tax Declaration for Electronic Filing	✓	✓	✓
EL102	Income Tax Payment Voucher for Electronic Filers	✓		
INDPV	Individual Payment Voucher		✓	✓
548	Power of Attorney	✓	✓	✓
548P	Reporting Agent Authorization	✓	✓	✓
109-I	Maryland Change of Address for Individuals	✓	✓	✓
1099-G	FORM 1099-G (IMPORTANT TAX INFORMATION-RETAIN FOR YOUR RECORDS)	✓	✓	✓
<b><u>Estate Tax</u></b>				
MET -1	Estate Tax Return for decedents dying after December 31, 2013 and before January 1, 2015.	✓	✓	✓
MET-1DAG	Application For Payment Deferral for Maryland Qualified Agricultural Property	✓		
MET-1E	Application For Extension of Time to File the Maryland Estate Tax Return	✓	✓	✓
MET-2-ADJ	Application For Refund Of Maryland Estate Tax To Be Paid Directly To The Register Of Wills	✓	✓	✓
QAP Exclusion	Election to Claim Estate Tax Exclusion for Maryland Qualified Agricultural Property	✓	✓	✓
<b><u>IFTA</u></b>				
IFTA 100	IFTA Quarterly Fuel Use Tax Return (Sample)	✓	✓	✓
IFTA 100-V	Payment Voucher and Instructions for IFTA Electronic Returns	✓	✓	✓
IFTA 101	IFTA Quarterly Fuel Use Tax Schedule (Sample)	✓	✓	✓
IFTA 101-I	Instructions for Form IFTA 101	✓	✓	✓
COM/MFT 104	IFTA License Application	✓	✓	✓
IFTA 105	IFTA Final Fuel Use Tax Rate	✓	✓	✓
COM/MFT 109	IFTA Tax Assessment Notice	✓	✓	✓
COM/MFT 110	IFTA Tax Assessment Statement of Account	✓	✓	✓
N/A	IFTA Vehicles Only (Individual Vehicle Mileage Report)	✓	✓	✓
COT/MFT 108	IFTA renewal form	✓	✓	✓
N/A	IFTA License	✓	✓	✓

Form #	Form Name	Tax Year In Use		
		≤ 2015	2016	2017
Form Totals:		294	287	301



## Appendix 15. Data Sources and Conversion Parameters

This document provides an inventory of legacy data sources identified for conversion to the ITS Solution and indicates the technology used to store the data (e.g., DB2, VSAM, SQL Server, Excel, Access). The data that is expected to be required for processing within the ITS Solution is described in the data source's conversion scope. Potential conversion data sources not listed here include third party files currently stored in the COM's DW and various Access databases and Excel spreadsheets used to administer miscellaneous taxes and fees. Additional conversion data sources may be identified during the requirements review with the Contractor.

ID	Data Source and Conversion Scope
DS-001	<b>Central Registration (VSAM)</b> The following data is to be converted from the business registration system: <ul style="list-style-type: none"> <li>- Convert all registration data for open businesses.</li> </ul>
DS-002	<b>Business License</b> The following data is to be converted from the business license system: <ul style="list-style-type: none"> <li>- All accounts.</li> </ul>
DS-003	<b>SMART (DB2, VSAM, QSAM)</b> The following data is to be converted from the COM's legacy integrated tax system: <ul style="list-style-type: none"> <li>- Entities:               <ul style="list-style-type: none"> <li>o All entities with periods not in balance;</li> <li>o Entities with open Cases;</li> <li>o Entities with activity within the statute of limitations; and</li> <li>o Any entities not identified above whose detailed information is in scope for conversion.</li> </ul> </li> <li>- Returns:               <ul style="list-style-type: none"> <li>o All Returns within the statute of limitations plus two (2) years for income taxes, and plus one (1) year for withholding;</li> <li>o All Returns filed in periods where deficiency exists; and</li> <li>o Business Returns in delinquent periods.</li> </ul> </li> <li>- Financials (e.g., summary, detail):               <ul style="list-style-type: none"> <li>o Deficient periods for taxes;</li> <li>o Overpaid periods;</li> <li>o Current year estimated and other payments or credits in advance of the Return;</li> <li>o Applies to a Return or Case in scope for conversion;</li> <li>o Includes a carry forward credit for BRF; and</li> <li>o Includes abatement flags.</li> </ul> <p>All interest on an Account is to be brought up to date prior to conversion.</p> </li> <li>- Noticing Metadata:               <ul style="list-style-type: none"> <li>o All noticing metadata related to converted Returns, financials, and Cases.</li> </ul> </li> <li>- Case Information (e.g., Case details, payment agreements, liens, holds):               <ul style="list-style-type: none"> <li>o All open Cases; and</li> <li>o All Cases closed during the six (6) months prior to conversion.</li> </ul> </li> <li>- Notes:               <ul style="list-style-type: none"> <li>o Provide a means to notify a User viewing converted data when notes existed in the legacy system.</li> </ul> </li> <li>- Suppressions and Holds:               <ul style="list-style-type: none"> <li>o All existing suppressions and holds.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>- Suspicious Filers (e.g., SSN, notes, reason): <ul style="list-style-type: none"> <li>o All identified QRDT suspicious filers.</li> </ul> </li> <li>- Direct Debits: <ul style="list-style-type: none"> <li>o All direct debits not yet processed (including future-dated debits).</li> </ul> </li> <li>- Dependents: <ul style="list-style-type: none"> <li>o All SSN validation match results for dependents; and</li> <li>o Current year plus one back year for duplicate dependent match data.</li> </ul> </li> </ul>
DS-004	<p><b>Admissions and Amusements (VSAM)</b></p> <p>The following data is to be converted from the Admissions and Amusement Tax administration system:</p> <ul style="list-style-type: none"> <li>- All financial, audit, collections, distribution, rate, and Return data that is within the statute of limitations plus one (1) year; and</li> <li>- Provide a means to notify a User viewing converted data when notes existed in the legacy system.</li> </ul>
DS-005	<p><b>Alcohol Tax (VSAM, Excel, Access)</b></p> <p>The following data is to be converted from the system administering Alcohol Tax:</p> <ul style="list-style-type: none"> <li>- All active licenses and permits;</li> <li>- All licenses and permits revoked during the twelve (12) months prior to conversion;</li> <li>- All suspended licenses and permits;</li> <li>- History of license and permit suspensions and revocations for five (5) years prior to conversion;</li> <li>- All open entities;</li> <li>- Returns within the statute of limitations;</li> <li>- Financials within the statute of limitations;</li> <li>- Transactions within the statute of limitations;</li> <li>- All notices issued during the six (6) months prior to conversion;</li> <li>- All open Cases and collections; and</li> <li>- If possible, provide an indicator that notes existed in the legacy system.</li> </ul>
DS-006	<p><b>Tobacco Tax (VSAM, Excel, Access)</b></p> <p>The following data is to be converted from the system administering Tobacco Tax:</p> <ul style="list-style-type: none"> <li>- Licenses for open entities;</li> <li>- All open entities;</li> <li>- Returns within the statute of limitations;</li> <li>- Financials within the statute of limitations;</li> <li>- Transactions within the statute of limitations;</li> <li>- All licenses and permits revoked during the twelve (12) months prior to conversion;</li> <li>- All suspended licenses and permits;</li> <li>- History of license and permit suspensions and revocations for eight (8) years prior to conversion;</li> <li>- All notices issued during the six (6) months prior to conversion;</li> <li>- All open Cases and collections; and</li> <li>- If possible, provide an indicator that notes existed in the legacy system.</li> </ul>
DS-007	<p><b>Motor Fuel (VSAM, Excel, Access)</b></p> <p>The following data is to be converted from the system that administers Motor Fuel tax:</p> <ul style="list-style-type: none"> <li>- All open entities;</li> <li>- Returns within the statute of limitations;</li> <li>- Financials within the statute of limitations;</li> <li>- Transactions within the statute of limitations;</li> </ul>

	<ul style="list-style-type: none"> <li>- All notices issued during the six (6) months prior to conversion;</li> <li>- All open collections and delinquencies;</li> <li>- License and permit data for open entities; and</li> <li>- If possible, provide an indicator that notes existed in the legacy system.</li> </ul>
DS-008	<p><b>IFTA</b> (Third party application)  The following data is to be converted for IFTA (this data may come from either the third-party IFTA Explore database or internal systems):</p> <ul style="list-style-type: none"> <li>- All open entities;</li> <li>- Returns within the statute of limitations;</li> <li>- Financials within the statute of limitations;</li> <li>- Transactions within the statute of limitations;</li> <li>- All notices issued during the six (6) months prior to conversion;</li> <li>- All open collections and delinquencies;</li> <li>- Decals within the statute of limitations; and</li> <li>- If possible, provide an indicator that notes existed in the legacy system.</li> </ul>
DS-009	<p><b>Estate Tax</b> (HighVIEW)  The following data (e.g., images, Accounts, notices, contacts, inventory, Returns, notes) is to be converted from the Estate Tax administration system:</p> <ul style="list-style-type: none"> <li>- All open estates;</li> <li>- Closed estates that were filed within the past year;</li> <li>- Convert all images and their indexes to the ITS' centralized CMS; and</li> <li>- If possible, provide an indicator that notes existed in the legacy system.</li> </ul>
DS-010	<p><b>Unclaimed Property</b> (HighVIEW, VSAM)  The following data is to be converted from the Unclaimed Property administration system:</p> <ul style="list-style-type: none"> <li>- All active owner accounts;</li> <li>- All Entity information for holders; and</li> <li>- All Holder Reports.</li> </ul>
DS-011	<p><b>CACS</b> (VSAM)  The following data is to be converted from the business tax Case management system:</p> <ul style="list-style-type: none"> <li>- Open Cases staged at the appropriate step and age in the Case flow;</li> <li>- History of collections actions taken on open Cases;</li> <li>- All officer info for open businesses and entities with open Cases; and</li> <li>- Provide a means to notify a User viewing converted data when notes existed in the legacy system.</li> </ul>
DS-012	<p><b>Hearings and Appeals HARoster</b> (SQL Server)  The following data is to be converted from the HARoster Case management intranet application:</p> <ul style="list-style-type: none"> <li>- Convert all open Cases and schedules;</li> <li>- Convert Cases with open Court appeals;</li> <li>- Convert Cases closed within the six (6) months prior to conversion; and</li> <li>- Provide a means to notify a User viewing converted data when notes existed in the legacy system.</li> </ul>
DS-013	<p><b>Web PayAgr</b> (SQL Server)  Convert the following data from the COM's online payment agreement web application for personal income taxes:</p> <ul style="list-style-type: none"> <li>- All active recurring debit authorizations.</li> </ul> <p>We do not expect to convert transactions regarding payment agreements out of this system. All pending payment agreement transactions will be processed and loaded to SMART prior to SMART's conversion to the ITS.</p>

DS-014	<p><b>SUT Audit</b> (Mainframe)</p> <p>The following data is to be converted from the SUT audit tracking system:</p> <ul style="list-style-type: none"> <li>- All open audits; and</li> <li>- Closed audits within 4 years from filing or due date, whichever is later.</li> </ul>
DS-015	<p><b>CAMS</b> (Teradata)</p> <p>The following data is to be converted from the CAMS Case management system:</p> <ul style="list-style-type: none"> <li>- Convert all open Cases;</li> <li>- Convert Cases with open appeals;</li> <li>- Convert Cases closed within the six (6) months prior to conversion; and</li> <li>- Provide a means to notify a User viewing converted data when notes existed in the legacy system.</li> </ul>
DS-016	<p><b>License Clearance</b> (Mainframe)</p> <p>The following data is to be converted from the license clearance system:</p> <ul style="list-style-type: none"> <li>- Convert all active license holds.</li> </ul>
DS-017	<p><b>Liens</b> (Mainframe)</p> <p>The following data is to be converted from lien tracking system:</p> <ul style="list-style-type: none"> <li>- Convert all open liens.</li> </ul>
DS-018	<p><b>Offset Data</b> (DB2)</p> <p>The following data is to be converted from the centralized offset tracking data store:</p> <ul style="list-style-type: none"> <li>- One-time load of COM debtor file into ITS Solution's offset functionality.</li> </ul>
DS-019	<p><b>W2 and 1099 Search</b> (Mainframe)</p> <p>The following data is to be converted from the W2 and 1099 viewing and data matching system:</p> <ul style="list-style-type: none"> <li>- W2s and 1099s for tax years within the statute of limitations for income tax plus two (2) years.</li> </ul>
DS-020	<p><b>MvaTaxCert</b> (SQL Server)</p> <p>The following data is to be converted from the COM's MVA ITIN tax certification web application:</p> <ul style="list-style-type: none"> <li>- All open appointment data; and</li> <li>- All certifications issued in the past twelve months.</li> </ul>
DS-021	<p><b>SLOT</b></p> <p>The following data is to be converted from data stores tracking slot machines:</p> <ul style="list-style-type: none"> <li>- Any pending deposits; and</li> <li>- All active licenses.</li> </ul>
DS-022	<p><b>CabinetSAFE</b> (Third party application)</p> <p>The following data/images are to be converted from the COM's CabinetSAFE document management system:</p> <ul style="list-style-type: none"> <li>- Convert all images and indexes related to business processes in scope for Compass to the ITS' centralized CMS; and</li> <li>- Convert all temporary license delinquencies for SUT and A&amp;A to the ITS.</li> </ul>
DS-023	<p><b>OpenText</b> (Third party application)</p> <p>The following information is to be converted from the COM's OpenText document management system:</p> <ul style="list-style-type: none"> <li>- Convert all Trip21 images and indexes to the ITS' centralized CMS.</li> </ul>
DS-024	<p><b>Trip21</b> (Third party application)</p> <p>The following information is to be converted from the document management solution built into the COM's Trip21 remittance processor:</p> <ul style="list-style-type: none"> <li>- Convert all images and indexes not yet exported to OpenText to the ITS' centralized CMS.</li> </ul> <p>Captured data will not require conversion. All pending transactions will be processed</p>

	and loaded to the appropriate target legacy system prior to the target legacy system's conversion to the ITS.
DS-025	<b>COM Web Applications (SQL Server)</b> We do not expect to convert data from COM Web applications (e.g., MeF, iFile, bFile, ComptrollerCRA) unless specifically listed elsewhere in this document. However, the following will need to be considered: <ul style="list-style-type: none"><li>- For all web processing systems, all pending transactions (including any future-dated payments) are to be processed and loaded to the appropriate target legacy system prior to the target system's conversion to the ITS Solution;</li><li>- Recommendations for viewing legacy data for web applications must consider business requirements for making the data available for online viewing by the entity who originally submitted the transaction.</li></ul>
DS-026	<b>Credit Control (SQL Server)</b> The following data is to be converted from the COM's credit control reporting system: <ul style="list-style-type: none"><li>- Reported retailer credit information</li></ul>

## **Appendix 16. Interface Inventory**

This document describes the interfaces required for the ITS Solution. Additional interfaces may be identified during the project lifecycle. The Contractor will work jointly with COM personnel to identify the most logical and efficient approach to implementing these interfaces. This may include recommendations to replace the interface with functionality built into the ITS Solution (e.g., replacing web applications currently hosted by the COM with features on the ITS Solution's Portal). Actual design of the interfaces will be mutually agreed upon between the COM, the Contractor, and the interface partners.

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
<b>Entity Registration &amp; Licenses</b>			
INT-ER-01	Online Combined Registration Applications (CRA)		
	Receive online CRA submissions from the COM's web application and Maryland Business Express (NIC Inc.).	Inbound Daily	NIC Inc., COM Web
	Return CRA acknowledgement with acceptance status to external partners.	Outbound Daily	NIC Inc.
	Notify DLLR of new CRA online registrations via a real-time web service.	Two Way Real-time	COM Web, DLLR
INT-ER-02	COM Web Reference - extract business registration information for reference by COM web applications.	Outbound Daily	COM Web
INT-ER-03	Business Registration Data Exchange		DLLR, DPSCS, DAT
	Share activity log listing new business registrations and updates to existing registrations with external state agencies.	Outbound Daily	
	Receive status updates from other state agencies.	Inbound Daily	
INT-ER-04	Social Security Administration (SSA) Death File – receive SSA's list of deceased individuals from Delaware.	Inbound Monthly	DE
INT-ER-05	Motor Fuel Online License Inquiry – extract motor fuel license information for public Web inquiry.	Outbound Daily	COM Web
INT-ER-06	Motor Fuel Online Exemption Certificate Inquiry – extract motor fuel exemption certificate information for public Web inquiry.	Outbound Daily	COM Web
INT-ER-07	Alcohol & Tobacco Tax (A&TT) License & Permit Search – extract A&TT licensing for public Web inquiry.	Outbound Daily	COM Web
<b>Electronic Filing</b>			
INT-EF-01	No Liability Filings	Inbound Daily	COM IVR, COM Web
	Receive transaction file containing business Returns and extensions with no liability due.	Inbound Daily	

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
	Extract list of FEINs eligible to file no liability filings via the IVR or the Web.	Outbound Weekly	
INT-EF-02	Modernized eFile (MeF) Schemas have been established for Individual, Corporate, and Pass Through Entity Returns.		IRS
	Fetch new submissions	Inbound Hourly	
	Send submission receipts	Outbound Hourly	
	Send acknowledgements	Outbound Real-time	
	Get acknowledgement notifications	Inbound Hourly	
	Re-fetch submissions and messages	Inbound On Demand	
	Request submission reconciliation list	Inbound On Demand	
INT-EF-03	Individuals Online Filing (iFile) – receive individual income tax Returns for Maryland residents submitted via the COM’s Individuals online web application. Returns processed include Resident Income Tax, Estimated Payments, and Extensions.	Inbound Daily	COM Web
INT-EF-04	iFile Reference Data – extract prior year Return data to be used by iFile when calculating underpayment interest.	Outbound Annual	COM Web
INT-EF-05	Business Online Filing (bFile & bServices) – receive business income tax Returns submitted via the COM’s online bFile and bServices web applications. Returns processed include Sales and Use Tax, Withholding, Admissions and Amusements, Alcohol, and Withholding Reconciliation (data entry and bulk upload).	Inbound Daily	COM Web
INT-EF-06	bServices A&A Reference Data		COM Web
	Export A&A Account details.	Outbound Weekdays	
	Export A&A activities, prefill details, subdivision information, and tax rates.	Outbound Monthly	
INT-EF-07	Independent State eFile (currently known as FSET) This is currently a proprietary filing option for Withholding and Sales and Use Tax. The ITS Solution should provide a replacement for these features based on current standards adopted by the states with real-time processing capability.		FSET Transmitters
	Receive Return submissions from participating	Inbound	



ID	Interface Description	Direction and Frequency	Interface Partner(s)
	transmitters.	Daily	
	Send transmission acknowledgements back to transmitters.	Outbound Daily	
INT-EF-08	Annual Filing of W2s and 1099s		Participating Transmitters
	Receive submissions of W2 and 1099 annual reconciliations.	Inbound Real-time	Business filers
	Send acknowledgements for W2 and 1099 submissions.	Outbound Real-time	
	Receive magnetic media (e.g., Compact Disc, flash drive) submission for W2 and 1099 annual reconciliations.	Inbound On Demand	
INT-EF-09	Online Sales Tax Exemption Renewal		
	Extract current EO information for reference by COM's online application.	Outbound Daily	COM Web
	Receive renewal transactions from the COM web application.	Inbound On Demand	COM Web
	Receive organization standing information from SDAT for reference by the online application.	Inbound On Demand	SDAT, COM Web
	Receive organization eligibility information from the IRS for reference by the online application.	Inbound On Demand	IRS, COM Web
INT-EF-10	Online Unclaimed Property Reporting – receive Reports submitted on the web.	Inbound Daily	COM Web
Fraud Detection			
INT-FD-01	Miscellaneous Fraud Model		ASR
	Send request to ASR's fraud model to score a tax Return as it is being processed.	Outbound Real-time	
	Receive results of fraud scoring from ASR's fraud model and continue with processing of the Return.	Inbound Real-time	
INT-FD-02	Suspicious Filer Exchange (SFE) program		FTA, States
	Extract Leads for the SFE.	Outbound On Demand	
	Process Leads received from the SFE.	Inbound On Demand	
INT-FD-03	MeF Leads (IRS and Vendors)		IRS, MeF Vendors
	Process Leads received from the IRS and Vendors.	Inbound On Demand	
	Respond to IRS or Vendor with results of lead matching.	Outbound On Demand	
Payments and Refunds			
INT-PR-01	Fiduciary Estimated Payments – receive bulk filing submissions from financial institutions. (Funds are currently received via check.)	Inbound On Demand	Financial Institutions

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
INT-PR-02	Lockbox – receive file of Return and payment transactions from the Lockbox vendor.	Inbound Daily	Wells Fargo
INT-PR-03	Remittance Processor – receive Return and payment data captured from the ITS Solution’s imaging system.	Inbound Near real-time	ITS Imaging
INT-PR-04	Credit Card Payments Current participants include: <ul style="list-style-type: none"> <li>NIC, Inc. eGov</li> <li>Official Payments Corporation (OPC)</li> </ul>		NIC, OPC
	Receive file of Returns and payment transactions from the credit card vendor.	Inbound Workdays	
	Receive email reports with transaction details and summary.	Inbound Workdays	
	Extract list of individual taxpayers eligible to make credit card payments.	Outbound Quarterly	
INT-PR-05	Financial Organization Master File (FOMF)		
	Download Federal Reserve’s Composite Receiver File (CRF) for use when validating bank routing numbers for direct debits and direct deposits.	Inbound Weekly	Federal Reserve
	Forward CRF data to COM Web.	Outbound Weekly	COM Web
INT-PR-06	Direct Debit		STO
	Send State Treasury Office (STO) transaction file of direct debit payments to be processed.	Outbound Daily	
	Receive debit memo listing debit transactions that could not be executed.	Inbound Daily	
INT-PR-07	Online Bill Payment		COM Web
	Receive direct debit payments submitted via the COM Individuals and bServices web applications.	Inbound Daily	
	Receive direct debit payments scheduled via the COM Payment Agreement web application’s recurring debit process.	Inbound Semimonthly	
	Extract existing Account liability information for reference by the COM web applications.	Outbound Daily	
	Extract list of individual taxpayers who filed electronically and timely. This is used by the web to determine eligibility when scheduling a payment beyond the due date.	Outbound Daily during filing season	
INT-PR-08	Receive direct debit payments submitted via the COM’s A&TT Online Payments web application.	Inbound Daily	COM Web
INT-PR-09	Gov-1 Automated Clearing House (ACH) Debits		
	Receive ACH debit transactions from Gov-1.	Inbound Daily	Gov-1

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
	Acknowledge receipt of transactions.	Outbound Daily	Gov-1
	Send Gov-1 direct debit transactions to STO.	Outbound Daily	STO
INT-PR-10	ACH Credit – receive Return and payment data for ACH Credits initiated by taxpayers via their financial institution.	Inbound Daily	STO
INT-PR-11	Refund Status Inquiry – extract status information for refunds making their way through the various stages of processing. The ITS Solution should provide the ability to view the status of a refund real-time via the internet.	Outbound Daily	COM IVR, COM Web
INT-PR-12	Direct Deposit – send direct deposit transactions to the STO for processing via ACH.	Outbound Daily	STO
INT-PR-13	Positive Pay – send information to the STO for allocating funds for paper checks.	Outbound Daily	STO
INT-PR-14	Unpresented Checks – receive and process unpresented check file.	Inbound Daily	STO
INT-PR-15	Receive and process Returned payment information (e.g., NSF, account closed).	Inbound Daily	STO/Financial Institutions
INT-PR-16	Cancellations – Send request to cancel a previously issued check or ACH transfer.	Outbound On Demand	STO
INT-PR-17	Stop Payment – Send request for stop payment on previously issued refund check.	Outbound On Demand	STO
INT-PR-18	Summary of Payments File – transmitted to STO for posting to FMIS.	Outbound Daily	STO
<b>Offsets</b>			
INT-OF-01	Debt Offsets – For Other State Agencies		DHR, CCU
	Receive full list of other state agency's debt information.	Inbound Annual	
	Receive updates to other state agency's debt information.	Inbound Weekly	
	Forward offsets and reversals from MD Tax Refunds and FMS TOP to other state agencies.	Outbound	
INT-OF-02	Debt Offsets – Financial Management Service (FMS) Treasury Offset Program (TOP)		FMS
	Send state debt file to FMS TOP.	Outbound Weekly	
	Receive TOP transaction file from FMS containing offsets and reversals.	Inbound Weekly	
INT-OF-03	Debt Offsets – Other States Interface requirements will vary depending on partner: <ul style="list-style-type: none"> <li>Connecticut (CT)</li> <li>Delaware (DC)</li> <li>District of Columbia (DC)</li> </ul>		CT, NJ, DE, DC, NY

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
	<ul style="list-style-type: none"> <li>New Jersey (NJ)</li> <li>New York (NY)</li> </ul>		
	Send Maryland tax debt file to other state.	Outbound Bi-weekly	
	Receive intercepted funds from other state agencies.	Inbound Bi-weekly	
INT-OF-04	Debt Offsets – Vendor Payments		DBM FMIS
	Extract liability data from all accounting systems and send to DBM’s FMIS R*STARS system.	Outbound Daily	
	Receive payment transaction data from DBM’s FMIS R*STARS system.	Inbound Daily	
INT-OF-05	Credit Offsets – FMS		FMS
	Send transaction file to FMS listing Accounts eligible for a refund.	Inbound Daily	
	Receive file listing matches to eligible refunds.	Inbound Daily	
	Send offset transaction file based on matches provided by FMS.	Outbound Daily	
INT-OF-06	Credit Offsets – IRS State Income Tax Levy Program (SITLP)		IRS
	Receive SITLP file of federal individual income tax debts from the IRS.	Inbound Bi-weekly	
	Send SITLP transaction file listing intercepted refunds.	Outbound Weekly	
	Receive confirmation of receipt of SITLP transaction file.	Inbound Weekly	
	Respond indicating confirmation of SITLP transaction file receipt was received.	Outbound Weekly	
INT-OF-07	Credit Offsets – Other Agencies and States Interface requirements will vary depending on partner: <ul style="list-style-type: none"> <li>Central Collections Unit (CCU)</li> <li>Department of Human Resources Child Support (DHR)</li> <li>Connecticut (CT)</li> <li>Delaware (DC)</li> <li>District of Columbia (DC)</li> <li>New Jersey (NJ)</li> <li>New York (NY)</li> </ul>		CCU, DHR, CT, NJ, DE, DC, NY
	Receive file listing other agency or state’s debt accounts.	Inbound Weekly	
	Send offset transaction file to other agency or state.	Outbound Weekly	
	Send payment file for intercepted funds to be distributed to other states and agencies.	Outbound Weekly	FMIS

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
INT-OF-08	Taxpayer Contributions – send payment transactions for distribution of funds withheld for contribution check-offs.	Outbound Daily	FMIS
<b>Estate Tax</b>			
INT-ET-01	Estate Tax - Receive inventory report listing new large estates.	Inbound Monthly	Local Jurisdictions
INT-ET-02	Estate Tax - Receive notification of estate filings from MD's Register of Wills. (State and federal Returns and state payments are also forwarded.)	Inbound On Demand	ROW
INT-ET-03	Estate Tax - Receive estate tax data	Inbound On Demand	IRS
<b>IFTA (Clearinghouse, CVISN, CVIEW)</b>			
INT-IF-01	IFTA – Comply with all provisions of the CVISN program.	Two Way Per Schedule	CVISN
INT-IF-02	IFTA – Perform automatic CVIEW updates.	Outbound Per Schedule	CVIEW
INT-IF-03	IFTA – Receive quarterly tax rates.	Inbound Quarterly	IFTA Clearinghouse
INT-IF-04	IFTA – Send Return transmittals	Outbound Monthly	IFTA Clearinghouse
INT-IF-05	IFTA – Send billing transmittals	Outbound Monthly	IFTA Clearinghouse
INT-IF-06	IFTA – Receive billing transmittals	Inbound Monthly	IFTA Clearinghouse
INT-IF-07	IFTA – Send funds transfers	Outbound Monthly	IFTA Clearinghouse
INT-IF-08	IFTA – Receive funds transfers	Inbound Monthly	IFTA Clearinghouse
INT-IF-09	IFTA – Send license information (e.g., additions, revocations, suspensions, reinstatements) to the Clearinghouse.	Outbound As Needed	IFTA Clearinghouse
INT-IF-10	IFTA – Submit Inter-jurisdictional Audit reports	Outbound As Needed	IFTA Clearinghouse
INT-IF-11	IFTA – Submit annual report	Outbound Annual	IFTA Clearinghouse
INT-IF-12	IFTA – Exemption database review	Two Way Annual	IFTA Clearinghouse
INT-IF-13	IFTA – Exemption database updates	Outbound Monthly	IFTA Clearinghouse
<b>Compliance</b>			
INT-CP-01	License Clearance Per Maryland law, Maryland licensing agencies must verify tax compliance before licenses and permits may be renewed. Current schedules vary depending on the interface partner. Optimizations for this process are desirable and		DNR, DHMH, MDE, MVA, DLLR, MIA, OAG, Liquor Boards

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
	will also vary based on partner. Current participants include: <ul style="list-style-type: none"> <li>• Department of Natural Resources (DNR)</li> <li>• Department of Health and Mental Hygiene (DHMH)</li> <li>• Maryland Department of the Environment (MDE)</li> <li>• Motor Vehicle Administration (MVA)</li> <li>• Department of Labor Licensing and Regulation (DLLR)</li> <li>• Maryland Insurance Administration (MIA)</li> <li>• Office of Attorney General (OAG)</li> <li>• County Liquor Boards</li> </ul>		
	Receive license renewal files from partner agency.	Inbound Daily, Monthly, Quarterly, Annually or On Demand	
	Respond to partner agency with liability matches.	Outbound Daily, Monthly, Quarterly, Annually or On Demand	
	Send release transactions to partner agency when the liability has been cleared.	Outbound Daily	
	Send license clearance updates to Maryland's eLicense system.	Outbound On Demand	MD eLicense
INT-CP-02	Corporate Charter Annulment		DAT
	Corporate Charter Annulment – Receive list of MD corporations from MD's Department of Assessments and Taxation (DAT).	Inbound Annual and On Demand	
	Respond with list of corporations who have a balance due.	Outbound Annual and On Demand	
INT-CP-03	Lottery Agents		MD Lottery
	Receive list of agents who operate lotteries.	Inbound Annual	
	Respond with list of agents who have a balance due.	Outbound Annual	
INT-CP-04	Employer Liabilities		DLLR
	Receive list of employers from DLLR.	Inbound On Demand	
	Respond with list of employers who have a	Outbound	

ID	Interface Description	Direction and Frequency	Interface Partner(s)
	balance due.	On Demand	
INT-CP-05	Alcohol Sales Tax Review – receive reports from liquor distributors.	Inbound Semi-Annual	Liquor Distributors
INT-CP-06	Predictive Dialer		Predictive Dialer
	Send information on delinquent and deficient Cases to the Predictive Dialer.	Outbound Daily	
	Receive Entity and Account update file from the Predictive Dialer.	Inbound Daily	
INT-CP-07	Bankruptcy Notices – Receive bankruptcy notices from the Electronic Bankruptcy Noticing (EBN) System ( <a href="https://ebn.uscourts.gov">https://ebn.uscourts.gov</a> )	Inbound Daily	US Courts Bankruptcy Noticing Center
INT-CP-08	Bankruptcy Proof Of Claim transmission	Outbound On Demand	Participating Courts
INT-CP-09	Online Payment Agreement		COM Web
	Receive address updates from the COM’s online payment agreement application.	Inbound Weekdays	
	Receive agreement requests.	Inbound Weekdays	
	Send list of employees authorized to set up payment agreements online.	Outbound Weekly	
	Extract data regarding Cases, payment agreements, and notice information for reference by the COM’s web application.	Outbound Daily	
Collections			
INT-CL-01	Financial Institution Data Match (FIDM) Method of transmission varies depending on the financial institution. Automation options are also likely to vary based on partner.		Participating Financial Institutions
	Send files detailing business and personal liabilities to participating financial institutions.	Outbound Quarterly	
	Receive match file from financial institutions.	Inbound Within 30 days	
INT-CL-02	Bank Attachment		Participating Financial Institutions
	Send Writ of Attachment to financial institution.	Outbound On Demand	
	Receive financial institution’s response to Writ of Attachment	Inbound On Demand	
	Send instruction to bank to direct flow of attached account.	Outbound On Demand	
INT-CL-03	Collection Agencies The COM currently works with a primary and secondary collection agency. Interfaces		Collection Agencies



ID	Interface Description	Direction and Frequency	Interface Partner(s)
	between the two agencies work the same way and are managed via business rules.		
	Send file of assigned debts to collection agency.	Outbound Bi-weekly	
	Receive update file listing changes to balance due and status from collection agencies.	Inbound Bi-weekly	
	Receive payment file and status transactions from collection agencies.	Inbound Weekly	
	Reconcile Account information between COM and collection agencies.	Two Way On Demand	
INT-CL-04	Automatic Filing of Property Liens		Maryland Judiciary
	Send new lien to courts.	Outbound On Demand	
	Receive docket number for new lien from courts.	Inbound On Demand	
	Send Order of Satisfaction to courts.	Outbound On Demand	
	Receive docket number for satisfaction from courts.	Inbound On Demand	
Other COM Web Services			
INT-WS-01	Credit Control		COM Web
	Receive wholesaler reporting of delinquent payments	Inbound Daily	
	Extract taxpayer information for wholesaler reporting	Outbound Daily	
INT-WS-02	1099G Online Viewer – extract 1099G data for viewing on the COM’s public web application.	Outbound Annual	COM Web
INT-WS-03	Paperless 1099G – receive paperless 1099G consent information from the COM’s web systems.	Inbound Annual	COM Web
INT-WS-04	Individuals Estimated Payment Inquiry – extract individual estimated payment information for viewing on the COM’s public web application.	Outbound Daily	COM Web
INT-WS-05	MVA Tax Certification – send tax certifications processed by the COM’s web application for ITIN driver’s license eligibility to the MVA.	Outbound Daily	COM Web, MVA
INT-WS-06	Sales Tax Exemption Inquiry – extract sales tax exemption status for viewing on the COM’s public web application.	Outbound Daily	COM Web
INT-WS-07	Unclaimed Property Search – extract Abandoned Property data for viewing on COM’s web application as well as other third-party locations.	Outbound Weekdays	COM Web
COM Data Warehouse (DW)			
INT-DW-01	Extract ITS data to the COM’s DW.	Outbound Daily at a	COM DW

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
		minimum	
INT-DW-02	Receive data from the COM's DW.	Inbound On Demand	COM DW
INT-DW-03	Export data captured during image scanning to the COM's DW.	Outbound Daily at a minimum	COM DW
INT-DW-04	Send batch requests for analysis to COM DW.	Outbound On Demand	COM DW
INT-DW-05	Process results of batch analysis requests returned by the COM DW.	Inbound On Demand	COM DW
INT-DW-06	Real-time requests for COM DW analysis during ITS transaction processing.	Two Way Real-time	COM DW
INT-DW-07	Connect to COM's DW for Access to external data for ad-hoc reporting within the ITS Solution.	Inbound Real-time	COM DW
<b>Data Exchanges – Other MD Agencies and Other States</b>			
INT-DS-01	Wage Data File – receive file from DLLR. This file is used to identify taxpayers and validate Returns.	Inbound Weekly	DLLR
INT-DS-02	North Eastern States Tax Officials Association (NESTOA) Centralized clearinghouse containing individual income tax data shared among a group of states and hosted by Massachusetts.		MA DOR NESTOA
	Send MD's individual income tax data to NESTOA's centralized clearing house.	Outbound Annual	
	Receive compiled data for all participating states from NESTOA's centralized clearing house.	Inbound Annual	
INT-DS-03	Business Data for License Pricing	Inbound On Demand	DAT
INT-DS-04	MD Lottery – retrieve data regarding lottery winnings.	Inbound On Demand	MD Lottery
INT-DS-05	Prisoner Data		
	Data regarding incarcerated individuals.	Inbound On Demand	DPS
	Data regarding incarcerated individuals.	Inbound On Demand	Other States
INT-DS-06	Payroll State Pickup – receive the Maryland W-2 state pickup data file from the COM's Central Payroll Bureau (CPB).	Inbound Annual	COM CPB
INT-DS-07	Warrant Intercept program (per Maryland law, withhold tax refunds when an outstanding warrant exists) – Receive warrant file from MD Counties' Sherriff's Offices identifying individuals with outstanding warrants.	Inbound Daily	MD Sheriffs
INT-DS-08	Questionable filer data.	Inbound	ISAC

ID	Interface Description	Direction and Frequency	Interface Partner(s)
		On Demand	
<b>Data Exchanges – IRS</b>			
The COM currently participates in the following IRS data exchange programs: BMF, BRTF, CUC, CA, CP2000, EITC, EOAD, ETCL, EWDM, EOR-BMF, PDILM, IMF, IRTF, CFS, IRMF, ITIN, LEVY, NON-ITEMIZER, PDT, PTIN, SITLP, SS8, PITRF, TAR, TDS, EFIN Validation, and Summit Report.			
INT-DI-01	1099 and W2G File – receive 1099 and W2G file from the IRS for reference by the ITS.	Inbound Annual	IRS
INT-DI-02	GLDEP		IRS
	Receive GLDEP files provided by the IRS per the IRS’ schedule and on demand in response to a tickler file.	Inbound Varies	
	Send tickler files to the IRS to initiate a request for certain GLDEP files.	Outbound Varies	
INT-DI-03	Non-GLDEP		IRS
	Receive Non-GLDEP files provided by the IRS per the IRS’ schedule and on demand in response to a tickler file.	Inbound Varies	
	Send informational files to the IRS to initiate a request for certain Non-GLDEP files.	Outbound Varies	
INT-DI-04	Federal Audit Data – receive IRS audit data.	Inbound Monthly	IRS
INT-DI-05	SSN Validation		IRS
	Send list of SSNs and name controls to be validated to the IRS.	Outbound Daily or On Demand	
	Receive validation results from the IRS.	Inbound Daily or On Demand	
<b>Miscellaneous</b>			
INT-MS-01	Bulk Printing – export print jobs to high-speed printers located at the COM	Outbound On Demand	COM
INT-MS-02	Third Party Print Vendors – prepare print data files for processing by third party print vendors.	Outbound On Demand	Third Party Print Vendors
INT-MS-03	Address Validation – interface with the ADC’s Pitney Bowes Code-1 address validation and standardization software for any ITS functionality that does not have a suitable replacement within the ITS Solution.	Two Way Real-time	ADC Mainframe
INT-MS-04	Abandoned Property Advertising Claim List	Outbound On Demand	Advertisers
INT-MS-05	Abandoned Property Transactions – generate accounting transactions for AP (e.g., receipt of funds from holders, claim disbursements).	Outbound Daily	FMIS
INT-MS-06	Taxpayer Accounting Adjustments – post to FMIS automatically	Outbound Daily	FMIS
INT-MS-07	Hearings and Appeals audio files	Inbound	VIO Encompass

<b>ID</b>	<b>Interface Description</b>	<b>Direction and Frequency</b>	<b>Interface Partner(s)</b>
		Real-time	

## Appendix 17. Audit Program Inventory

The COM's Audit Program Inventory is located in the confidential reading room. Prior to requesting access to the reading room, Offerors must complete **Appendix 5 Non-Disclosure Agreement (Offeror)**. No more than two (2) individuals from each Offeror company will be granted access to the reading room. Please contact the Procurement Officer to schedule a time to view content in the reading room.

Please note, materials in the reading room may not be copied or removed. Photography, use of cell phones, and any other recording devices are strictly prohibited in the reading room.

## Appendix 18. As-Is Business Process Model Inventory

### Overall Organization of Business Process Models (BPM) Within the As-Is BPM Inventory

The BPM inventory is organized at a high level by the critical capabilities that are broken out in the tables below.

All BPMs depict tasks, processes, sub-processes, work flow, inputs and outputs for the business process at the appropriate BPM level. **Level 1 BPMs** will have the business process flow diagramed with major tasks, decision points, and sub-processes identified. The **sub-processes** from the Level 1 Diagrams may break out into separate **Level 2 Diagrams** that have the additional detail of swim lanes (representing responsible actors in the process) and call outs for **Data Sources, Systems, Interfaces, Business Rules, Correspondence, Reports, Case Files, and Forms** along with the information found in Level 1 diagrams. Subsequently, **Level 3 Diagrams** are further sub-processes contained within and are unique to the Level 2 diagram in which they are depicted. Level 3 diagrams contain the same level of information as a level 2 diagram.

The various call outs are sequentially numbered within each L2 and L3 diagram so that the respective inventory will link to the appropriate box within the BPMs.

The As-Is Business Process Model Inventory below includes inventory number, division, critical capability, and BPM Title (artifact name).

The As-Is BPM Inventory numbering convention is as follows:

- A. The initial alpha string represents the Critical Capability or Special Emphasis Area;
- B. The number following the alpha string represents the level of the diagram (1, 2, 3); and
- C. The number following the hyphen represents sequential numbering of that level.

The Division column represents the Division where the business process is currently being performed within the COM.

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
ER1-001	RAD	Entity Registration	Entity Registration
ER2-001	RAD	Entity Registration	Entity Registration - IFTA Registration
ER2-002	RAD, CD, FED	Entity Registration	Entity Registration - Combined Registration
ER2-003	RAD	Entity Registration	Entity Registration - POA
ER2-004	RAD	Entity Registration	Sales Tax Exemption
LI1-001	FED	Entity Registration	FED Licensing & Permits
LI2-001	FED	Entity Registration	Alcohol & Tobacco Tax Licensing

<b>Inventory Number</b>	<b>Division</b>	<b>Critical Capability</b>	<b>Artifact Name - BPM Title</b>
LI2-002	FED	Entity Registration	Alcohol & Tobacco Tax License Renewal
LI2-003	FED	Entity Registration	Motor Fuel Tax Licensing
LI2-004	FED	Entity Registration	Motor Fuel Tax License Renewal
LI2-005	FED	Entity Registration	Maintenance of Bond data base
LI2-006	FED	Entity Registration	Slots Application

<b>Inventory Number</b>	<b>Division</b>	<b>Critical Capability</b>	<b>Artifact Name - BPM Title</b>
RP1-001	RAD	Returns Processing	Returns and Payments Document Processing - Income Tax (Individual, Corporation, PTE, and Fiduciary including IVR)
RP1-002	RAD	Returns Processing	QRDT Investigation
RP2-001	RAD	Returns Processing	Electronic Intake and Fraud Scoring
RP2-002	RAD	Returns Processing	IFP Prep and Scan
RP2-003	RAD	Returns Processing	Trip-21 (be sure to include OpenText display of images and check reconciliation)
RP2-004	RAD	Returns Processing	Amended Returns
RP2-005	RAD	Returns Processing	Manual Returns Data Entry (old Returns) and non-SMART
RP2-006	RAD	Returns Processing	POSTTRAN Nightly Batch Process (SACS, etc.)
RP2-007	RAD	Returns Processing	Error Corrections - suspended transactions
RP2-008	RAD	Returns Processing	QRDT Fraud Score Aggregate
RP2-009	RAD	Returns Processing	QRDT Leads/Data Discovery
RP2-010	RAD	Returns Processing	QRDT Preparer Case



Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
RP2-011	RAD	Returns Processing	QRDT Taxpayer Case
RP3-001	RAD	Returns Processing	Document Processing - Alcohol Taxes
RP3-002	RAD	Returns Processing	Document Processing - Cigarette Taxes <b>and</b> Other Tobacco Products (OTB)
RP3-003	RAD	Returns Processing	IFTA Document Processing - Motor Carrier Tax (IFTA)
RP3-004	RAD	Returns Processing	Document Processing - Motor Fuel Taxes
RP3-005	RAD	Returns Processing	Estate Tax
RP3-006	RAD	Returns Processing	Document Processing - Generic Income Tax
RP3-007	RAD	Returns Processing	Tire Fee Processing
RP3-008	RAD	Returns Processing	Document Processing - <b><u>Admissions and Amusement Tax</u></b> , Boxing and Wrestling Tax
RP3-009	RAD	Returns Processing	Document Processing – Chesapeake Bay Restoration Fee
RP3-010	CD	Returns Processing	Process Mobile Homes SUT Returns
RP3-011	RAD	Returns Processing	QRDT Taxpayer Audit
RP3-012	RAD	Returns Processing	Document Processing – Manual Returns

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
TA1-001	RAD	Taxpayer Accounting	Taxpayer Accounting (all Tax Types - one for SMART and separate for UNCOTT)
TA1-002	CD, RAD	Taxpayer Accounting	Interest
TA1-003	RAD	Taxpayer Accounting	Penalty
TA1-004	CD, RAD	Taxpayer Accounting	Holds and Suppressions

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
TA2-001	RAD	Taxpayer Accounting	Taxpayer Accounting Adjustments (including injured spouse)
TA2-002	RAD	Taxpayer Accounting	Amnesty
TA2-003	RAD	Taxpayer Accounting	Taxpayer Accounting Bulk (P-Corr; PTE Refunds, Supervisor Review, Unbilled Liability)
TA2-004	RAD	Taxpayer Accounting	Taxpayer Accounting IRS Reversals
TA2-005	RAD	Taxpayer Accounting	ATTB Refunds and Adjustments
TA2-006	RAD	Taxpayer Accounting	Non-sufficient Funds (NSF) and Dishonored Checks / Debits

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
BC1-001	RAD, CD	Billing & Collection	SMART Billing/Noticing
BC1-002	RAD, CD	Billing & Collection	Creating Outgoing notices in CAMS
BC1-003	CD	Billing & Collection	Creating Outgoing Notices in CACS
BTC1-001	CD	Billing & Collection	Business Tax Collections
BTC2-001	CD	Billing & Collection	Business Tax Collections - Predictive Dialer (Delinquency & Deficiency)
BTC2-002	CD	Billing & Collection	Business Tax Collections - Supervisory Review
BTC2-003	CD	Billing & Collection	Business Tax Collections - Property Lien
BTC2-004	CD	Billing & Collection	Business Tax Collections - Estimated Assessment
BTC2-005	CD	Billing & Collection	Business Tax Collections - Bank Attachment
BTC2-006	CD	Billing & Collection	Business Tax Collections - Salary Garnishment
BTC2-007	CD	Billing & Collection	Business Tax Collections - Officer Assessment
BTC2-008	CD	Billing & Collection	Business Tax Collections - SUT License Revocation Hearings

<b>Inventory Number</b>	<b>Division</b>	<b>Critical Capability</b>	<b>Artifact Name - BPM Title</b>
BTC2-009	CD	Billing & Collection	Business Tax Collections - GAD Offset
BTC2-010	CD	Billing & Collection	Business Tax Collections - Court Writ
BTC2-011	CD	Billing & Collection	Business Tax Collections - Bankruptcy
BTC2-012	CD	Billing & Collection	Business Tax Collections - Write Off
BTC2-013	CD	Billing & Collection	Business Tax Collections - License Clearance
BTC2-014	CD	Billing & Collection	Business Tax Collections - Contract & Security Clearance/Man Tax Verification
BTC2-015	CD	Billing & Collection	Business Tax Collections - Special Projects (Charter / Lottery / Internet)
ITC1-001	CD	Billing & Collection	Individual, PTE, Fiduciary Tax Collections Note: this will have sub-processes.
ITC2-001	CD	Billing & Collection	Individual Tax Collections - Bankruptcy
ITC2-002	CD	Billing & Collection	Individual Tax Collections - Bank Attachment
ITC2-003	CD	Billing & Collection	Individual Tax Collections - Wage Lien
ITC2-004	CD	Billing & Collection	Individual Tax Collections - Property Lien
ITC2-005	CD	Billing & Collection	Individual Tax Collections - Third Party Collections
ITC2-006	CD	Billing & Collection	Individual Tax Collections -MVA License Holds/Clearance
ITC2-007	CD	Billing & Collection	Innocent Spouse Claims
ITC2-008	CD	Billing & Collection	Individual Tax Collections - Payment Agreement
ITC2-009	CD	Billing & Collection	Individual Tax Collections - FMS Process
ITC2-010	CD	Billing & Collection	Individual Tax Collections - PRO License Holds/Clearance

<b>Inventory Number</b>	<b>Division</b>	<b>Critical Capability</b>	<b>Artifact Name - BPM Title</b>
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<b>Inventory Number</b>	<b>Division</b>	<b>Critical Capability</b>	<b>Artifact Name - BPM Title</b>
RA1-001	RAD	Revenue Accounting	Includes Returns, refunds, adjustments, amended, reconciliation and distributions.
RA1-002	CD	Revenue Accounting	SUT Refund Claims, Non-Account Holder
RA2-001	RAD	Revenue Accounting	RA-Accounting-Deposits and Debits
RA2-002	RAD	Revenue Accounting	Refund
RA2-003	RAD	Revenue Accounting	Financial Reconciliation-Postings/Statements
RA2-005	RAD	Revenue Accounting	Distribution (includes A & A, refundable earned income credit & Local Tax)
RA3-001	RAD	Revenue Accounting	Refund Pending Exceptions
RA3-002	RAD	Revenue Accounting	Refund 1099G Correction
RA3-003	RAD	Revenue Accounting	Refund Offset Recalls
RA3-004	RAD	Revenue Accounting	Refund Manual Bank Credit/Debit Entries
RA3-005	RAD	Revenue Accounting	Refund Subpoena Request/Indemnity Letter
RA3-006	RAD	Revenue Accounting	Refund Check Status Request/Check Photocopy Request
RA3-007	RAD	Revenue Accounting	Refund Transmittals
RA3-008	RAD	Revenue Accounting	Refund Bank Terminal Check Deletions
RA3-009	RAD	Revenue Accounting	Refund Holder In Due Course
RA3-010	RAD	Revenue Accounting	Refund Forgery
RA3-011	RAD	Revenue Accounting	Refund Warrants
RA3-012	RAD	Revenue Accounting	Refund Quick Check
RA3-013	RAD	Revenue Accounting	Refund Direct Deposit Exceptions
RA3-014	RAD	Revenue Accounting	Refund Stop Payments

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
RA3-015	RAD	Revenue Accounting	Refund Direct Deposit Research Trace Letter
RA3-016	RAD	Revenue Accounting	Refund 1099G Year End File
RA3-017	RAD	Revenue Accounting	Refund Unpresented
RA3-018	RAD	Revenue Accounting	Refund Unclaimed
RA3-019	RAD	Revenue Accounting	Refund Mutilated
RA3-020	RAD	Revenue Accounting	Refund 1310 Letter of Admin
RA3-021	RAD	Revenue Accounting	Refund 1099INT Creation
RA3-022	RAD	Revenue Accounting	RA - Suspense - Report

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
FE1-001	GAD	Customer Relationship Management	GAD Certificate of Good Standing
TS1-001	RAD	Customer Relationship Management	Taxpayer Service (call center, IVR/web ref inquiries, etc.)
TS2-001	RAD	Customer Relationship Management	Taxpayer Service (Correspondence/mail)
TS2-002	RAD	Customer Relationship Management	Taxpayer Service (Correspondence/fax)
TS2-003	RAD	Customer Relationship Management	Taxpayer Service (Correspondence/email)
TS2-004	RAD	Customer Relationship Management	Taxpayer Service (MVA Tax Certification, undocumented alien)
TS2-005	RAD	Customer Relationship Management	Taxpayer Service (walk-in service, etc.)
TS2-006	RAD	Customer Relationship Management	Taxpayer Service (call center, etc.)

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
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<b>Inventory Number</b>	<b>Division</b>	<b>Critical Capability</b>	<b>Artifact Name - BPM Title</b>
BTA1-001	CD	Case Management	Business Tax Audit
BTA2-001	CD	Case Management	Business Tax Audit - Field Audit
BTA2-002	CD	Case Management	Business Tax Audit - Desk Audit
BTA2-003	CD	Case Management	Business Tax Audit - Managed Audit
BTA2-004	CD	Case Management	Business Tax Audit - Refund Audit
BTA2-005	CD	Case Management	Business Tax Audit - Audit Prep
BTA2-006	CD	Case Management	Business Tax Audit - Audit Review
CAM1-001	FED	Case Management	Field Enforcement – Case Management
CAM2-001	FED	Case Management	FED Hearings
CAM2-002	FED	Case Management	FED Collections
CAM2-003	FED	Case Management	Motor Fuel Inspection
CAM2-004	FED	Case Management	Open, Manage, and Close Case
CAM2-005	FED	Case Management	Assignment
CAM2-006	FED	Case Management	Threat Assessment
CP1-001	CD	Case Management	Compliance Programs
CP2-001	CD	Case Management	Compliance Programs - Individual Nexus
CP2-002	CD	Case Management	Compliance Programs - Business Nexus General
CP2-003	CD	Case Management	Business Nexus Bulk Sales
CP2-004	CD	Case Management	Business Nexus Temp License
CP2-005	CD	Case Management	Business Nexus A & A

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
CP2-006	CD	Case Management	Business Nexus MW507
CP2-007	CD	Case Management	Business Nexus RAR
CP2-008	CD	Case Management	Tax Investigation
HA1-001	CD	Case Management	Hearings & Appeals
HA2-001	CD	Case Management	Hearings & Appeals Create Case
HA2-002	CD	Case Management	Hearings & Appeals Manage Case
HA2-003	CD	Case Management	Hearings & Appeals Close Case
HA3-001	CD	Case Management	Hearings & Appeals Hearings
HA3-002	CD	Case Management	Hearings & Appeals Request Info
HA3-003	CD	Case Management	Hearings & Appeals Adjustment
HA3-004	CD	Case Management	Hearings & Appeals Settlement
HA3-005	CD	Case Management	Hearings & Appeals Approvals
OIC1-001	CD	Case Management	Offers in Compromise
VDA1-001	CD	Case Management	Voluntary Disclosure Agreements

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
AP1-001	CD	Abandoned Property	Abandoned Property
AP2-001	CD	Abandoned Property	AP Property Processing
AP2-002	CD	Abandoned Property	AP Liability Offset
AP2-003	CD	Abandoned Property	AP account owner outreach
AP2-004	CD	Abandoned	AP Compliance



Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
		Property	
AP2-005	CD	Abandoned Property	AP State Reconciliation
AP2-006	CD	Abandoned Property	AP Process Owner Claims

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
MI1-001	RAD	Correspondence	Mail Intake
CR1-001	RAD	Correspondence	Responses to taxpayer legal inquiries
CR1-002	CD	Correspondence	Correspondence (Incoming)
CR1-002	CD, RAD	Correspondence	Correspondence (Outgoing)

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
CM1-001	RAD	Content Management	Forms Development, booklets, etc.

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
AA1-001	RAD	Application Administration	Application Control
AA1-002	GAD	Application Administration	Vendor Offset
AA2-001	RAD	Application Administration	Forms Definition Facility (FDF/form business rules)
AA2-002	RAD	Application Administration	AC Job Selection and Submission
AA2-003	RAD, CD, GAD	Application Administration	Offsets (Incoming)
AA2-004	RAD, CD, GAD	Application Administration	Offsets (Outgoing)

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
AA2-005	RAD	Application Administration	AC Daily Balancing
AA2-006	RAD	Application Administration	AC Notice Validation
AA2-010	GAD	Application Administration	Vendor Offset Reconciliation

Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
IM1-001	FED	Inventory	FED Inventory Management
IM2-001	FED	Inventory	Cigarette Tax Stamps - Inventory
IM2-002	FED	Inventory	IFTA Decals -Inventory
IM2-003	FED	Inventory	Beer Keg Registration Booklets - Inventory
IM2-004	FED	Inventory	Confiscated Items - Inventory
IM2-005	FED	Inventory	Beer Keg Registration Booklets Request
IM2-006	FED	Inventory	Cigarette Tax Stamps - Request

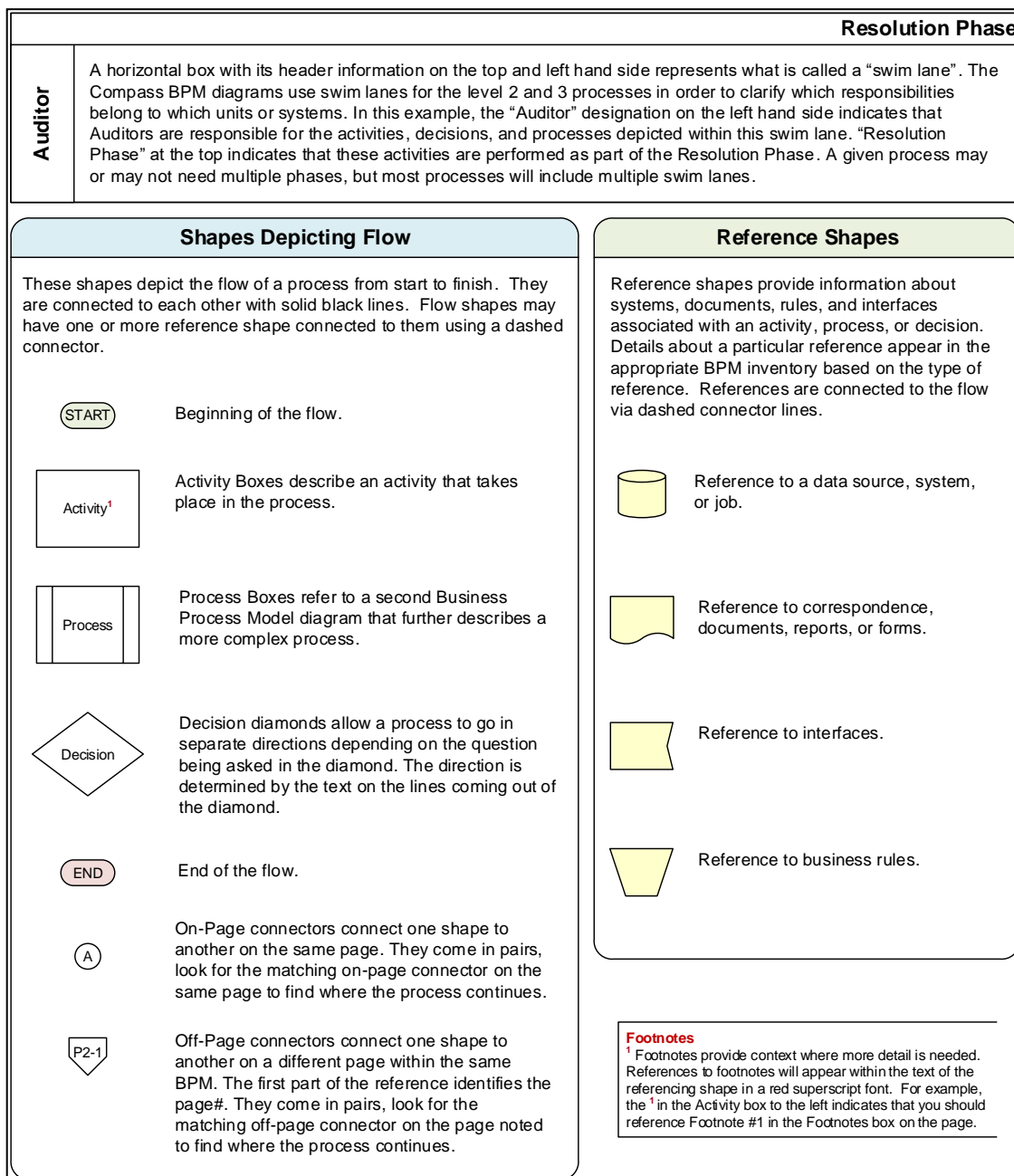
Inventory Number	Division	Critical Capability	Artifact Name - BPM Title
DW1-001	RAD	Data Warehouse	Data Warehouse Fraud Processing
DW1-002	RAD, BRE	Data Warehouse	Data Warehouse Tax Readiness
DW1-003	CD, BRE	Data Warehouse	Data Warehouse: Compliance Programs

## Appendix 19. As-Is Business Process Models

The COM's As-Is Business Process Models are located in the confidential reading room. Prior to requesting access to the reading room, Offerors must complete **Appendix 5 Non-Disclosure Agreement (Offeror)**. No more than two (2) individuals from each Offeror company will be granted access to the reading room. Please contact the Procurement Officer to schedule a time to view content in the reading room.

Please note, materials in the reading room may not be copied or removed. Photography, use of cell phones, and any other recording devices are strictly prohibited in the reading room.

The legend for BPM shapes is provided below.



## Appendix 20. Statistics by Tax Type

### Statistics by Tax Type – Calendar Year 2017

Tax - Fee	Total Number of Taxpayers (Active)	Total Receipts	Filing Frequencies
Personal income	3,171,399	\$3,789,739,424	Annually
Fiduciary	58,852	\$123,880,591	Annually
Corporate income	48,810	\$1,265,418,206	Annually
Pass-through entities	172,577	\$16,704,050	Annually
Employer withholding - MW508	112,707	\$13,308,682,759	Accelerated, monthly, quarterly, annually
W-2	4,761,755		
Sales and Use	99,106	\$4,632,550,750	Monthly, quarterly, semi-annually, annually, seasonally
Tire Fee	826	\$3,823,674	Semi-Annual
Bay Restoration Fee	367	\$144,670,855	Quarterly
Admission and Amusement		\$75,644,289	Monthly, Quarterly, Seasonally, Annually
Business Licenses [1]			
Motor-fuel	1,708	\$1,119,297,381	Monthly
Alcohol	2,090 [2]	\$34,102,297 [3]	Monthly, Quarterly
Tobacco	65	\$348,896,132	Monthly, Quarterly
OTP	307	\$38,088,789	Monthly, Quarterly
Estate Tax		\$190,124,428	One time only
Motor Carrier/IFTA	4,596	\$6,499,845	Quarterly
<p>[1] Applications are filed with and fees collected by the Clerks of the Circuit Court</p> <p>[2] There are approximately 700 Alcohol Licenses with 563 as taxpayers and 6,300 Alcohol Permits with 1,527 as taxpayers.</p> <p>[3] Alcohol revenue raw data are: Beer Tax: \$8,360,590; Wine Tax: \$6,891,142; Spirit Tax \$16,898,941 plus alcohol permit and license fees.</p>			

#### Additional Calendar Year 2017 Processing Statistics

Total number of notices issued in calendar 2017 (all tax and fee types): 3,327,381

Highest number of notices sent in a single day: 73,076

Average number of notices issued daily: 13,471

Highest number of paper Returns scanned in a single day: 11,739

Average number of paper Returns scanned daily during peak season: 8,513

## **Appendix 21. Collection and Billing Statistics**

In support of its responsibility for the collection of taxes and fees, the COM mails a variety of general Correspondence as well as notices for non-filers, delinquencies, deficiencies, installment payments, payment defaults, lien warnings, lien attachments, employment verifications, and salary garnishments. Correspondence volumes related to billing and collections for FY2017 are listed below.

<b>Tax Type or Audit Program</b>	<b>Quantity</b>	<b>Correspondence Type</b>
Sales and Use Tax	393,750	Letters, assessment notices, salary liens, Bank Attachments, delinquent notices
Individual Income Tax	700,000	1 <sup>st</sup> and 2 <sup>nd</sup> delinquent tax or delinquent filing notices
W-2 Project	31,000	1 <sup>st</sup> and 3 <sup>rd</sup> notices to delinquent Accounts
IRS Offset Program	85,000	Certified letters notifying taxpayers of pending IRS refund offsets
Corporation Income Tax	11,800	General letters, assessment notices, flats, boxes, and certified mail
Alcohol and Tobacco Taxes	7,875	General letters, assessment notices, flats, boxes, and certified mail
Admissions and Amusement Tax	26,460	General letters, assessment notices, flats, boxes, and certified mail
Motor Fuel Tax	12,500	General letters, assessment notices, flats, boxes, and certified mail
Abandoned Property	121,000	Notices to claimants and holders, general Correspondence
Non-Filer Program	108,000	1st and 2nd delinquent tax or delinquent filing notices

The COM ensures taxpayer fairness through aggressive, equitable, and compassionate enforcement of tax laws. The performance measures below demonstrate the COM's commitment to maximizing the collection of delinquent taxes, encouraging voluntary compliance, and identifying non-compliant taxpayers.

	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Dollars collected on unpaid income tax Cases (in thousands)	\$308,022	\$300,729	\$320,139	\$337,663	\$358,254	\$363,000	\$365,000
Dollars collected on delinquent business tax Cases (in thousands)	\$305,153	\$251,952	\$268,955	\$265,735	\$259,994	\$260,500	\$262,000
Dollars collected using the DW (in thousands)	\$57,977	\$48,239	\$53,300	\$55,120	\$70,431	\$72,000	\$75,000

## Appendix 22. Online Services Statistics

The COM currently provides a wealth of information and a variety of online services to assist taxpayers through its website [www.marylandtaxes.gov](http://www.marylandtaxes.gov). The performance measures listed below demonstrate the COM's commitment to utilizing new technologies, techniques, and products to improve efficiency and customer service.

	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Tax Forms downloaded (millions)	5.56	13.29	13.82	20.15	12.96	13.00	14.00
Abandoned Property Searches (millions)	2.58	0.80	1.68	0.73	1.00	1.00	1.00
Internet Tax Filings (millions)	1.24	1.32	1.46	1.52	1.55	1.60	1.70
Percentage of surveyed customers who were satisfied or very satisfied with web based services	65.0%	56.6%	79.6%	89.2%	86.7%	90.0%	90.0%