**STATE OF TENNESSEE**
**DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT**

**REQUEST FOR INFORMATION**
**FOR**
**UNEMPLOYMENT TAX MANAGEMENT SYSTEM**

**RFI # 33701-10162**

**October 23, 2020**

1. **STATEMENT OF PURPOSE:**

The State of Tennessee, Department of Labor & Workforce Development (TDLWD) issues this Request for Information ("RFI") for the purpose of identifying vendors with expertise and experience in delivering modernized solutions for managing unemployment taxes collected from the state's employers. The information obtained from responses to this request will be used by TDLWD to plan the future procurement strategy for the modernization of systems that support TDLWD services and business operations. We appreciate your input and participation in this process.

Through this RFI, TDLWD seeks information on industry solutions that currently exist in a production environment to support state unemployment tax management. TDLWD will review responses to the questions contained within this RFI and intends to observe the functionality of vendor solutions through demonstrations. For the future procurement strategy, TDLWD plans to actively consider all options available to meet the current needs, as well as anticipated future needs, including but not limited to the following:

   a. Browser-based tax management solution, including development, configuration, testing, training, implementation, and support.

   b. Functionality necessary to process, track, and report on Unemployment Insurance ("UI") tax payments and processes in a timely and efficient manner.

   c. Integration with the State's existing UI benefits system;

   d. Continued compliance with federal and state regulations and any regulatory updates;

   e. New ideas and approaches for improving service delivery;

   f. Ease of access with commonly used devices, operating systems, and customer portals;

   g. Scalability for fluctuating workloads and changes in the rate of employment.

2. **BACKGROUND:**

TDLWD has embarked on a comprehensive, multi-year modernization effort for its Employment Security Division. As we continue our mission to provide unemployment insurance for those

Tennesseans who have lost their jobs through no fault of their own, our long-term vision also includes empowering Tennessee's employers by enhancing the tools and information available for making their tax payments in accordance with the State Unemployment Tax Act.

TDLWD intends to transition the processing of UI Tax payments from an existing "legacy" system to a service provider with extensive experience and knowledge in providing integrated UI Tax solutions that will fit the precise needs of the State while maintaining flexibility to meet the needs of a changing world. This is critical to our ability to comply with the guidelines established for all states by the United States Department of Labor (USDOL) and to secure the funding necessary for the ongoing operations and effective communications with the employers and citizens of Tennessee.

To accomplish these goals, we anticipate an aggressive strategy that allows:

- Integration of proven, modern technologies and self-service components that are simple to understand and use, streamlined in their design and function, and that capture all required information to process UI tax payments quickly, accurately, and efficiently.

- Scalability of system capacity and performance to handle higher volumes with ease, including 24x7x365 system availability and an ability to handle significant changes in volume without extra time, effort, or expense.

- Improved productivity for staff, with secure access to system data through ad hoc and standard reporting, including all necessary federal and state reporting, and other documents generated and stored by the system.

- Incremental, functional improvements that integrate seamlessly with the State's other systems and processes to deliver a clear, customer-focused experience for employers.

**DRIVERS FOR A "MODERNIZED" UI TAX SYSTEM.** TDLWD has established the following goals to be achieved by a UI Tax System that meets all State functional and technical requirements through:

- Delivery of a proven, comprehensive tax management system that:

  o Utilizes industry-standard web-based, UX, and mobile technologies;

  o Provides self-service capability that extends to all users of the system;

  o Includes required functionality for staff and employers;

  o Complete interoperability with existing UI Benefits System for claimants;

  o Allows cost-effective extensions to serve the unique needs of the State;

  o Empowers the state's employers to make changes quickly;

  o Embraces simple configurability options at the parameter and component levels.

- Delivery of a software application design that:

  - Utilizes the latest, most agile industry-leading technical architecture;

  - Provides for system administration, operations, and maintenance;

  - Includes data privacy, data management, security, and availability;

  - Integrates with internal and external systems and processes;

  - Interfaces with other state systems and federal information repositories.

- Reduction of development costs through elimination of lengthy development process.

- Promotion of best business practices throughout the solution.

- High quality and timely delivery of services in a sustainable, cost-effective way.

- Continuity of application design and flexible system hosting options.

**3. COMMUNICATIONS:**

3.1. Please submit your response to this RFI to:
Kayla R. Cook, Sourcing Account Specialist
Central Procurement Office
Tennessee Tower, 3rd Floor
312 Rosa L. Parks Ave., Nashville, TN 37243
615-741-9496
Kayla.R.Cook@tn.gov

3.2. Please feel free to contact TDLWD with any questions regarding this RFI. The main point of contact will be:
Jason Cecil, Assistant Administrator
Unemployment Insurance
220 French Landing Dr.
Nashville, TN 37243
615-253-5018
Jason.Cecil@tn.gov

3.3. Please reference RFI # 33701-10162 with all communications to this RFI.

**4. RFI SCHEDULE OF EVENTS:**

| EVENT | | TIME (Central Time Zone) | DATE (all dates are State business days) |
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| 1. | RFI Issued | | October 23, 2020 |
| 2. | RFI Response Deadline | 12:00 PM | November 6, 2020 |

**5. GENERAL INFORMATION:**

5.1. Please note that responding to this RFI is not a prerequisite for responding to any future solicitations related to this project and a response to this RFI will <u>not</u> create any contract rights.  Responses to this RFI will become property of the State.

5.2. The information gathered during this RFI is part of an ongoing procurement.  In order to prevent an unfair advantage among potential respondents, the RFI responses will not be available until after the completion of evaluation of any responses, proposals, or bids resulting from a Request for Qualifications, Request for Proposals, Invitation to Bid or other procurement method.  In the event that the state chooses not to go further in the procurement process and responses are never evaluated, the responses to the procurement including the responses to the RFI, will be considered confidential by the State.

5.3. The State will <u>not</u> pay for any costs associated with responding to this RFI.

**6. INFORMATIONAL FORMS:**

The State is requesting the following information from all interested parties.  Please fill out the following forms:

| RFI # 33701-10162 |
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| **TECHNICAL INFORMATIONAL FORM** |

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| 1. RESPONDENT LEGAL ENTITY NAME: |
| 2. RESPONDENT CONTACT PERSON:<br>Name, Title:<br>Address:<br>Phone Number:<br>Email: |
| 3. BRIEF DESCRIPTION OF EXPERIENCE PROVIDING SIMILAR SCOPE OF SERVICES/PRODUCTS |
| 4. SOLUTION: Describe the solution(s) you feel could meet the needs of TDLWD. How would your company propose to deliver the program needs identified in Section 2? |
| 5. Is your system a commercial-off-the-shelf (COTS) Solution? Briefly describe how much customization is available and the process for customization. |
| 6. Which roles on your development team are 100% dedicated to a given project, and which will be working on other projects as well? |
| 7. In light of the current pandemic, have you developed any new tools or processes to help your clients manage changing workloads? |
| 8. If your solution provides core functionality among multiple clients, how do you segregate specific requests for customizations? |
| 9. Is your tax system currently "live" in another state? If yes, what state(s) and when did the application(s) go live? |
| 10. Has your tax system successfully integrated with an existing benefits system? If so, describe the process. |
| 11. Briefly describe your process for data migration. |
| 12. What is your approach to ensuring compliance with state and federal regulations, as well as law changes? |
| 13. Briefly describe your system workflow. What is the process for problem resolution? |
| 14. Describe how the State's role user permissions could be set to allow changes to the system. |
| 15. How does the proposed solution generate reports? How does your proposed solution handle correspondence (both incoming and outgoing)? |
| 16. What functionality is provided to perform audit tracking? |
| 17. What interfaces does your current solution provide today and how easy is it to add additional interfaces? |
| 18. What methods do you use to track and manage incidents?  Do you provide Service-Level Agreements? How do you measure compliance? |
| 19. What is your Change Control process? |

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| 20. | Is there a preferred hosting method for your system? What benefits or innovations have you seen among various hosting methods your clients have utilized, and what have you identified as their key risks? |
| 21. | How do you demonstrate and verify system security? List active and passive measures. |
| 22. | Give examples of any open/customer-facing portals or third-party systems with which your system has successfully interfaced. |
| 23. | Describe your preferred project management methodology. What project milestones are typically utilized? |
| 24. | What tools do you use for quality assurance, and how to you verify the results? |
| 25. | How have you seen the COVID-19 pandemic effect your project cycles, most specifically on-site development? |
| 26. | What is the typical payment model for system delivery? Do you consider customary any partial payments prior to project completion? |
| 27. | What is the typical implementation timeframe for your system? Is that delivery schedule affected by the various hosting methods available to your system? |
| 28. | Describe the process by which you prepare and push a typical system update. |
| 29. | What is your approach to the sustainability and ongoing maintenance of your solution? Describe the recommended State resources needed to assist in maintaining and supporting the system. |

| COST INFORMATIONAL FORM |
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| 1. Describe what pricing units you typically utilize for similar services or goods (e.g., per hour, each, etc.: |
| 2. Describe the typical price range for similar services or goods |
| 3. Describe the typical price range for annual operations maintenance and support costs |

| ADDITIONAL CONSIDERATIONS |
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| 1. Please provide input on alternative approaches or additional things to consider that might benefit the State: |