



STATE OF TENNESSEE
DEPARTMENT OF REVENUE, PROCESSING DIVISION

REQUEST FOR INFORMATION
FOR
IMAGING AND DATA CAPTURE SYSTEM

RFI # DOR2020.010
October 9, 2020

1. STATEMENT OF PURPOSE:

The State of Tennessee, Department of Revenue (DOR), issues this Request for Information ("RFI") to solicit responses to questions presented in this document. The data requested includes a non-binding price estimate and any items related to a new imaging and data capture system that will replace the current 'Scan Optics SO300 scanners' return processing applications and the VISTA remittance/payment processing system. The State is seeking information that will help with the evaluation of imaging and data capture system(s).

This RFI is intended to solicit responses from individuals, firms, teams, or organizations that have experience with current imaging, data capture, and remittance processing systems. Specifically, this RFI:

- Provides general background information related to the current return and remittance processing systems
- Identifies a statement of need; and
- Solicits input on system options and estimated cost for implementation of options. This RFI is an inquiry only. No contract or agreement will be entered into as a result of this process, nor does this RFI initiate a formal procurement or represent a commitment to issue a formal procurement in the future. Those choosing to respond to this RFI will not, merely by virtue of submitting such a response, be deemed to be "bidders" in any sense, and no such respondent will have any preference, special designation, advantage or disadvantage whatsoever in any subsequent activities related to the imaging and data capture system. The information contained in the response to this RFI will help the State evaluate the potential efforts and costs of an imaging and data capture system.

The issuance of this RFI may or may not result in a Request for Proposal (RFP). System options and prices submitted by responders will not bind the responders or the State contractually or monetarily or in any way.

We appreciate your input and participation in this process.

2. BACKGROUND:

The Department of Revenue (DOR) is considering the feasibility of replacing or upgrading its aging large-scale hardware and data entry systems. The Processing Division completes work for all divisions across the department and multiple agencies across the State. Currently major workflows include Tax Return and External State Agency application processing through large high-speed Scan Optics (SO) scanners as well as DOR's vehicle, title, and registration document and application processing via individual Canon check scanners and Fujitsu desktop scanners.

Tax Processes: DOR's Processing Division handles more than 500,000 tax returns and payments annually. Of this number 300,000 are paper checks. On average, one to two million pieces of paper pass through these scanners annually. This includes returns, applications, correspondence, schedules, other state agency applications, payments, and vouchers. There are currently 84 tax forms with page counts ranging from one to thirty pages per document. This work is currently scanned on two high-speed large-scale scanners and would stay on the high-speed large-scale scanners.

Vehicle Title and Registration Processes: DOR's Processing Division handles more than 372,660 vehicle title and registration applications and documents. Of this number 307,394 are paper checks. On average, one point eight to two million pieces of paper pass through these scanners annually. This includes applications, returned letters, correspondence, information requests, payments, and vouchers. There are currently around 30 applications and document types ranging from one to thirty pages per document. This work is currently scanned with desktop scanners and would be transitioned to the high-speed large-scale scanners.

Current Processes and Pain Points: Mail is picked up and delivered from multiple sources, then run through the large operations mail sorter for overall counts, single cuts, and machine pocket sorts by envelope codes. Mail is then distributed and opened at the Agissar mail extractors where employees date stamp, review for timeliness, determine if envelopes are kept, and further sort by form types and by attachments into over a hundred batch types for scanning. Batches typically include 25 transactions or less and can have a variety of attachments including multiple schedules, payments, and correspondence.

Batches going into the high speed SO scanners print unique document locator numbers (DLNs) on each transaction and its attachments prior to imaging. This allows items to be researched both in image repositories and by paper files using the DLN. The current high-speed scanners separate documents from payments allowing documents and payments to be stored separately and meet state document storage standards. A current problem point faced is broken processes which require work arounds for staff to use both document and/or paper items instead of images. This occurs during parts of the data entry and deposit reconciliation tasks for a large portion of transactions.

Payments require data entry of entity, payment amount, and date for each item. Comprehensive recognition technology is applied to check MICR reads with a less than

desired successful recognition rate which then requires manual entry at a higher percentage than desired. A lack of system and user reporting functionality makes it difficult to trace errors from users' mistakes and scanner reads that were considered successful but were incorrectly read. Deposit staff compares all physical checks with system MICR reports to make corrections to a greater percentage of transactions than desired. The SO Check21 program is used to create files sent for electronic deposit throughout the day. Current data entry processes through SO VISTA and SO Check21 are not integrated in reconciliation tasks. This requires duplication of steps in both modules in order to reconcile and complete deposits.

The Processing Division currently uses multiple data entry software systems. However, most of our work goes through the VISTA software which captures indexes and information through several entry stages per item labeled as passes. The first pass allows the end user to enter a few unique fields to identify the taxpayer or customer for whom a document or document and payment should be connected. This first pass typically includes account numbers, entity name, document total due, and received date, but it can vary by form. The second pass allows the end user to enter the information related to a payment received including check MICR and amount. A third pass compares the amount due to amount received and presents errors. The fourth and fifth passes are used to enter line item information on return documents. Our pain points for the data entry team include the inability to direct work to specific team members or units based on tax type or if payment is received. While the current system does OCR some information, the rates and accuracy do not meet expectations. The VISTA system is not flexible for our constantly evolving environment and we currently have many issues trying to connect exported data to new repository and account management software. DOR purchased a COTS application called GenTax (renamed TR3 by the DOR) from Fast Enterprises. We currently must key several tax types directly into that TR3 system because VISTA cannot handle passing items which are not only account based but location based within the same account.

Age and outline of current division large scale equipment and systems currently used:

- **2000** – The data entry software VISTA created by Scan Optics and maintained by Revenue IT staff is still currently used. In 2000 this software was implemented to key returns indexing information for incoming paper returns, 2D barcode vouchers, checks, schedules, attachments, and correspondence.
 - Document management and/or capture software: Scan-Optics Vista to include the following functions:
 - Ability to key from Scanned Images
 - Ability to view status of Batches
 - Ability to lock batches to prevent processing
 - Ability to look up batches via batch number or batch form type
 - Ability to print any software screen
 - Ability to delete and undelete batches or images
 - Ability to export searched data
 - Ability to control form review and workflow via user roles
 - Ability to prioritize processes
 - Ability to extract and load deposit related information and images to external systems

- **2011** – While the division has used multiple scanners over the years, the Series 300 Scan Optics are the only high-speed scanners still in use. They were installed in April of 2011. Various models of the Fujitsu desktop scanners are still in use, mainly for vehicle titling documents.
 - High Speed Scanning hardware: Two Scan Optics 300 enterprise class scanners
 - Current software: Scan Optics SODesigner and SOCapture software
 - Desktop Scanning hardware: Fujitsu 5906 and 7162 models

- Current software: DataCap, TN State, and Capture Professional.
- **2014** – The division moved from physical check deposits to Check21 electronic file deposits.
 - Depositing software: Scan Optics Check21 program
 - Enterprise State-wide modules also used: iNovah Cashiering
- **2016** – DOR began a project to implement a new tax system in 2016. DOR purchased a COTS application called GenTax (renamed TR3 by the DOR) from Fast Enterprises. To date, the DOR has implemented three of the four phases in TR3, with the fourth phase going live in early May 2020. TR3 infrastructure includes an internal image repository.
- TN State VTRS systems for Vehicle Title Transactions
- Enterprise State-wide modules also used: IBM FileNet Image Repository
- **2019** – DOR is currently in the process of upgrades in the mailroom. New hardware has been installed and software training is scheduled to complete the upgrade of Agissar mail opening stations in the first quarter of 2020. Mailroom equipment includes:
 - One large mail sorter maintained by Bluecrest INC (formerly Pitney Bowes)
 - Future expansion to include reading envelopes and mailing windows which have 2D and 3D barcodes for improved incoming mail sorts.
 - Eight Agissar three side cut mail extractors
 - Features mail tracking which requires integration with new systems

3. COMMUNICATIONS:

3.1. Please submit your response to this RFI to:

Matthew Waitkus
 Department of Revenue
 500 Deaderick Street 7th Floor Nashville TN 37242
 615-741-1122

3.2. Please feel free to contact Vicky Hutchings with any questions regarding the RFI submission process. The main point of contact will be:

Vicky Hutchings
 Department of Revenue
 500 Deaderick Street 10th Floor Nashville TN 37242
 615-253-9936

3.3. Please reference RFI # DOR2020.010 with all communications to this RFI.

3.4. A Pre-Response Conference will be held at the time and date detailed in the RFI § 4, Schedule of Events. Please contact the main point of contact, referenced in RFI § 3.2., to RSVP for the Pre-Response Conference. Your response is necessary to ensure that there is adequate space to accommodate overall attendance. The Conference will be held at:

Andrew Jackson State Office Bldg.,
 500 Deaderick Street
 Nashville TN 37242

Responders should include a cover sheet with a description of their company and provide primary contact information including company name, address, contact phone number, website, and email address.

Responders are asked to provide answers to the questions in Section 6. Please structure responses to correspond to the question number. Responses should be submitted electronically using Microsoft Word, sent to the Point of Contact e-mail listed on the RFI cover page. Please use RFI DOR2020.010 as the email subject line.

This document shall not be construed as a request or authorization to perform work for DOR. Any work performed by a vendor in response to this RFI is at the vendor's own discretion and expense. DOR is not obligated for any vendor costs related to this RFI. This RFI does not represent a commitment to purchase or lease any product. Submission of a response constitutes acknowledgement that the vendor has read and agrees to be bound by such terms.

While this RFI is the product of an information gathering process and has been subjected to a review, DOR makes no claims as to the accuracy of the information contained in it.

4. RFI SCHEDULE OF EVENTS:

The schedule of events set out herein represents the State Entity's best estimate of the schedule that will be followed. However, delays to the procurement process may occur which may necessitate adjustments to the proposed schedule. If a component of this schedule, such as the close date, is delayed, the rest of the schedule may be shifted as appropriate. Any changes to the dates up to the closing date of the RFI will be publicly posted prior to the closing date of this RFI. After the close of the RFI, the State reserves the right to adjust the remainder of the proposed dates on an as needed basis or without notice,

EVENT		TIME (Central Time Zone)	DATE (all dates are State business days)
1.	Release of RFI		October 9, 2020
2.	Deadline for Written Questions from Vendors	05:00 PM CST	October 23, 2020
3.	Deadline for Submitting Responses	02:00 PM CST	October 30, 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 not 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. If 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 not pay for any costs associated with responding to this RFI.

6. INFORMATIONAL FORM:

The State is requesting the following information from all interested parties. Please fill out the following form given these assumptions: .

Assumptions: Any input or response to the questions below should be based on these assumptions:

- A. Phased implementation approach.
- B. DOR is required by law to deposit all payments within 24 hours.
- C. Current and future needs require the option to key from image (not from physical paper) for all transactions scanned.
- D. New hardware and software purchases are required to integrate well with current mailroom equipment including the Mail Sorter, Agissar extractors, and Agissar mail tracking software.
- E. New hardware and software purchases are required to integrate seamlessly with current account infrastructure including but not limited to the TR3 tax system, IBM FileNet repositories, and VTRS/TNState vehicle titling system.
- F. DOR would like to see equipment and software that creates opportunity for improved processes and workflows not just replaces the current processes.

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TECHNICAL INFORMATIONAL FORM	
1.	RESPONDENT LEGAL ENTITY NAME:
2.	RESPONDENT CONTACT PERSON: Name, Title: Address: Phone Number: Email:
3.	BRIEF DESCRIPTION OF EXPERIENCE PROVIDING SIMILAR SCOPE OF SERVICES/PRODUCTS

4. Please provide the state an overview of your business with relevance to potential services and products meeting the needs of this RFI on the following topics. We have included specific questions within this document; however please expand as needed to cover the topics a-f below.

- a) Potential key performance indicators
- b) Potential problems/risks
- c) Estimated time frames
- d) Potential cost ranges
- e) Potential pricing arrangements
- f) Information/comparison to relevant market standards and capabilities

COST INFORMATIONAL FORM

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. DOR prefers a phased implementation approach and payments at specified way points or milestones. Can you accommodate this structure?

ADDITIONAL CONSIDERATIONS

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

Company Information

- 1. Provide a description of your company, including the number of employees, annual revenues, locations, years in existence, and similar pertinent information.
- 2. Provide a description of your company's experience offering imaging and data capture software applications. Include a list and brief description of five projects of similar size and scope for other state agencies. Include date and length of implementations. Similarities to Tennessee should be highlighted. Provide reference and contact information for each of the projects.
- 3. Do you have corporate business partners that partner with you in offering any of the services you provide? If so, please indicate the services and the name(s), addresses, and web sites of your key corporate partners.

Technology

1. What imaging and data capture software products does your company offer?
2. Which of your systems would you recommend to meet DOR's needs as stated in Section 2?
3. Does your solution automate data capture using data recognition technologies such as OCR, ICR, OMR, BCR (including 1D, 2D, QR), and CAR/LAR (Courtesy Amount and Legal Amount Recognition) MICR? If so, please explain.
4. What are the hardware and software requirements for your products?
5. What types of license agreements does your company offer, including bulk discounts, user licenses vs software licenses, renewals, updates, training for updates administered by state staff, etc.?
6. Please provide a breakdown of all pricing models for your product.
7. Does pricing vary based on the amount of information captured from a form? If so, is the client able to pick and choose the level of data capture relative to each form? (For example: Level I forms only capture header information, Level II forms capture header and key information from 10 lines, Level III forms capture all information on the form.)
8. Please describe any other pricing factors that could affect evaluation of your product.
9. Can your solution interface with GenTax (TR3), by exporting data files, image files, and index files?
10. Does your product integrate with GenTax Solutions in other states? If so, please provide a list of states and contact information in each state.

Features/Functions of Application

1. Is your solution able to image and capture data from prior year forms as designed without requiring modification to the forms?
2. Does your solution provide the ability to capture front and back images of all documents being processed?
3. Does your solution allow the order of images in a transaction to be changed, or to be moved between transactions for corrections?
4. Does your solution support multiple sized documents?
5. Does your solution have an end user accessible, readable, reported, and logged audit trail for all user and system activities?
6. Does your solution prioritize a key from image function that allows for efficient processing of documents? If so, are fields targeted on the image to minimize user manipulation of the image such as scrolling, zooming, etc.?
7. Does your system allow for a unique identifier to be added to a transaction both virtually add number to become a part of the image, or a physically inked number on the paper? Would we have the ability to switch between virtual and physical by form? Would we be able to change this within a job without creating a new job?

Implementation

1. Are you able to implement your solution in a phased/tiered approach where certain programs/forms will be rolled out initially, followed by subsequent roll outs for remaining programs? If yes, please describe implementation approach.
2. During implementation, what types of knowledge transfer and training occurs for business and technology resources? It is the goal of the DOR for the product to be maintained by State Resources.
3. Based on your experience implementing imaging and data capture software systems for other clients, what are some of the critical success factors and lessons learned that DOR should consider as part of its planning?

General

1. Are there any concerns with any of the information that has been provided in this RFI? Please explain those concerns.

Remittance Processing

2. Please describe your remittance processing system and any estimated pricing based on the remittance processing module.

RFI Document Management System: Attachment 1: Feature Matrix

Existing/Required Features

#	Feature	Required	Desirable	No Opinion
1	Windows Based Server Software (Server 2008R2 or 2019) if other system used please provide details		X	
2	Server Software must be TLS 1.2+ Compliant	X		
3	Web-Based Portal		X	
4	PDF Import	X		
5	Searchable Metadata Fields	X		
6	Single Sign-On – uses Active Directory for password support	X		
7	Windows 10+ Support for Scanning Software (if applicable)	X		
8	Encryption of Data at Rest and In Transit	X		
9	Ability to Import Existing Documents & Data	X		
10	Windows SQL Server 2019 or above	X		
11	The ability to use virtual servers		X	

Document Handling Features

#	Feature	Required	Desirable	No Opinion
12	Document Workflow (Scan, quality control, approval, the ability to modify documents, adjust, and correct workflow.	X		
13	Automated File Import (Images, Text, etc.)		X	
14	Audit Logging	X		
15	Comprehensive Recognition Technologies (i.e. OCR, ICR, OMR, BCR (including 1D, 2D, QR), CAR/LAR (Courtesy Amount and Legal Amount Recognition) Patch Code Reads	X		
16	Ability to add unique identifier or locator number to documents for tracking	X		

OCR Features

#	Feature	Required	Desirable	No Opinion
17	Zonal OCR (scan individual fields to avoid keying)	X		
18	Full-Text OCR (turns entire document into searchable text)	X		
19	Image Aware Full-Test OCR (Locate a word on a given page image)	X		

Scanning Features

#	Feature	Required	Desirable	No Opinion
20	Integrate with multiple smaller scanner types	X		
21	Automated Batch Scanning	X		
22	Support high-speed scanning utilizing both SCSI and USB interfaces, including the TWAIN standard	X		
23	Capability to identify and read multiple barcodes on forms	X		
24	Must have the ability to accommodate all types of forms, regardless of size, shape, or thickness of the form.	X		

Additional Features

#	Feature	Required	Desirable	No Opinion
25	Ability to Integrate with 3 rd party systems (automated imports)	X		
26	Mobile Client/Responsive Website	X		
27	Outlook Document Import for Emails		X	
28	Centralized Reporting (scheduled, on-demand, ad-hoc)	X		
29	Electronic Check Deposit Processing (Check 21), MICR read, E&B detect	X		
30	Library of Business Rules/Ability to Create New Ones- need ability to adjust code or manipulate jobs. Do not want to depend on vendor to make changes to system.	X		