

# REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES

**TO PROVIDE:** Integrated Corporation Information System  
**ISSUED BY:** Department of State, Division of Corporations

**The State of Delaware**

**Division of Corporations**

Seeks vendor to develop an

## Integrated Corporation Information System (ICIS)

This request for proposals ("RFP") is issued pursuant to 29 *Del. C.* §§ 6981 and 6982.

The proposed schedule of events subject to the RFP is outlined below:

**Public Notices**

**Date:** October 08, 2007, October 15, 2007

**Mandatory Pre-bid Meeting**

**Date:** October 29, 2007 08:30 AM

Public Archive Building  
121 Duke of York Street  
Dover, DE

**Deadline for Receipt of Proposals**

**Date:** November 21, 2007, 3:00 p.m. EST

Each proposal must be accompanied by a transmittal letter which briefly summarizes the proposing firm's interest in providing the required professional services. The transmittal letter must also clearly state and justify any exceptions to the requirements of the RFP which the applicant may have taken in presenting the proposal. Furthermore, the transmittal letter must attest to the fact that no activity related to this proposal contract will take place outside of the United States. The State of Delaware reserves the right to deny any and all exceptions taken to the RFP requirements.

## Table of Contents

<b>I. OVERVIEW .....</b>	<b>5</b>
<b>Background and Mission .....</b>	<b>5</b>
Who We Are and What We Do .....	5
Organizational Structure for the Division.....	5
<b>About the Current System .....</b>	<b>6</b>
Motivation and Expectations .....	6
Current System Architecture .....	7
Technical Overview of Existing System .....	7
Issues with the Existing System .....	9
<b>II. SCOPE OF REQUESTED SERVICES .....</b>	<b>10</b>
<b>Project Overview .....</b>	<b>10</b>
<b>Scope Inclusions .....</b>	<b>11</b>
Analysis .....	11
Design.....	11
Implementation.....	11
Testing .....	11
Roll Out .....	12
Change Management .....	12
Software.....	12
Hardware .....	12
Documentation.....	13
<b>Scope Exclusions .....</b>	<b>13</b>
Hardware .....	13
Software.....	13
<b>III. OVERVIEW OF THE DIVISION'S CURRENT BUSINESS PROCESSES.....</b>	<b>13</b>
<b>Corporations Section.....</b>	<b>14</b>
Filings Unit.....	14
Service of Process Unit.....	15
Appointment and Agreement Certificates Unit .....	16
Trademarks/Service Marks Unit.....	16
Media Services Unit .....	17
UCC Filings Unit.....	17
Customer Service Unit.....	18
Suspended Document Processing Unit.....	18
<b>Franchise Tax Section .....</b>	<b>19</b>
Franchise Tax Unit .....	19
Cash Management Unit .....	21
Support Services Unit.....	23

<b>Technical Support Section .....</b>	<b>25</b>
Technical Support Group.....	26
Help Desk .....	26
Information Center .....	27
Reception.....	27
<b>Notaries.....</b>	<b>27</b>
Notaries Public .....	27
 <b>IV. REQUIREMENTS OF NEW SYSTEM (ICIS) .....</b>	 <b>28</b>
Project Level Requirements.....	28
Technical Requirements of ICIS Application .....	28
Required Features and Functions of New System (ICIS) .....	28
Specific Requirements .....	29
Additional Requirements .....	35
Reports .....	39
Overview .....	39
Specific Examples .....	39
Compliance Requirements.....	41
Minimum Project Management Deliverables and Standards.....	41
Minimum Project Engineering Deliverables .....	42
 <b>V. REQUIRED INFORMATION .....</b>	 <b>43</b>
Guidelines.....	43
Minimum Requirements .....	43
Business Qualifications .....	43
Approach Documentation in Response.....	43
 <b>VI. PROFESSIONAL SERVICES RFP ADMINISTRATIVE INFORMATION .....</b>	 <b>44</b>
<b>A. RFP Issuance.....</b>	<b>44</b>
1. Obtaining Copies of the RFP .....	44
2. Public Notice .....	44
3. Assistance to Vendors with a Disability .....	44
4. RFP Designated Contact.....	44
5. Consultants and Legal Counsel.....	45
6. Contact with State Employees .....	45
7. Organizations Ineligible to Bid.....	45
8. Exclusions.....	45
<b>B. RFP Submissions.....</b>	<b>46</b>
0. Format of RFP Response .....	46
1. Acknowledgement of Understanding of Terms .....	47

2.	Proposals.....	47
3.	Mandatory Pre-bid Meeting.....	47
4.	Proposal Modifications.....	48
4.	Proposal Costs and Expenses.....	48
5.	Proposal Expiration Date.....	48
6.	Late Proposals.....	48
7.	Proposal Opening.....	48
8.	Non-Conforming Proposals.....	48
9.	Concise Proposals.....	48
10.	Realistic Proposals.....	49
11.	Confidentiality of Documents.....	49
12.	Multi-Vendor Solutions (Joint Ventures).....	49
13.	Sub-Contracting.....	50
14.	Discrepancies and Omissions.....	50
15.	State's Right to Reject Proposals.....	51
16.	State's Right to Cancel Solicitation.....	51
18.	Notification of Withdrawal of Proposal.....	51
19.	Revisions to the RFP.....	52
20.	Exceptions to the RFP.....	52
21.	Award of Contract.....	52
22.	RFP Award Notifications.....	52
<b>C.</b>	<b>RFP Evaluation Process.....</b>	<b>52</b>
1.	Proposal Evaluation Team.....	53
2.	Proposal Selection Criteria.....	53
3.	Criteria Weight.....	54
4.	Proposal Clarification.....	54
5.	References.....	54
6.	Oral Presentations.....	54
<b>D.</b>	<b>Contract Terms and Conditions.....</b>	<b>55</b>
1.	General Information.....	55
2.	Collusion or Fraud.....	55
3.	Lobbying and Gratuities.....	55
4.	Solicitation of State Employees.....	56
5.	General Contract Terms.....	56
<b>E.</b>	<b>RFP Miscellaneous Information.....</b>	<b>61</b>
1.	No Press Releases or Public Disclosure.....	61
2.	RFP Reference Library.....	62
3.	Definitions of Requirements.....	62
4.	Production Environment Requirements.....	62
5.	Statewide standards and policies.....	62
<b>VII.</b>	<b>APPENDIX A – UCC ADMINISTRATIVE RULES.....</b>	<b>63</b>
<b>VIII.</b>	<b>APPENDIX B – STATE STANDARDS DOCUMENTS.....</b>	<b>63</b>

# I. Overview

## Background and Mission

### Who We Are and What We Do

The [Delaware Department of State](#) is responsible for a number of high visibility mission critical and diverse suite of state services that include banking, art, archives, human relations, museums, pardons, libraries, notaries, veterans' affairs, and corporations. The [Delaware Secretary of State](#) is the administrator and head of the Department of State. The Secretary of State is responsible for maintaining information on corporations and various business entities, archiving records, and collecting fees associated with these services.

Under the Department of State, the [Delaware Division of Corporations](#) is responsible for registering business entities such as Corporations, Partnerships, Limited Liability Companies, Limited Partnerships, and Trusts, and is responsible for collecting associated service fees and taxes. Every year more than 100,000 new businesses choose Delaware as their corporate home. Delaware's modern and flexible corporate laws, highly-respected Court of Chancery, business-friendly State government, and service-oriented staff have all contributed to Delaware's standing as the Corporate Capital of the United States.

The [State of Delaware](#) is a leading domicile for U.S. and international corporations. More than three quarters of a million business entities have made Delaware their legal home including more than 280,000 corporations and 400,000 limited liability companies and partnerships. More than 50% of all publicly-traded companies in the United States including 60% of the Fortune 500 have chosen Delaware as their legal home.

The Division of Corporations is responsible for recording and maintaining important business and corporate information and collecting fees and franchise taxes collecting over \$600 million in revenue for the State each year. This represents the second largest collection of revenue from any state agency and represents approximately 24% of the general fund revenue collected by the State of Delaware. Thus, the efficiency and effectiveness of their operations is important to both the business community and state finances.

In addition, the Division is responsible for processing associated with secured transactions as stipulated in Title 6, Subtitle I Uniform Commercial Code, and Article 9 of the Delaware Code. Hereafter, these types of transactions will be referred to as UCCs.

The Division of Corporations has been a leader in providing state of the art technology to accomplish their mission having become the first in the nation to implement digital imaging and automated workflow processing. These systems have played a major role in successfully supporting the Division's operations.

### Organizational Structure for the Division

The Division of Corporations is staffed by about 80 State employees. The Division is lead by a Head Administrator who directs the efforts of 5 Sections, each with defined operational responsibilities.

Franchise Tax

Corporations

Tech Support

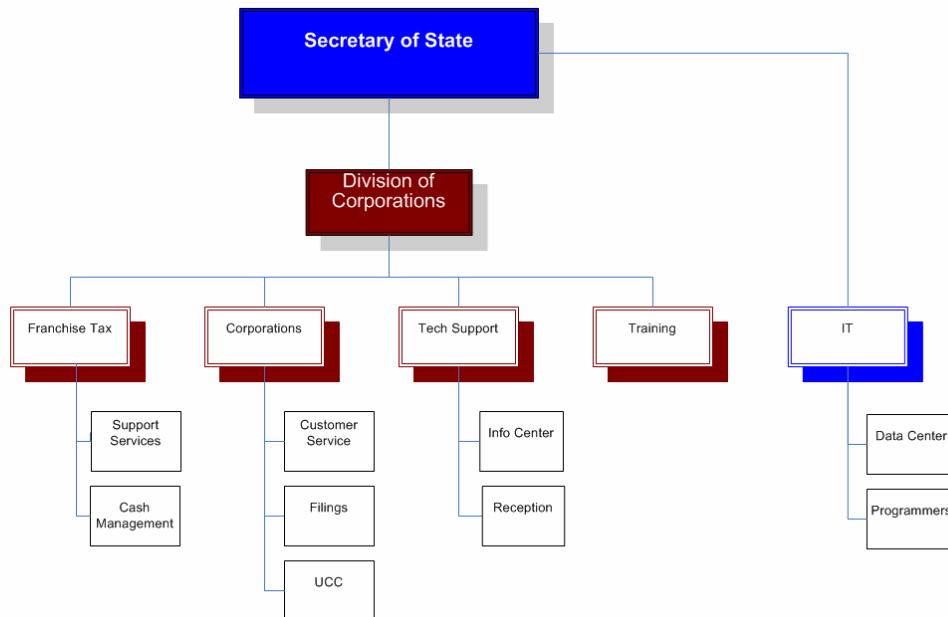
Training

Information Technology

(These Sections are defined below)

## Division of Corporations

Simplified Organizational Chart



### About the Current System

#### Motivation and Expectations

At the time of their implementation, the existing systems were considered state of the art. Newer technology is now available that would eliminate some of its limitations. To continue on providing world class service, the Division of Corporations requires a new integrated system that uses best of breed technology, databases, and application tools. Effective technology is a key component that supports the well established and effective business processes that ensure the Division will maintain a strong competitive edge over other states competing for the same clients. This project furthers the goal of continuous improvement around revenues, increased productivity, and ultimately provides better customer service and satisfaction that has been our trademark.

It is the intent of the Division of Corporations to contract for the development of a new, fully integrated system, encompassing all the existing capabilities of the current Delaware Corporations Information System (DCIS), Imaging/Workflow and Web applications into one cohesive system.

While it is the preference of the Division of Corporations to have a fully custom product developed, we are agreeable to consideration of proposals that leverage pre-existing components or a Customized off the Shelf (COTS) product.

This statement of scope attempts to layout all the business processes the existing systems were designed to accommodate. Sufficient detail is provided to give potential bidders a fairly accurate picture of the variety and

complexity of the processes involved. However, it must be understood that this statement of scope cannot be considered a detail design specification. It is anticipated that the bid winner will have built time for a detail design step into their proposal. Division of Corporations personnel fully expect to work with the selected vendor to develop the detail design, supplying the business rules which govern such activities as Franchise tax calculations, fee structures, criteria for certificates, document processing, etc.

### **Current System Architecture**

The existing technology consists of separate non integrated systems that have evolved over the past 22 years. The primary systems are a Mainframe application, and an Imaging/Workflow System. The base system is called the Delaware Corporate Information System, hereafter referred to as DCIS. This system collects and maintains data required for processing information about Corporate and UCC filings, alternative entity filings, Trademarks, Notary Public Appointments, and Taxes. The Imaging/Workflow application processes all incoming documents, assigns work based on priorities, tracks work activities, and manages storage and retrieval of documents.

The Imaging/Workflow application is housed in the Townsend Data Center at the Division's Dover Office in the lower level of the Townsend Building. DCIS is maintained by the State's Department of Technology and Information, hereafter referred to as DTL, and housed at their data center.

The Division of Corporations also uses web technology to better service businesses. There is an online application called eCorp for paying Corporate Franchise Taxes and Annual Taxes for Limited Partnerships, Limited Liability Companies and General Partnerships. Credit cards are accepted over the Internet using Visa, MasterCard or Discover cards and e-Checks. The eCorp application also provides the capability to file annual franchise tax reports and UCC documents online.

The Division of Corporations is a national leader in promoting electronic filings. Online franchise tax filings increased from 53,000 in tax year 2005 to 183,000 in tax year 2006. In addition, online UCC filings increased from 74,000 in 2005 to over 100,000 in 2006. The Division's web applications also provide interactive name reservation/name availability, entity information and status.

### **Technical Overview of Existing System**

The existing technology at the Division of Corporations consists of two separate non integrated systems, the Delaware Corporations Information System (DCIS) and the Imaging/Workflow system. DCIS uses COBOL/CICS components, ADABAS as the back-end data base and Natural as the data base manipulation language, both products of Software AG. The system collects mission critical data required for processing and maintaining information about Corporate and Alternative Entity filings, UCC Filings, Trademarks, Notaries, and Franchise Taxes. DCIS also maintains application security, fee tables, tax rates, tax calendars, fee rules, sub codes, document codes, certificates, and communication tables.

The Imaging/Workflow System has evolved from the first Wang Imaging System. This system has been converted to Hewlett-Packard UNIX Servers, running HP's version of UNIX, HP-UX version 11.0, and uses ADABAS and Natural for application development. The Wang Imaging software product has been replaced by a custom developed library of image functions, which emulate the functionality of the Wang product. This library uses the Open Source "libtiff" library of image manipulation functions. Internet Explorer is used to display images, using a free TIFF plug-in. An imaging tool kit, RasterMaster by Snowbound Software is used to convert TIFF images to compressed HP-PCL files for printing. The Imaging/Workflow System manages all input to the system via paper, scan, fax, or web. A Fax Gateway processes faxed documents directly into the Imaging/Workflow System. Web input takes the form of HTML or XML documents. All input is stored in single-page TIFF format by the imaging system. The workflow system routes requests for service to the appropriate specialist, based on priority, type of request, and the qualifications of the individual.

When a document is approved for filing by the Division, a date and time stamp is added to the image using a TIFF annotation process. This makes the document a legal filing. The approved document is then printed either locally, or to a remote printer located at the Registered Agent's office, or emailed or faxed to the appropriate address/number associated with their agent record. The output of completed work (whether by print, fax, or email) is referred to as Print Packaging. Orders for historical documents are also processed by the Print Packaging system. Requestors of these orders are billed by page for the package and this is a major source of revenue for the Division.

There is a complex series of operations between DCIS and the workflow system to produce a print package. The order is first entered into DCIS, indicating which documents are to be included in the package; this may or may not include images. DCIS calculates the invoice amount and produces the text for the cover sheet, invoice, certificates and a trailer sheet. It also includes a record for each image requested. This "print package" is submitted by DCIS to a printer defined on the mainframe. This printer is actually a device name on the HP image server at the Townsend Data Center. The destination of the package if other than a printer is determined by the data associated with the agent record on the imaging application and the output method selected on the specific order in workflow.

The package is received as a print job by the image server, but to a "virtual" printer which invokes a script which runs the print package process on the image server, instead of printing the package directly. The workflow system reads the records sent by DCIS and determines the document count. This count is presented to a workflow operator, who releases the job to print packaging when they are sure the package is complete.

The workflow system uses a Form Flash function to convert all the text to TIFF images, retrieves any images requested as part of the order and incorporates them into the print job. This assembled job is placed in a directory where it is picked up by the print package spooler utility. This program uses the above mentioned RasterMaster tool kit to convert the TIFF images into HP-PCL files and submits them to the UNIX print spooler for actual printing to a local printer for in-house request, or to a remote printer for requests from Registered Agents or creates a TIFF image that is attached to an email and returned to the requesting agent.

The Division of Corporations has a local area network (LAN) in the Townsend Building that is connected to the State's Wide Area Network (WAN). A fiber optic line connects the local area network to the wide area network. The State WAN provides the Division access to DCIS, the Internet, and email. Frame Relay circuits provide remote access for the registered agents to the Imaging/Workflow system housed at the Townsend Building in Dover.

About three quarters of the documents input to the system are done by Registered Agents, commercial enterprises empowered by the State to help business with the incorporation process. Frame Relay circuits are used to access the Imaging/Workflow System using TCP/IP. Leased lines are used to access DCIS on the mainframe using SNA. Some agents have both imaging and DCIS access, less than half have only DCIS access.

The local area network at the Townsend Building consists of a host of varying operating systems that exist on an Ethernet network that runs on a Cisco Catalyst 5500 series switch. Operating systems such as Red Hat Linux, UNIX, and Microsoft Windows servers provide file, printing, fax, and database services. In addition to these services, Windows servers also provide system services such as DNS, DHCP, software update, and data backup services. The servers run on varying models of HP and Compaq hardware systems. The network is virus protected by McAfee anti-virus software. There is also a Voice Response system used to provide basic information.

There are approximately 100 users in the Division of Corporations. Each user has a personal computer manufactured by Hewlett Packard (HP). All desktop personal computers are equipped with Microsoft Windows XP Professional operating system. Microsoft Outlook is the State standard for email client software. Internet Explorer is used to access the Internet.

The State of Delaware uses ScriptLogic to develop logon scripts for all users, it maps network drives, assigns printers and can be used to launch batch files for automatic updates. Kea, by Attachmate, Inc., is a telnet client



used by the Division of Corporations to access the HP servers from Windows desktops. The Kea product also has a macro language and the Division uses Kea macros to automate parts of the logon process. Users of the system have three windows in order to function efficiently. Two windows run Kea, launching two separate sessions with the Imaging/Workflow server. One session is used to run the workflow application and perform workflow related data entry tasks. The second Kea session is used to locate and display archived images, which may be needed in order to perform a given task. The third window is used to run a tn3270 session to the DCIS application.

When a user launches the application, a Visual Basic program, referred to as the Image Client Executive (ICE), is run, which sets up the workflow environment and launches the three sessions discussed above. This Visual Basic program manages the three windows and registers "Hot Key" combinations with windows to facilitate cutting and pasting from one window to another and to control the logoff process. ICE also manages the connection between the desktop application and the image server. When an image display is requested, ICE communicates the request back to the image server and launches Internet Explorer, which uses a TIFF plug-in to do the actual image display.

The Division of Corporations has a web interface for many of its services. Users can perform UCC filings, file annual reports and pay franchise taxes, request name reservations, obtain both fee-based and free information on companies, and obtain forms and instructions for using services. For UCC filings, the option is available to include collateral and real estate statements as PDF attachments. There is also a "Third Party" web application which allows Registered Agents to obtain status information on companies via the web, and provide it to their clients for a fee. The Division charges the agent a fee for this service as well, and this is an important source of revenue for the Department of State. The web applications interface with DCIS through a Software AG software product called EntireX Communicator or "The Broker".

## **Issues with the Existing System**

As demonstrated by the above overview of business processes, the Division of Corporations has a very complex set of functions to be carried out. Over the past years technology has been applied to help deal with these processes. The Division has always been a leader in applying technology to business needs. In 1983, the Division implemented one of the first, and one of the most sophisticated, mainframe applications for conducting state corporations administration. In 1989, one of the first production imaging systems of any kind was implemented by the Division of Corporations.

Over the years, these systems have continued to be enhanced and improved as developments in hardware, networking and web technologies have evolved. However, being a leader in technology, and an early adapter, can sometimes have its drawbacks.

When the first imaging system was installed at the Division of Corporations, network technology was not as advanced as it is today. The capacity and speed of networks at the time did not lend themselves to handling the relatively large size of TIFF images. As a result, remote imaging applications were not practical. This led to the implementation of the imaging/workflow application on a separate platform and at a different physical location than the mainframe application. These two systems have continued to evolve and develop independently of one another. While done out of necessity when the imaging system was first developed, this separation now looms as a major weakness given today's high speed, and high capacity networks.

The lack of integration between DCIS and the workflow system now makes it more difficult to improve work processes. It requires duplication of data, complex batch processes and sophisticated networking applications, to allow the two systems to coexist.

Having been developed in the 80's, before the advent of Graphical User Interfaces (GUI), such as the Windows operating system, X-Windows and the MAC operating system, DCIS and the workflow system were limited to fixed screen sizes of 24 lines of 80 characters each. These "green screens", as they are sometimes referred to, are limiting and inflexible in the amount of data that can be displayed on one screen. Systems designed for these types of displays typically use Program Function Keys (PF Keys) to navigate from one screen to the next.

The operator presses a PF Key to select a desired function, with each screen having its own set of PF Keys armed to perform specific actions.

Systems designed for a graphical display have much more flexibility in the amount and style of the information presented to the user. Since font sizes for a GUI system are flexible, screen size is no longer limited to a set number of rows or characters. In addition, scrolling capabilities further extend the amount of data that can be displayed on one screen. Even the navigation options are more extensive. Users can select items from menus or command buttons, and this can be done using a keyboard interface or a pointing device such as a mouse. GUI's also provide such devices as context sensitive menus, drop down list boxes containing valid choices for data entry, radio buttons, check boxes and other such components, all making the selection of options and data entry easier and more efficient. DCIS and the workflow system are incapable of providing these features.

As the popularity of the World Wide Web increased during the 90's, the Division of Corporations felt the need to provide internet based services to its clientele. In order for a web application to communicate with DCIS, or more specifically with the ADABAS data base, a specialized link referred to as a Broker Application is required. The Broker Application manages the exchange of data between the web application and DCIS. This adds another layer of complexity to any web application developed for the Division. Development and maintenance of the Broker Application requires a specialized set of programming skills and techniques, adding time and effort to any web development project.

Another drawback of the older architecture is the reporting capabilities. DCIS and workflow are On-line Transaction Processing systems (OLTP), and as such are optimized to handle thousands of transactions everyday with a level of performance and reliability meeting the business needs of the Division. This they do very well, however, when it comes to management reporting and analysis tools, an OLTP system is somewhat lacking. It takes programmers writing Natural programs to provide this service. As the speed and power of personal computers has increased, and GUI applications have become more sophisticated, a new type of processing, On-line Analytical Processing or OLAP, has become more popular for the development of reports which lend themselves more to actual analysis of information than the traditional "green bar" reports. Using OLAP tools it is now possible for end users to prepare and manipulate their own reports, which can be used to analyze business data and produce meaningful management information.

## **II. Scope of Requested Services**

### **Project Overview**

This project will require a complete redesign, re-architecture and implementation of the entire application and database. The resulting solution will require current technology and best practices.

In the most general terms, the current application is a secure, complex rules based workflow and imaging system that supports both internal and external users via LAN connection or internet, and interfaces with a number of other data processing systems. All current functionality must be present in the new system in addition to a number of features and functions that are required by the Division. Performance of the new system must be at least equal to current response times. The system will be accessed via single sign on, be easily scalable to support business growth, highly maintainable, configurable and extendable.

The selected vendor will provide all analysis, design, automated testing, hardware recommendations, security (penetration) testing, cutover and DR planning and validation.

The Division will provide Corporations Subject Matter Experts, internal project management, user acceptance testers, client change management, and the technical turn over team for post production support.

## Scope Inclusions

### Analysis

The vendor team will initially work on site at the State directly with Corporations Subject Matter Experts to detail and document the current business processes in UML / BPMN and Use Cases.

The proposal must take into account that due to ownership and copyright issues, the analysis must be done without access to the legacy code or database.

With the current business processes documented, the current state will be looked at critically to identify opportunities for improvement and business process re-engineering.

System growth and performance must be analyzed and projected to ensure acceptable response times and capacity both now and into the future.

This, and all other project documentation, will be managed under version control and maintained on Divisional servers.

### Design

Based upon a thorough understanding of both the current and desired business processes, a new UML / BPMN model and Use Case set will be created.

The system technical architecture will be defined including software deployment, components, hardware requirements and network topology. The architecture and tools must comply with the State standards and policies, and established practices.

Web interfaces must comply with [State Web Standards](#). The entire system design must be completed and approved by the State prior to any coding or implementation activities can begin.

### Implementation

The vendor will be responsible for all software development, integration and data conversion activities required to implement the new system.

The vendor will define and establish Development, Test, and Production environments, promotion model policies, procedures and any required tools. These environments will be within the Division's data center and will run on the Division's hardware. The vendor team will connect to the environments remotely when not working on site.

Due to physical space limitations at the Division, most development activities must be done at vendor location. Regular site visits and meetings will be held at the vendor location between vendor staff and the Divisions project management.

### Testing

Throughout the project, Unit, Integration, Regression, Load/Stress and User Acceptance testing will be required. Wherever possible, automated testing using commercially available scripted test engines will be utilized. With the exception of UAT, the vendor is completely responsible for the installation, configuration, scripting and management of all testing. UAT will be lead by the vendor with all testers provided by the State.

## **Roll Out**

To accommodate business needs, the new application will be required to go live over a weekend. This will require a full cutover from the existing application and hardware onto the new system.

This cut over must be scheduled at a time that does not occur during peak business activity. Business activity is cyclic on an annual basis and can be predicted with a high degree of certainty.

## **Change Management**

The vendor will be responsible for planning and leading the efforts to integrate ICIS into a number of existing systems and organizations including:

Data Center Integration

Division Help Desk Integration

Division Technical Support Integration

Division Business process integration

Internal User and Agent Training

Agent Office Conversion

External business process

Division Disaster Recovery Integration

## **Software**

During contract, the vendor will provide all software and associated costs required to analyze, document, design, build, deploy and maintain the new application. At the project turnover, the Division will acquire any necessary licenses.

This software includes:

UML / BPMN Analysis Software (To be jointly selected)

Development software (Chosen IDE etc)

Embedded / Required Components or Libraries (if any)

Database design software (To be jointly selected)

Automated testing package (To be jointly selected)

Code repository, promotion model, deployment system (To be jointly selected)

## **Hardware**

Based on the analysis and design, the vendor will be responsible for all detailed hardware recommendations.

The specified hardware must be generally available and conform to any State standards or requirements and are subject to State and Division approval.

## **Documentation**

### **Analysis**

All work will be documented in UML / BPMN and Use Cases

### **Design**

Database design will be done in ER-Win or other DTI approved application

### **Application - User**

Online help tied to DE Code

### **Application – Training and Support**

Internal User training guide

Agent training guide

Admin Guide

Help Desk Guide

### **Application - Technical**

Installation / Configuration / Maintenance Guide and Plan

Coding using standard naming convention and module templates

Coding includes inline comments

Backup / Restore Plan

Disaster Recovery Plan

## **Scope Exclusions**

### **Hardware**

The vendor will provide all individual computing, communications and networking equipment and services used by their staff.

State will be responsible to purchase upon vendor recommendation

### **Software**

Any and all production licenses will be the responsibility of the state (page 12)

## **III. Overview of the Division's Current Business Processes**

The Division of Corporations is responsible for registering business entities, such as Corporations, Partnerships, Limited Liability Companies, Limited Partnerships, Statutory Trusts, UCC filings, and collecting fees for these services. The Division records and maintains important business and corporate information to help companies incorporate in Delaware. To fulfill these responsibilities, the Division of Corporations is organized into three primary sections: Corporations, Franchise Tax, and Technical Support.

The Corporations Section is comprised of the Filings Unit, the UCC Unit and the Customer Service Unit. The Franchise Tax Section is made up of the Franchise Tax Unit, the Cash Management Unit, and the Support

Services Unit. The Technical Support Section has the Technical Support Group, the Help Desk Unit, the Information Center Unit, and the Receptionist Area.

## **Corporations Section**

Titles 5, 6, 8, 9, 10, 12, 18 and 29 of the Delaware code govern the different types of entities formed in Delaware and the Corporations Section is responsible for filing and certifying documents pertaining to the Delaware code. The Corporations Section Administrator directs the operations of this section.

### **Filings Unit**

The Filings Unit falls under the Corporations Section of the Division of Corporations. Staffing for this unit consists of one manager, seventeen (17) full-time filings employees, one (1) media staff employee.

A noted difference between the Filings Unit and many of the other units within the Division is the addition of a second shift that works from 4 p.m. to midnight, Monday thru Thursday and 2:30 to 10:30 on Fridays. The second shift is comprised of one (1) filings manager, nine (9) full-time filings employees and five (5) seasonal employees, and performs the same business processes as the first shift in addition to processing UCC filings, and performing their own scanning, indexing and print packaging processes.

The Filings Unit is responsible for a number of critical processes for the Division of Corporations including Corporations Filings, Service of Process, and Trademarks.

One of the responsibilities of the supervisor is to set user profiles. These profiles are used by the workflow system to assign work. Work assignments are based on Group Proficiency Code (GPC), which defines the types of documents the filer is qualified to work on, functional knowledge, category of filing, and priority of work. It should be noted that the supervisor has the ability to change profiles at any time during a shift.

### **Corporations Filings**

The filings manager is responsible for monitoring filings, the work flow queue, and filings priorities. At the beginning of every shift, the filings manager sets profiles for each person in the unit. Filing priorities are assigned according to staff profiles in the system. Work is automatically assigned by the system according to received date and time, priority and group proficiency codes.

In order to process a filing, filers first log into DCIS and the Imaging/Workflow Systems. A specific PF key is pressed to request the next document, which the workflow system assigns based on the GPC and priority. This displays an image and allows the review of the document and entity information in DCIS to determine that both the filing is correct and all fees have been received.

If credit card information is given as payment, then the filer must charge the correct fees through the Velocitypayment.com credit card process.

Once the document is correct, the filer must then enter the data into DCIS, invoice the filing, stamp the document filed, delete all extra pages (including the check), and submit the document through print packaging.

Registered Agents connected to the State's WAN are also able to enter filings into the system. The agents scan the documents into the Imaging/Workflow system and enter basic filing information into DCIS. The filing is automatically put into a suspended status by DCIS until a staff member from the filing unit reviews it. This type of filing is referred to as an approval.

If the filing is found to be missing information, or have incorrect information, the filing is put into a suspended status in the workflow system, and a reason code for the suspension is entered. By putting

the filing in a suspended status, the workflow system will now assign it to a Customer Service Representative (CSR) for follow up with the customer.

When filers log into the Imaging/Workflow System, the first jobs that appear are “send backs”. Send backs are filings that the staff had previously suspended because of errors or omissions. A CSR follows up with the customer, informing them of the problem, and obtaining corrected documents. When corrected documents are received, the CSR scans the corrected documents into the system, inserts the corrected pages into the original image and the workflow system routes the corrected filing to the original filer. These send backs must be completed before work on new filings begins. If necessary, exceptions can be made by the supervisor.

When a filer accesses a send back in the Imaging/Workflow System, the first process is to verify the corrected document. If the corrections are valid, the filing is entered into DCIS or in the case of an approval, DCIS is verified and status is changed from “suspended” to “approved.” An invoice is processed, the filing is stamped, and any extra pages are deleted. A print package is then created, and the SRV completed. If the corrected document is not valid, the filing is re-suspended back to the Customer Service Unit.

## **Service of Process Unit**

The Filings Unit is also charged with the task of processing Service of Process notices. The staff rotates who is responsible for processing these notices, hereafter referred to as SOP.

The notice is hand-delivered by a Constable, the Sheriff, or a Process Server. All delivered SOPs are placed in a bin in the reception area and are retrieved by filings staff.

The filer reviews the SOP to determine if it is acceptable. The first check is to determine if all fees have been paid. Then, for Delaware companies, the status is checked; the company must not be inactive in order to be served or it must state that the agent either refused to accept service or could not be found. For non-Delaware companies, an address must be provided. Title 10 notices must be checked for an indication that the Defendant is a non-resident. Any notice that is marked as alias or pluries is to be accepted regardless of entity status or residency. Finally, a check is made to ensure the right number of copies have been included. All SOPs that are deemed unacceptable are immediately returned to the Constable, Sheriff or process server.

All acceptable SOPs are stamped with the date and time and a sequential indexing number which is also entered on the check. The Division forwards a copy to the sheriff and two copies to the constable. Then the date, time, index number, title number, civil action number, name of Defendant, and check amount are entered into an Excel spreadsheet. The spreadsheet is used as a log to keep track of the service of process filings submitted and processed. At the time they are entered into the spreadsheet, notices received pursuant to Title 10 are then separated and filed for storage. The Division charges \$2.00 to accept Title 10 SOPs and \$50 to accept Title 6, 8 or 12 SOPs.

For Title 6, 8 and 12 SOPs, the Division must generate a letter in order to forward the SOP to the Defendant. A Microsoft Word template is opened and the staff must enter information from the Excel Spreadsheet into the mail merge data boxes. Each recipient letter is merged and created separately. The Word template is a form letter with the recipient demographic information, the civil action number, and the index number, title and section they are being served under and also the plaintiff and Defendant. Two copies of the letter are printed. One copy of the letter is filed and stored for one year in the Division; the second copy is mailed to the Defendant. Three labels are created from a label printer that is located on the filer’s desk. One label is for the envelope and the other two are for the certified mailing forms required by USPS. The mailings are sent to the post office.

A check deposit is done at the end of each week. All checks are then stamped and a deposit slip is completed. These materials are submitted to the Cash Management Unit. In addition, two copies of the

current week's SOPs are printed from the Excel spreadsheet; one is given to the Cash Management Unit and the other is kept in the SOP log in the filing section.

The SOP process is not currently implemented in the Workflow system but will be in the new system.

### **Appointment and Agreement Certificates Unit**

In addition to Service of Process, the staff must also process Appointment and Agreement Certificates pursuant to 3 DEL C. § 1213 Pesticide License (which must be notarized by a Notary Public) and 24 DEL C. § 2950(1) Real Estate License.

The cost is \$12.00 and the staff must verify that any Title 3's are notarized and correct fees are enclosed. If not, it must be returned to the sender. If acceptable, the original document is stamped filed with the date and time received and with a sequential index number.

The information is entered into Excel in date and time order along with any SOP except that "APPT & AGREE" is entered in place of the Civil Action number and the company's name is entered in place of the Defendant's name.

A certificate certifying that the document is a true and correct copy must then be generated from Word. This certificate is saved in the SOP folder. The information can be highlighted and replaced with the current document's information.

The original certificate and photocopy of the document is sent by mail to the clients. A copy of the certificate and the original document are kept for storage.

### **Trademarks/Service Marks Unit**

To eliminate trademark infringement, many corporations register their trademark/service marks with the Division of Corporations. Registration of a trademark or service mark costs thirty-five dollars (\$35.00) and is good for ten (10) years, at which point the entity must renew. The renewal fee for trademarks is thirty-five dollars (\$35.00).

Once the application is received, it is routed to the Filings Unit for processing. Certain employees in the filing section are designated to perform this service. The application is also stamped with the date and time when received and reviewed for accuracy. If it's accurate, the trademark/service mark is researched in DCIS to verify that it does not already exist in the system. If a mark exists that resembles the mark being registered, or if it is identical to an existing mark, the application is rejected.

Provided the mark has no duplicates in the system, an SRV number is generated and the SRV number is written on the check and the check is then submitted to the Cash Management Unit. The filer then enters information from the application into DCIS and then invoices the SRV, generating a certificate confirming the registration. The received date and time are stamped on the application. A copy of the mark is attached to the certificate and sent along with the invoice to the client. The original is scanned into the imaging system and stored.

When applications are submitted that are missing critical information, the client is contacted and the application is fixed in the Filings Unit. In cases where the application cannot be fixed or the client cannot be reached, the application, check and a rejection form letter is mailed to the applicant explaining why the application was denied. A copy is made as a backup for the Filings Unit. Please note that the Trademark process is not currently automated in Workflow.



## Media Services Unit

Media Services are handled by staff members in the Filings Unit. The unit processes requests from clients or agents for archived images that are currently on microfilm or microfiche. Prior to the Imaging/Workflow System, the Division of Corporations imaged active business entity documents from microfilm and microfiche. Currently, the Division only performs this task when a request is submitted for an old file that has been inactive and never converted to imaging, or if a requested image is corrupt.

When a request is made, Media Services staff loads the appropriate cartridge in the viewer. Staff examines the cartridge to find the requested image. Once located, the image is lined up in the viewer and then transferred to the Imaging/Workflow System using a special scanning application and piece of hardware attached to the viewer and the computer.

## UCC Filings Unit

UCC Filings are also the responsibility of the Corporations Section of the Division of Corporations. Staffing for the UCC unit consists of one (1) manager who oversees the unit and six (6) full-time employees and four (4) seasonal employees.

For a detailed description of the required processing associated with a UCC filing, please refer to Appendix A – Administrative Rules, or view on the Division's web site at <http://www.state.de.us/corp/uccadminrules.pdf>.

Currently, there are eleven (11) different types of UCC's:

1. UCC1 – Initial Financial Statement
2. UCC1 – Federal Tax Lien
3. UCC3 – Amendments
4. UCC3 – Continuation
5. UCC3 – Assignments
6. UCC3 – Terminations
7. UCC3 – Release of Federal Tax Lien
8. UCC3 – Subordination
9. UCC5 – Corrections
10. UCC11 – Copy Request
11. UCC11 – UCC Searches

### UCC1 Filing

The filer logs into DCIS and the Imaging/Workflow System and the next available UCC1 document is assigned. The document is reviewed to ascertain that it meets all the filing criteria. If there is an issue or a criterion is not met, the filer suspends the document to the Customer Services Unit for rejection. A priority filing requires immediate contact by a Customer Services Representative before it is rejected in the Imaging/Workflow System.

Please note that UCC filings are rejected immediately unlike the corporation requests which are given 5 business days to comply with statutory requirements.

### UCC3 and UCC5 – Amendment Filings

UCC3 and UCC5 filings are amendment filings of an initial financing statement. After the filer logs into DCIS and the Imaging/Workflow System the next UCC3 document is accessed. The document is reviewed to verify that it meets all the required criteria. The information is then entered into DCIS and an invoice is generated. The filer then completes the necessary fields in the Imaging/Workflow System.

The filer stamps the first page of the document and completes the filing process. If the document does not meet all criteria, it is suspended to the Customer Services Unit for rejection, and in the case of a two-hour, “Same Day or a 24-hour filing”, for immediate contact by Customer Service Representative.

#### **UCC11 – Search Report**

The Secretary of State has authorized Registered Agents with access to our data base, to run UCC Search reports on our behalf. However, there are a few large search reports that cannot be run by the agents. Therefore, the Division of Corporations runs these particular search reports. In addition, the Division also runs a search report on UCC1 filings (referred to as “Search to Reflect”) only when customer payment has been made and they have “checked” the Search Report box on the UCC1 Financing Statement Form.

The filer retrieves the request in the workflow system as they would any other request. The filer checks for special notations and if the search request meets all required criteria, the search report is run in DCIS, and an invoice is then generated. A UCC search report is a certificate and does not require a “filed” stamp on the certificate. If a criterion is not met, the request is suspended to a Customer Service Representative. Priority requests get immediate attention by Customer Service Representatives.

#### **UCC11 – Information/Copy Request**

The filer accesses the UCC11 copy request in the Imaging/Workflow System based on their GPC code and priority. The filer determines whether the client has requested a single copy, all copies, specific copies, or certified copies. The request is then checked for other criteria including payment. If all the criteria are met, the filer issues the requested copies in DCIS, generates an invoice and completes the process in the Imaging/Workflow System. If the request fails to meet the criteria, the filer suspends it to a Customer Service Representative for contact. Again, priority work is given immediate attention by a Customer Service Representative.

#### **Customer Service Unit**

The Customer Service Unit falls under the Corporations Section of the Division of Corporations. The staff consists of one (1) manager and eight (8) full-time Customer Service Representatives (CSRs). The main responsibility of the Customer Service Unit is to process suspended documents.

#### **Suspended Document Processing Unit**

During the filing process, suspended documents are routed to the Customer Service Unit. The CSR opens the Imaging/Workflow System, presses a specific function key and a suspended document is displayed. The first process is to verify the reason for which the document was suspended. The CSR reviews the filer’s comments to determine the problem and then attempts to contact the client either by telephone, email or fax. If the client responds, the problem is reviewed with them. Comments are entered by the CSR regarding resolution of the problem if they spoke with the client or stating that contact was attempted by the CSR. If incorrect fees were the only problem the CSR will obtain credit card information if possible and send the document back to the original filer. If the client wishes to send a check for additional fees then the CSR will comment that fact in workflow. The CSR then enters a reject code and assigns the number of days required for resolving the issue. The law requires five business days, so the CSR must calculate the total days, taking into account weekends and holidays, to ensure the stipulated number of days is provided. This total is then entered into the workflow system.

Upon receipt of a new document, it is scanned for insertion or appended to the original image, and routed back to the original filer by the workflow system.

In the event that the client cannot resolve the problem within five business days the document is rejected. A reject process is initiated by a CSR and the system updates the filing status and related fields

are changed in DCIS and the Imaging/Workflow System. A rejection letter is then system generated and sent to the client, explaining why the document was rejected.

## Franchise Tax Section

Title 8, Chapter 5 of the Delaware Code requires all Delaware corporations to file an annual report and pay an annual franchise tax. Title 6, Chapters 15, 17, and 18 require taxes be paid by alternative business entities. The Division of Corporations is responsible for billing, filing, collecting and reporting these taxes. Details on tax calculations, annual reporting requirements, penalties for non-payment, and all other tax related processes, can be found in the above cited code. The following is a discussion of the business processes implemented by the Division to carry out this charter. This is not intended to be a complete presentation of all the intricacies of the tax law, but rather a summarization intended to give the prospective bidder a feel for the level of work involved. It is expected that the award winner will use the referenced code, which is available from the Division of Corporations, as the ultimate source for the business rules required to implement these processes. The Franchise Tax Section Administrator is responsible for the Franchise Tax Unit, Cash Management Unit and Support Service Unit.

## Franchise Tax Unit

The Franchise Tax Unit collects annual taxes for all entities, files annual reports, records tax filing and financial transactions, resolve tax inquiries, and answers telephone calls regarding franchise tax questions and information. Staffing for this unit includes an administrator, section manager, and eight (8) full-time employees. This Unit's staff performs a number of business processes that include: bankruptcies, tax calculation, collection of franchise tax payments and compliance reports.

### a. Bankruptcies

Companies are required to notify the Division of Corporations if they file a Petition for Bankruptcy. If an entity files for bankruptcy, all money owed to the Division of Corporations before the date of the Bankruptcy becomes Pre-petition debt.

Documents that are necessary to review for possible action by Franchise Tax are: Notice of Bar Date, Petitions, Bankruptcy Pre-Petition Payments, Omnibus Objections, and Plans or Reorganization and Order Confirming Plans.

Taxes are calculated and reviewed to determine Pre and Post Petition amounts. To determine a true tax assessment, the staff will contact the Trustee to file a Franchise Tax report. The tax is pro-rated to determine the Pre and Post Petition Taxes which are entered into DCIS. This procedure is followed to prevent a violation of the Federal Bankruptcy Automatic Stay Rule.

When a notice for Proof of Claim is received, the form must be completed and then a mail merge letter is created. The package is created and sent via overnight to the appropriate Bankruptcy District Court for filing. A copy of the package is sent to Support Services to be scanned into the image system.

### b. Tax Calculations

All tax calculations are carried out to six decimal places in accordance with the Delaware Code.

A corporation annual franchise tax report notice and electronic files are produced and sent to the address of the registered agent of record for the company. This notice informs the company that their complete annual report and franchise tax is due to be filed and paid. The company is required to electronically file this report with the names of its officers and directors with their tax payment. (Mandatory electronic filing is effective for 2007 annual reports).

A means must also be provided for calculating the tax liability without updating the tax records for a company. This is needed in cases where the company ceases to be a Delaware corporation, by

termination, merger, or some other means. Frequently the customer will inquire what the tax liability would be in such a circumstance, and the Franchise Tax unit must be able to determine this amount.

There are ten billing runs each tax year. For corporations, there is an annual report run for domestic companies in December of each year, and another run in January to pick up new companies and amending company records filed after the initial December run, and an annual report run for foreign companies. Corporations also have a delinquent tax run and a void warning run. Finally, there are three quarterly estimated tax notices for corporations who make quarterly payments. For alternative entities, there is an annual tax bill run, a void canceled run, and a delinquent notice run.

### **c. Franchise Tax Payments**

Franchise tax payments are collected through the Lockbox, Online Franchise Tax Payments, In-House Payments, and Velocitypayment.com.

**Lockbox** - For this method of payment, the payment and the annual tax report are received from the entity, by the State's lockbox vendor bank. Upon receipt by the bank, the payments and annual reports are sorted and entered by batch and deposited. Payments and accompanying statements are scanned and the image is written to a CD-Rom. A transmission is sent each night along with any Automated Clearing House (ACH) payments received by the bank. The transactions are updated daily. The batches include both equal and unequal payment amounts along with the deposit tickets, ACH items, detail reports, non-processable items, and correspondence. The CD-Rom is returned to the Franchise Tax Unit and used to update the Imaging/Workflow System.

For unmatched payments, the Franchise Tax staff reviews the image in the Imaging/Workflow System and enters the information into DCIS to calculate taxes and any other pertinent information. The batches are verified. A report is printed and the ACH and deposit tickets are checked against the total deposit. Once this process is completed, all media is submitted to the Cash Management Unit. All ACH payments are individually checked to ensure that the payment was applied. All unapplied checks are submitted to the Cash Management Unit where an in-house deposit is created. Any ACH items not updated or payments put in suspense are manually posted to the proper accounts on a daily basis. Errors are checked and fixed daily from an exception report. Batches are organized and placed with a batch detail report in a box which is later sent to storage.

**Online Franchise Tax Payments** - Clients also have the opportunity to make franchise tax payments online through the eCorp System. Clients can make payments using a depository account, credit card account, or ACH payment. Clients may also submit the company's annual report online. Online submission will be mandatory for 2007 reports. The electronic annual report data is automatically updated in the DCIS system and an image is created and archived to the imaging system. There is also an XML batch process for alternative entity tax payments, corporate annual reports, corporate amended reports, and corporate delinquent tax payments. This process also automatically updates both DCIS and the Imaging/Workflow system.

**In-House Payments** - For this method of payment, the annual reports or tax statements are received through the daily mail along with check, money orders or cash. Upon receipt of payment and the annual report, the staff must verify through the DCIS system that the file number is written on the check. Once this is verified, the payment and the annual report are forwarded to the Cash Management Unit for inputting into DCIS.

**Velocitypayment.com** - The Franchise Tax Unit can process credit card payments via Velocitypayment.com. The clients provide the unit with the credit card information and they fax the entity's annual report. The staff forwards the annual report to the Support Services Unit, where the report is scanned and moved into the Imaging/Workflow System.

The Franchise tax payment process is verified in DCIS with the file number of the entity. Whether the payment is accompanying an annual report or a tax bill, the process is the same. The payment is entered into Velocitypayment.com and into a DCIS batch opened daily for Franchise Tax credit card payments.

When the payment is entered into the DCIS batch, DCIS updates the entity's record. At the end of each day, the credit card batch is totaled and verified against Velocitypayment.com. If the totals balance, the batch number and receipts are taken to the Cash Management Unit for reconciliation.

#### **d. Compliance Reports**

The Franchise Tax Unit is required to reach a certain revenue quota for each calendar year. In order to achieve this goal, calls are made to companies who have not complied with the tax laws.

A monthly report of companies not in compliance is produced. The report is distributed among the staff. Staff is responsible for calling each of the companies on their list. If staff cannot reach a company representative by telephone, letters are then mailed to the client.

#### **e. Franchise Tax Refunds**

The process begins when a request is received from an entity seeking a refund of taxes paid. Franchise Tax staff must first open DCIS and code the system for the refund request. After the code is entered, the verification of taxes begins in DCIS.

During the verification process, all documents that were requested from the entity are verified to ensure that they have been received. Forms such as U.S. Form 1120, Schedule L are verified against assets that were reported. Corporation taxes and payments that have been charged are also verified.

Once the verification process is complete, staff must print out a computer screen showing all tax payments and manually verify credit due. The calculator tape is included in the final verification package that is submitted for imaging.

Batches involving refunds are separated into two categories; batches under \$2,500 and over \$2,500, to accommodate the State Treasurer's Office requirements. The completed refund request code is entered into DCIS and the deduction is entered to remove the credit from the system.

A Microsoft Word template is opened, which is referred to as the "Refund List". The refund information is entered into this document. Next, an excel spreadsheet is opened for the payment voucher. The refund information is entered into this document, and three copies are created of the payment voucher and word document. Two copies must have a manager's signature before they are submitted for the refund.

One copy of the payment voucher is filed in the Franchise Tax Unit and two copies are sent to the State Treasurer's Office for payment. When the refund check is received in the Franchise Tax Unit, copies are made of the check, and the check number and the payment voucher number are entered into DCIS. Logs are kept to track amount of funds in the Division refund account. This log is used to determine if refund requests can be processed or if they must be held until the refund account is replenished.

The final step in the process requires staff to mail the check with a statement to the entity that requested the refund. All refund paperwork is sent to Support Services to be scanned into the Imaging/Workflow System as a backup.

### **Cash Management Unit**

The Cash Management Unit is responsible for all money collected from filings and various kinds of fees paid to the Division of Corporations. Additional responsibilities for this unit include reconciliation with the Delaware Financial Management System (DFMS) the State wide accounting system, agent accounts, and agent depository accounts, deposits, and revenue report generation. Staffing for this unit includes five (5) full-time staff employees and one (1) seasonal employee.

The Cash Management Unit staff performs a number of business processes, including agent refunds, credit card charge backs, transferring money, creating daily deposits, reconciliations, and SRV number generation.

### **Franchise Tax Payments**

All franchise tax checks, cash and money orders received are sent to the Cash Management Unit for posting and depositing. Staff must open a batch in DCIS and manually key in the file number, check number, amount of payment, type of payment, and tax year for each payment. When a payment is posted via the batch, the tax record of the entity is updated to include the payment.

Tax payments are received via ACH through the tax lockbox bank application. These payments are updated nightly in DCIS. If the ACH payment does not update electronically, it must be posted manually by opening DCIS and entering a new payment sequence. The sub-code, date, tax year and amount of the payment are entered along with a comment. A cash receipt is processed and sent to the Department of Finance.

### **Returned Checks/Credit and Debit Advices**

Each of these processes requires opening DCIS and manually making an adjustment to a payment and a transaction. Staff then opens Word and manually prepares letters to clients advising them of the adjustment made and in some cases money owed to the Division. A Cash Receipt (CR) is prepared and forwarded to the Department of Finance.

### **Agent Refunds**

The process begins when a request is received for an agent refund. Staff must first open DCIS and enter the account number for the refund. A printout is made of each account that is being reviewed for the refund. Staff must then navigate to another screen in DCIS, open a new SRV number, and change the sub code to "P4". Any comments are entered in the comments section in DCIS and a code of "P" is entered designating payment for the account. The request is then invoiced. A cash adjustment is processed in the Operations Management System (OMS), which is a front-end system to DFMS. After the cash adjustment is downloaded, payment vouchers are processed and sent to the Department of Finance.

### **Credit Card Charge Backs**

If the Cash Management Unit receives a chargeback notification submitted by a bank, the request must be addressed directly by staff members.

After the discrepancy letter has been received in the unit, staff must first open DCIS to check if the charge exists in the system. If the charge does not exist, the staff must then check Velocitypayment.com, for in-house payments or CyberSource, for web payments. When the discrepancy is located, staff looks up the order in the Imaging/Workflow System and prints a copy of the image. The printed image is then sent to the bank. The bank then verifies if the client charge exists. If the charge does exist, a reversal acceptance notice is submitted; otherwise, a reversal rejection notice is submitted by the bank. The staff then sets the returned check type code to "rcr" in DCIS, mails the charges to the bank, and updates the revenue reports. A cash receipt is then processed in OMS and sent to the Department of Finance.

### **Transfer Money**

When money is posted to an incorrect account, an adjustment must be performed. Staff must open DCIS, locate the account, change the sub code to "adj", credit the account, and then debit the charged account and post comments.

### **Daily Deposits**

One of the main responsibilities for the Cash Management Unit is processing daily deposits. All monies collected from all units within the Division of Corporations are submitted to the Cash Management Unit and are deposited on a daily basis.

All batches must be turned into the Cash Management Unit by 1:00 p.m. daily. A separate deposit ticket is prepared for franchise tax money and all other money. Batch numbers are entered individually on the deposit slips in alphanumeric order. All checks are endorsed in the automatic endorsement machine.

### **Reconciliations**

The Cash Management Unit performs three reconciliation processes: reconciling CyberSource reports, IC Verify and Velocitypayment.com reports with DCIS.

The Cash Management staff prints reports of all credit card transactions from Velocitypayment.com. They add all DCIS batches received from staff and verify the DCIS totals with Velocitypayment.com totals. If both DCIS and Velocitypayment.com reports reconcile, the status code in DCIS is set to "Deposit," designating that the reconciliation process is complete and accurate. If the two reports do not reconcile, staff must then research the details of the charges and correct the amount in DCIS.

The process to reconcile CyberSource reports with DCIS is similar to the above process. CyberSource reports are printed daily. The Cash Management Unit verifies that CyberSource totals match web totals in DCIS. SRV and Franchise Tax payments are separated. Discover card payments are separated from VISA, MasterCard, and ACH.

### **Service Request Numbers (SRV)**

The Division of Corporations generates a Service Request number (SRV) to track all work received and processed in the Division of Corporations. The Cash Management Unit has staff that is exclusively dedicated to the SRV process. Jobs that require an SRV number come from either the fax gateway or are obtained from batch scanning. About 80% of the work is performed by the online registered agents and there is no cash management function associated with these service requests. It is strictly data entry with no checks or credit card batch processes.

Once the SRV jobs are obtained, the Division's staff verifies that a check is included with the request. If the check is missing, staff must research to find the check in the batch. If a check is included, all pages for the request must be verified in the Imaging/Workflow System.

Once the verification process is completed, DCIS is opened and the SRV number is automatically generated for the requested job. The document is then reviewed in the Imaging/Workflow System to verify that a file number is present. If a file number does not exist, ones and zeroes are entered for the file number. If a file number exists, the number is searched in DCIS and entered on the SRV record.

The next step in the process is to open a credit card or check batch and write the SRV number on either the check or credit card slip. The file number and document code are entered in the comments section of DCIS and a key combination is pressed to automatically populate the SRV assignment screen fields in the Imaging/Workflow System.

Once the fields have been populated with the information, the Workflow screen is checked and any remaining fields that need to be completed are filled-out. The request is then in the workflow queue – work to be processed.

### **Support Services Unit**

The Support Services Unit consists of eight (8) individuals - one manager, six (6) full-time employees, and two (2) seasonal employees. The manager of the Support Services Unit is responsible for managing all documents that are received in the unit. The Support Services staff has seven (7) major responsibilities for the Division. Those responsibilities are: to receive all incoming mail, process and sort all incoming mail, scan documents, process outgoing mail, and express deliveries, scanning of Franchise Tax reports and record management. The manager also handles subpoenas received from government agencies.

### **Mail Processing**

Two staff members are responsible for handling all incoming mail. This includes sorting, opening, reviewing, and forwarding the mail. The person responsible for the mail also date and time-stamps the mail and resolves any mail problems. It should be noted that all Franchise Tax mail is routed to the Franchise Tax Section for processing.

Mail processing occurs all day. Beginning at 8:00 a.m. the United States Postal Service mail is delivered. At 10:00 a.m. the mail from the state mail room is received. Additionally, the express mail starts at 11:00 a.m. Courier mail is delivered throughout the day and is retrieved from the reception area. Once mail is received, it is sorted by unit. Mail addressed to "The Secretary of State", Harriet Smith Windsor, or to specific staff members is forwarded directly to them.

After the mail is delivered, the rest of the mail is date and time stamped and organized into categories.

The opened and organized mail is worked on by its priority status. Account and file numbers, from DCIS, are hand-written on each piece of mail, as well as the initials of the person entering that information. If the piece of mail is a new corporation the Name Reservation process would take place at this time. If only a check is received in an envelope, it is put aside for later review by staff. Mail is prepared for scanning and placed in the bins for retrieval by scan staff.

A significant amount of time is spent researching and resolving problems pertaining to mail. If mail does not include an account number, staff researches the business entity in DCIS. Staff creates an account number if the business entity does not have an existing account in DCIS. They also check for a file number for the entity. If no file number is found, they mark "n/a" on the letter. If checks are received without an attached letter, staff must research the check information in DCIS. If agent information is found, the check is given to cash management for deposit to the client's account. If no agent information can be identified, the check is returned with a standard letter specifying the reason for return. When mail is received with account number and file number included, it is prepared and placed in the bins for scanning by priority.

### **Name Reservations**

If mail is received requesting a new entity, the next process is for staff to reserve the requested name for the client. The name reservation process requires staff to first check that the name conforms to the requirements of the Delaware Code for the entity type. The requested name is searched in DCIS to determine availability. If the name is available, it is reserved. If the name is not available, staff generates a conflict number, writes "name exists", and the conflict number on the request by hand and places the request in the appropriate bin.

### **Document Scanning**

Document scanning is an integral part of the business processes performed by the Division of Corporations and on-line, imaging agents. The document scanning process is performed in batches using Fujitsu high-speed scanners and IDEA software by PowerScan.

The scanning process begins when Support Services personnel retrieve the filings that were previously sorted in the bins by the mail processor. The filings are then resorted by priority type and identified with a priority letter code designating each batch for scanning. A scanner sequence number is written on each piece of work before scanning. A post-it note is attached to the batch letter, to identify the type of work in the batch or any problems with the batch. Also, the checks that are scanned are attached behind the batch letter. The scanned documents are reviewed for accuracy and clarity. If a scanned image is not acceptable, the scanning process is repeated to produce an acceptable, readable scanned image. A cover sheet is then completed for each batch, providing specific information including the batch identifier, starting sequence number and ending sequence number. The cover sheet is then dated and placed on top of the batch. After the batch is completed, it is sent to the Cash Management Service Request Area.



Note: Approximately 80% of work input to the imaging system is remote scanned by our online Registered Agents. Each remote office has set their procedures for prepping work; however the scan of images/orders into the imaging system is consistent throughout the user community. Specific MCS values (batch identifiers) are assigned to each agent. This secures access and allows the agent office to have assigned and be able to process only the work they scanned.

### **Document Scanning Franchise Tax**

Support Services also scans the Franchise Tax Annual Reports, Correspondence, Refunds, and Bankruptcies. Items are received from the Cash Management and Franchise Tax Sections. They are processed on high speed scanners using IDEA software by Power Scan.

### **Document Management**

The document management process requires Support Services staff to package all paper documents by the batch numbers that were previously scanned into the system. The package is then placed into a box, which is sent off-site to a vendor who is responsible for storing the paper documents.

### **Print Packaging**

The Support Services Unit is responsible for all print packaging services for orders printed at the Division of Corporations. The unit must verify and validate all documents before approving them for release to the client. The print packaging section of the Support Services Unit has four (4) printers; each is designated to a specific type and priority of work assigned to it.

Support Services is responsible for matching cover sheets, invoices, certificates, rejection letters, filings, and labels. The print packaging section performs a number of business processes and tasks to ensure that print jobs are complete and accurate. The process is initiated when personnel retrieves the print packages from the printer, verifies the contents against the cover sheet and then determines whether the print package is complete. It should be noted that some large requests are processed on the second shift when the system is less busy.

When the package is complete, the staff logs onto the print package screen, scans the barcode information from the print package cover sheet to "OK" the package, and prints a list of the completed packages.

If the print package is incomplete, an email is sent to the filer and supervisor acknowledging that there is a problem with the print package. The print package is marked as a problem by entering "\*\*\*" on the log, and placed in the problem bin by priority.

If the print package is complete, the letter from the client or the cover sheet is checked and determined whether the print package will be delivered via U.S. Postal Service, courier pick up, or priority delivery service (e.g., FedEx, UPS).

Priority delivery service requires a label to be created which includes tracking numbers, client address information and account number, and sender's address. The system designed in response to this RFP needs to be able to produce the required shipping labels.

Registered agents with access to the imaging system receive output of completed work directly to their printers located at their offices throughout the State Of Delaware. Additional output methods for completed work are through email and fax.

## **Technical Support Section**

The Technical Support Section is divided into four (4) separate units: Technical Support, Help Desk, Information Center and Reception. The Technical Support Section has one (1) Administrator, four (4) ERP System Specialists, eleven (11) Fulltime Corporation Specialists and two (2) seasonal employees.

## Technical Support Group

The responsibilities of this unit include the following: researching and troubleshooting programming problems, testing new program modifications, approving and coordinating the implementation of changes to the production environment, providing support to the user community and agents, training registered agents on the use of system applications, applying system security, troubleshooting printer issues, troubleshooting software issues and answering phone calls from clients. The Unit performs a system administration function by providing client's with the necessary paperwork and information to obtain access to the system. They also develop and maintain data tables in DCIS for fees, certificates, tax rates, sub codes, document codes and associated rules and definitions. In addition, they perform statistical analysis on work volume, revenue generated, and revenue projections, as well as make recommendations to administration for improvements to services and processes through technology.

The responsibilities of the Technical Support Specialists are to provide technical support to employees, registered agents and outside clients. This support includes assistance in resolving problems that may occur with DCIS, Imaging/Workflow System, hardware and software issues, and web applications.

The Technical Support Specialists also create, maintain and update the Division of Corporations Internet site, "for agents only" agent website and the Department of State intranet site. They create and maintain the filing fee calculators, tax calculators and CGI (request for mailed copies of forms) integrity of the website. They also create and maintain the PDF "fillable" forms available to the public through the website.

They coordinate the requests for online agents to access the databases, provide documentation, and explain the requirements for configuring the hardware and software to access the databases. They order the appropriate communication lines needed for proper connectivity. They complete and submit required documentation for the definition of printers in the CICS region and print packaging printer tables. They also coordinate, define and create user access in security tables in the Imaging/Workflow and mainframe systems.

They maintain login ids, passwords, and users profiles to access DCIS in both test and production environments. Additionally the Unit performs system administration functions that include adding, modifying and deleting user access to the system.

## Help Desk

The Help Desk has one (1) full time employee. The responsibility of the help desk is to provide support to clients who have pending requests. The majority of the requests for service are incomplete orders, upgrading requests, rejections, adding additional information to existing requests, correcting and recording errors, and supplying information on suspended filings. Each request for service is handled by the help desk personnel, either by resolving the error with the client or by routing the request to the appropriate unit.

The help desk is required to log calls that are taken in the unit. The calls are recorded manually on a pre-designed form and the recorded information includes, caller, date and time of call, nature of call, SRV number, and priority of call. If the call is from a client that is requesting a correction or has an incomplete order that was already processed, the information is recorded and given to the appropriate manager for completion.

## **Information Center**

The Information Center staff is responsible for supporting requests received by phone. Many inquiries for services are questions concerning how to file corporate documents, cost of obtaining certified or plain copies of archived documents, and registered agent information.

They assist clients in completing corporate filing forms when necessary. They also determine filing fees and franchise taxes that may be due for proper submission.

They disseminate general information regarding Delaware entities which includes name changes, merger information, renewals/reinstatements of entities, agent changes, and agent address information as well as status, filing history and basic UCC information.

They record and mail out corporate information packets and other requested forms to clients. The staff also completes name reservations received via phone, mail or fax, and respond to e-mails sent to the webmaster address.

The staff directs clients to the appropriate agency for assistance on non-corporate issues and explains the services available on the Internet services such as UCC, tax processes, name look up and name reservations. If a phone call is beyond the expertise of the staff, the call is routed to the appropriate section.

## **Reception**

The reception staff is responsible for greeting the public and providing service to 'walk in' customers, performing name searches, assisting the public in retrieving information, answering telephone calls, routing phone calls to the appropriate section or individual, and receiving express mail. When requested they supply information and provide support for requests for services. Many requests are questions concerning incorporating, obtaining corporate documents, and associated processing fees.

The process for handling requests is fairly straightforward, despite the variety of requests that the staff must respond to daily. They first determine what the request is and give the client the appropriate information, forms, fees, explanation of policies or regulations, etc. They also provide assistance in performing name searches and use of the public terminals to retrieve information.

## **Notaries**

### **Notaries Public**

Notaries Public are appointed by the Governor pursuant to the Delaware Code. The applications for new and renewing notaries are available online, by mail or in person. In addition, an Affidavit of Non-Resident application is available for non-residents working in Delaware. The forms are completed and returned to the Secretary of State's Office, Division of Notary in Dover with the appropriate fee. Along with the completed applications, two sealed letters of reference are required. Processing the applications can take up to four (4) weeks. Notary information is stored in the DCIS data base for retrieval by filer's, for the processing of apostilles and authentications regarding notaries. The Notary process is not currently managed in the work flow system but will be in ICIS.

## IV. Requirements of New System (ICIS)

### Project Level Requirements

All project activities must be identified and managed according to an agreed upon project plan

A fully defined life cycle methodology for Analysis, Design, Implementation and Transition must be agreed upon and adhered to.

Payments to the vendor must be tied to State approvals of Deliverable Milestones

Each deliverable will be defined prior to any work being performed and acceptance criteria agreed upon in advance

Within 60 days of contract signing, the vendor will deliver a detailed project plan for approval by the State. The plan will include all tasks, milestones and resources to complete the project. Each milestone will have acceptance criteria defined and approved individually.

The vendor project manager will conduct weekly joint status meetings and provide written reports

The vendor will maintain all customary project management documentation such as issue logs, risk plans etc.

The vendor will provide dedicated Project Management and team leads

The State will have approval of key team members

### Technical Requirements of ICIS Application

The system shall:

Reflect “State of the Art architecture”

Be written in a Highly Maintainable Implementation Language supported by a robust IDE, available talent pool, and enable enhancements and modifications to be implemented quickly.

Be scalable and designed based on Capacity planning

Be Capable of 24x7 operations

Support Extensive search capabilities

Be Rules engine based workflow and business rule implementation

Be fully configurable through a secured Administrative Console

Provide acceptable Response times for searches, data retrievals, and all underlying functions

Store all data in Fully Relational Database Structures – OLTP and OLAP will both be supported

Have a fully defined and proven Disaster Recovery / Business Continuation Integration Plan

Have all Internet Connectivity be Bobbie Compliant

Be Compliant with all DOS, DOC and the State’s standards and policies, and established practices in place at “go live” or known to go into effect at that time

### Required Features and Functions of New System (ICIS)

Due to the limitations of the existing systems as outlined above, the Division of Corporations has decided to entertain proposals for a project to take the business processes of DCIS, combined with the imaging, workflow and web processes, and develop one integrated application. This new application must replicate all the

currently existing business processes embodied in DCIS, incorporate the features of the existing imaging/workflow system, while providing solutions to the drawbacks discussed previously.

This new system must have both client/server and web based client capabilities to make the processing and connectivity options as flexible as possible. It must take advantage of the ease-of-use and intuitive flow of Graphical User Interfaces. Also, the Division has recently purchased licenses for a number of Oracle products to begin implementing an OLAP system. The new system must provide an interface to the OLAP data base, or have OLAP capabilities integrated into the solution.

The next two sections will define specific requirements of the proposed system. The first one is a list of requirements replicating the business processes already performed by the existing systems. The second defines requirements representing enhancements to be included, which would be made to the current systems if we were not doing this rewrite.

It must be understood these lists of requirements are not intended to be all inclusive. This is an attempt to define the scope and type of effort required, so bidders can develop time and effort estimates as accurate as possible. It is anticipated by the Division of Corporations that one of the first steps of the development project, will be to validate and confirm the requirements, so a detailed design can be prepared by the award winner. The ultimate objective has to be to implement a system that embodies all the processes required so the Division of Corporations can meet its mission as defined by the referenced sections of the Delaware Code. The entire Delaware Code can be viewed online at <http://www.delcode.state.de.us>.

## **Specific Requirements**

### **System Administration and Security**

1. Create, Modify, and Delete Division of Corporation's employee profiles
2. Create, Modify, and Delete registered agent profiles and other state agency profiles
3. Create, Modify, and Delete general public profiles
4. View system user profiles
5. Retain user profile history
6. Track and report on user activities (Audit trail)
7. View user activities
8. Create, Modify, and Delete user groups
9. View system user groups
10. Create, Modify and Delete rights for access to screens and access to features and functions of modules and services.

### **Rules Engine Based Management**

11. Create, Modify, and Delete laws and statutes that translate to business rules in the system
12. Create, Modify, and Delete system policies and procedures
13. Create, Modify, and Delete work priorities
14. Create, Modify, and Delete Certificates, text and Common tables
15. Define properties of the priorities such as time allocated to process a request for a particular priority etc.
16. Create, Modify, Delete fees and charges for various services
17. Create and Modify tax schedule
18. Perform intelligent word search logic to prevent duplication of same name entities.
19. Alert name reservation for a name with keywords

20. Prevent duplicate entries in the system such as duplicate agent account numbers, file numbers
21. Prevent duplicate trademark registrations
22. Determine validity of a document filed electronically depending on document type
23. Determine valid approvals and “send backs”
24. Display screens based on request type, entity type, transaction type etc

#### **Workflow Management**

25. Create, Modify, and Delete group proficiency codes
26. View and Search employees having a specific group proficiency code
27. List jobs in prioritized order
28. Modify filing priority
29. View filing priority
30. Search filings with desired priority
31. Provide audit of tasks performed on individual filings
32. Assign work to employees based on work date, priority of work and the group proficiency code
33. Reassign work to next available filer based on group proficiency code in case the original filer is not available
34. Provide the management with the capability to view staff assignments
35. Provide the management with the capability to re-assign work
36. Provide the management with the capability to perform work comparison analysis

#### **Document Management**

37. Scan documents
38. Fax documents via fax gateway
39. Provide online attachment capability to import documents
40. Provide screens and templates for generation of electronic documents
41. Provide capability to mark cover sheets and other selected documents as private, for Division access only, so they cannot be displayed or printed by users outside the Division.
42. Convert submitted documents into selected electronic image format
43. Stamp scanned images
44. Edit stamp and annotate existing images
45. Insert, Delete pages in scanned documents
46. Store images
47. Index images
48. Archive images
49. Backup images
50. Search images
51. Display images
52. Generate packages in paper format
53. Generate packages on CDs, DVDs, Email
54. Generate packages in electronic format
55. Generate mailing labels (including express, UPS, FedEx) for print packages in paper format
56. Create, Delete, and Modify user access rights of documents
57. View requested documents in electronic format

58. Transport document packages electronically

#### **Service Requests**

59. Perform New Entity Filings, Amendments, Mergers, Designations, Etc.
60. Validate requested entity name against existing entity names to avoid duplicate entries
61. Identify keywords present in entity names
62. Generate letters and forms for Bank Commissioner, Insurance Commissioner, or the Department of Education for entities granting degrees if keywords exist in entity name
63. Record Bank Commissioner's approvals and Department of Education for entities granting degrees
64. List all name conflicts if any for a requested entity name
65. Reserve multiple names in one transaction.
66. Notify agents electronically about entities that name them as their registered agent
67. Generate new entity record
68. Retain old data and record additional/updated information (Example: new stock information, new name, etc.)
69. Provide a blocked filing alert to a filer
70. Review the filing
71. Provide ability to suspend to CSR in the case of incorrect documents, additional fees, etc.
72. Provide ability to keep a filing on hold in case a higher priority filing arrives
73. Provide ability to electronically stamp documents
74. Provide ability to adjust position of stamp on image
75. Remove and re-stamp image
76. Generate invoice for completed filing
77. Generate labels for FedEx and UPS mails
78. Remove and restore image
79. Reprint, delete and restore orders, recalculate fees accordingly.
80. Provide ability to create reject letter
81. Provide ability to file supporting documents, i.e. renewals, assignments, etc.
82. Retain old data and record additional/updated information

#### **Perform UCC1 and UCC3 Filings**

83. Review the filing
84. Generate new UCC1 record
85. Change filing status to "suspend" in case of incorrect document, additional fees, etc.
86. Provide ability to keep a filing on hold in case a higher priority filing arrives
87. Provide ability to electronically stamp documents
88. Provide ability to adjust position of stamp on image
89. Remove and re-stamp image
90. Generate invoice for completed filing
91. Create print package for completed filing in different media
92. Reprint, delete and restore orders, recalculate fees accordingly.
93. Generate labels for FedEx and UPS mails

94. Provide ability to create reject letter

***Perform Search, Copy and Certification Requests***

- 95. Provide intelligent search logic to report search results as required by Revised article 9 of UCC.
- 96. Perform UCC and Entity Certification
- 97. Request Copies for UCC and Entity
- 98. Perform Entity Authentication/Apostilles

***Process Trademarks/Service Marks***

- 99. Review the trademark registration
- 100. Validate requested mark against existing marks to avoid duplicate entries
- 101. Generate new trademark/service mark record
- 102. Provide ability to file supporting documents, i.e. renewals, assignments, etc.
- 103. Retain old data and record additional/updated information
- 104. Provide ability to create reject letter
- 105. Provide ability to electronically stamp documents
- 106. Provide ability to adjust position of stamp on image
- 107. Remove and re-stamp image
- 108. Generate invoice for completed filing
- 109. Create print package for completed filing in different media
- 110. Generate labels for FedEx and UPS mail
- 111. Reprint, delete and restore orders, recalculate fees accordingly.

***Perform Service of Process***

- 112. Review the documents received for service of process
- 113. Record service of process information (e.g. suing party, company to be sued, agent number etc.)
- 114. Ability to search recorded information and modify if necessary
- 115. Generate letter stating reason of rejection
- 116. Generate letters for each recipient
- 117. Provide ability to electronically stamp documents
- 118. Provide ability to adjust position of the stamp on the image
- 119. Generate labels for outgoing mails
- 120. Remove and re-stamp image
- 121. Provide ability to file supporting documents, i.e. renewals, assignments, etc.
- 122. Retain old data and record additional/updated information

***Financial Management***

- 123. Interfaces to Other Systems
- 124. Interface to Internet Payment Services (IPS)
- 125. Interface to Govolution (or the current), the State's standard for e-Payments.
- 126. Interface to Lockbox
- 127. Interface to the State's ERP system for financial reporting.
- 128. Process Franchise Tax Payments Received at the Division of Corporations



- 129. Record payment information (e.g. payment type, payment amount etc.). Apply monies in proper order; filing fee, tax, penalty, then interest, according to due date and effective date of payment.
- 130. Provide ability to adjust pre & post petition debt for bankrupt entities
- 131. Provide ability to adjust taxes, penalty and interest for regular entities
- 132. Change status code
- 133. File Bankruptcies
- 134. Create bankruptcy record for an entity
- 135. Generate "Proof of Claim" form
- 136. Calculate pre & post petition debt for entity (using the built in fee & tax calculator)
- 137. Generate proof of claim cover letter for entity
- 138. Create print package for entity in different media
- 139. Perform Compliance Procedure
- 140. Generate compliance reports (list of entities that have not paid taxes by due date)
- 141. Record information about calls made (e.g. contact person, person's response, dates and times etc.)
- 142. Change status of these entities
- 143. Generate letters for entities to which compliance calls were made

#### ***Process Lockbox Payments***

- 144. Post payments nightly.
- 145. Generate letters for entities in reply to correspondence mails
- 146. Provide the ability to handle unequal payments
- 147. Update entity detail, status and payment history.
- 148. Reconcile Lockbox Payments
- 149. Generate suspended entity report
- 150. Generate exception report
- 151. Reconcile suspended entity payments

#### ***Manage Depository Accounts***

- 152. Create, Modify and Delete depository accounts
- 153. Generate monthly statements for accounts and as requested current and reprints
- 154. Perform transactions to accounts (e.g. adding funds, deducting funds etc.)
- 155. Provide ability for client to electronically retrieve daily activity.

#### ***Process Tax Bills***

- 156. Generate Domestic Company Annual Report Notices, December run and January new company run
- 157. Generate three quarterly Domestic Company estimated tax notices
- 158. Generate Foreign Company Annual Reports
- 159. Generate Alternative Entity tax bills

#### ***Process Delinquent Notices***

- 160. Compute penalties for delinquent bills (using built in fee & tax calculator)
- 161. Generate Domestic Company delinquent tax bills

162. Generate Domestic Company void warning notices

163. Generate Alternative Entity delinquent notices

***Reconcile Credit Card Batches***

164. Reconcile credit card batches

165. Change status of payment

***Process Check and Credit Card Batches***

166. Record payment information (e.g. check type, check amount, check number etc.)

167. Change payment status

168. Generate payment invoice

169. Provide capability to modify attributes of a payment (e. g. effective date, type of bill, year, etc.)

***Perform Daily Deposits***

170. Generate deposit ticket for all checks received for a day

171. Generate Monthly Account Statements

172. Generate paper based monthly statements and as requested as of a certain date

173. Generate electronic monthly statements and as requested as of a certain date

174. Transfer Money to and from Depository Accounts

***Collect FedEx and UPS Charges***

175. Record information about bills received from Fed Ex and UPS (such as entity name, balance amount, due date etc.)

176. Charge bills to appropriate agent accounts

***Generate refund reports***

177. Process Refunds for Depository Accounts

178. Create a record for each depository account present in refund list

179. Assign a status for payment record

180. Generate Invoice for payment

***Process Returned Checks***

181. Record returned check information (e.g. check number, check amount etc.)

182. Provide ability to waive charges for entities

183. Generate letters accompanying returned checks

***Process Credit Card Chargeback***

184. Print copy of order from system present in bank discrepancy report for sending to bank

185. Provide ability to update system depending upon bank's response

***Perform Credit and Debit Advice***

186. Generate transaction report

187. Record transaction information (such as amount, tax year, effective date, back up date, etc.)

- 188.Process E-Checks and Automate Clearing House (ACH) Transactions
- 189.Process Payments received via file from banks.
- 190.Process ACH Debits and Credits

***Process Wire Payments for FBI/IRS***

- 191.Record wire payment information (such as amount, date received, bank name, etc.)

***Process Agent Refunds***

- 192.Record refund information (e.g. refund amount, agent number etc.)
- 193.Validate refund against the system and update account balances.
- 194.Add refund information into a refund list
- 195.Generate payment voucher for refund request and copies of payment voucher to send to treasurer for refund checks
- 196.Record the refund check information and Payment Voucher information (e.g. payment amount, payable to, check number etc.)

***Provide Built In Tax & Fee Calculator***

- 197.Calculate franchise tax for corporations using multiple methods
- 198.Calculate tax appropriate for each type of filing.
- 199.Calculate pre and post petition debt for bankrupt entities
- 200.Calculate interests and penalties, batch and individual, scheduled and as requested.
- 201.Provide "Modeling" function for calculations of UCC and Business Entity filings and orders.
- 202.Calculate filing and processing fees for all transaction types

**Additional Requirements**

**Corporate Filings**

- 203.The system shall prevent active corporations with a zero stock begin date from occurring.
- 204.When filing short form dissolution on a corporation, make sure the corporation has always been a minimum tax corporation.
- 205.System shall adhere to ISO standards for country list.
- 206.Provide an agent inquiry by zip code and/or city/state instead of just a name search.
- 207.Printing certified copy shall reflect a name change/new name when there is an effective date. It should be effective as of 00:01 if an effective time is not specified.
- 208.System shall use intelligent name search logic to prevent addition of new agent account when that agent name already exists.
- 209.The LP/LLC/GP void process should mirror the corporation void process.
- 210.System shall produce monthly new company report available in a printed format, CD, Web page, and FTP.
- 211.System shall prevent certain registered agents from performing RA services.
- 212.System shall prevent business accounts, agents with non DE county, and non DE agents from representing companies in Delaware.
- 213.System shall update the NASDAQ delisting file and create reports to show loss of revenue.

- 214. System shall allow multiple name reservations on one screen, only require the entry of the account information for the SRV one time.
- 215. System shall produce a weekly county report to ensure that the totals all match.
- 216. System shall prevent filings from taking place on non-agent accounts.
- 217. System shall prevent filings being performed if the agent has a country code that is not DE.
- 218. System shall validate that the tax types, tax methods, corporation kinds, status, and name types are all in synchronization with each other for all accounts in the system database.
- 219. System shall allow for fax return/receipt of filings, orders, correspondence and certificates
- 220. System shall grant authorized user the ability to redact a document.
- 221. System shall allow authorized user the ability to modify the received date and time.
- 222. System shall calculate filings fees dispersed to the county of RA origin.
- 223. System shall calculate municipality fees dispersed to the county based on RA address for LLC and LP filings
- 224. System shall generate a cover sheet memo for DOS customer to obtain an SRV number. Memo shall include doc type, instructions, and other related fields.
- 225. System shall place rejected filing funds in a holding account for a customer to re-file within 5 days. If customer does not re-file within 5 days, funds are sent to the customer's credit account and the original filing date is lost.
- 226. System shall send a filing confirmation via email if filing was emailed and fax if filing was faxed, or as preference for confirmations is defined.
- 227. System shall store Corporate and UCC records adhering to DE law
- 228. System shall provide Corporate Name Availability according to DE law.
- 229. System shall not perform orders on Corporations with pending filings.
- 230. System shall allow Registered Agents to submit all documents through appropriate XML or web interface.
- 231. System shall allow Registered Agents to submit documents through a local scanner into web interface.
- 232. System shall allow Registered Agents to print documents & certificates locally through web interface.
- 233. System shall provide an online list of pending void & dissolution corporations.
- 234. System shall handle CSR enhancements for suspended documents
- 235. System shall handle barcode reading of Print Package Header Sheets to flag packages that have been printed.
- 236. System shall allow revisions to Reject Codes
- 237. System shall accept email filings into the queue to be processed.

#### **UCC Filings**

- 238. System shall create UCC reports that will automatically calculate the numbers required for [IACA's](#) annual report.
- 239. System shall be able to search the entire name field for requested string, and shall be able to find the string anywhere in the name field, not just in the leading portion.
- 240. System shall allow the ability to perform UCC reprints (not selecting image).
- 241. System shall allow for the uploading of UCC attachments.
- 242. System shall produce a UCC report to tally the results of Web filings along with the in-house operators.

243. System shall allow for updated UCC searches. System shall handle processing and printing of LARGE UCC print requests.

#### **Franchise Tax Processing**

244. System shall provide a stratification breakdown of FT payments during the fiscal year as a monthly procedure. A cumulative report shall be available.
245. System shall produce a revenue and tax projection report.
246. System shall provide a historical reporting process for FT that will provide summary totals based on tax methods and sub codes.
247. System shall allow agents to pay taxes assessed but not yet due on line.
248. System shall prevent creation of tax records for inactive entities the year after they went out of business.
249. Pre-petition money due on a corporation in bankruptcy shall not show on AR.
250. Entity that terminates its existence one year, with the next tax year's taxes assessed, shall not be billed.
251. System shall process annual billing selection process to pickup those companies in suspense when the annual billing run takes place. They should get an AR notice.
252. System shall initialize the quarterly indicator on those corporations that are no longer quarterly accounts. This program will run annually after the quarterly assessment is applied.
253. The system shall prevent statutory trust transactions from creating tax records and assessing penalty and interest.
254. System shall produce an exception report for the following procedures: Generic billing assessment, penalty and interest. The exceptions shall be split out from the normal report.
255. System shall extract ACH payments and format the data into the NACHA standard format - setup an automated dial-out feature.
256. System shall run generic billing process for corporations with two years present to accommodate current bills and next year quarterlies in the agent data feed.
257. System shall track and account for bankrupt corporations.
258. System shall include LLLP in the billing cycle and allow these entities to be reported.
259. System shall provide stock amendment projection report to provide detail reports for those companies increasing, decreasing, and no changing their authorized shares. This process would recalculate the tax liability for these companies and project expected income.
260. System shall verify that all corporation, LP, LLC, and GP entities that should have a tax liability are built properly in the System database.
261. System shall create a report that lists those maximum paying corporations that filed a stock amendment that increase their authorized shares or par value, but did does not impact their tax liability.
262. System shall create a report that stratifies the penalty and interest for LP, LLC, and GP's for the past 3 years.
263. System shall produce a monthly project report that lists stock amendments to display the total tax paid prior year and the total projected tax for the current year. System shall provide grand totals too.
264. System shall create a report listing all inactive LLC entities by non-active status code. System shall provide summary totals only.
265. System shall produce the monthly projection reports, to reflect the change in taxes from the original tax amounts.
266. System shall properly update the accounts when companies file on the asset method.

- 267. System shall identify all corporation filings in the backlog that are actually filed between the first annual report run and the second annual report run.
- 268. System shall produce data for a postcard mailing for Annual Report notices and tax bills.
- 269. System shall track bankruptcy type, court, date and State to assist Division in back-tax claims.
- 270. System shall provide a web form for Franchise Tax payments.
- 271. System shall allow for importing financial and image transactions from Bank of America lockbox.

#### **Cash Management Functions**

- 272. System shall create a report listing payments made on the web site and applied to the system database.
- 273. System shall create a new report to categorize credit cards transactions in various groups.
- 274. The monthly 3rd party billing report shall automatically send the summary billing information to the DOS account department.
- 275. System shall allow negative balance on customer account (deposit accounts)
- 276. System shall allow financial transactions to be split into no more than ten (10) revenue accounts.
- 277. System shall allow for payment types including cash, check, money order, credit card, ACH, drawn-down/pre-paid account, and credit account.
- 278. System shall provide monthly balance data to treasury.
- 279. System shall allow for search by check number.
- 280. System shall receipt monies into a holding account. Upon filing, monies are distributed to the appropriate revenue accounts.

#### **Information Systems Specific**

- 281. System shall be capable of running 24x7
- 282. System shall consolidate three session production system into a single screen Windows GUI presentation.
- 283. System shall provide n-tier application architecture and 3 tier promotion model (Development, Test, Production) in keeping with the State's standards and policies, and established practices.
- 284. System shall be enabled to load QA environment data and images from production.
- 285. System shall use a data base management system, in keeping with the State standards and policies, and established practices.
- 286. The new database shall be relational in design, engineered using acceptable standard development tools, and fully documented.
- 287. System shall interface with the DTI e-payment gateway.
- 288. System shall support the software requirements of the one stop shopping effort.
- 289. System shall allow for back-end scanning process for UCC, Corporations, Trademarks and Notary
- 290. System admin tool will allow authorized DOS staff to change specified data on record.
- 291. System shall create image versioning to track history.
- 292. System shall utilize existing image repository
- 293. System shall allow state agency stakeholders to access the system at no cost.
- 294. System shall prioritize work by Division specified filing/order priority.
- 295. System shall perform single record queries with less than a two (2) second response time while maintaining approximately 3 million Corporate records, 5 million Corporate names and 50 million Corporate filings.
- 296. System shall be able to receive/send faxes through Division fax server (24X7)

297. System shall secure cover sheets for Division access only

298. System shall communicate with external interfaces using web services and XML

#### **Web Specific Requirements**

299. The web application shall be available 24 x 7. Analyze the impact of posting transactions so they will be posted properly for accounting purposes (cash management and corporations). Investigate the requirements of reporting only the information from the prior business day, if 24/7 web access for payments was provided.

300. System shall allow PDF attachments for Web UCC and AR xml filings.

301. Third party search engine shall link UCC information for corporation name matches on the corporation legal name.

302. Site visits will be tracked – user, browser, page hits, timing

#### **Trademarks**

303. Trademark codes shall comply with federal regulations.

#### **Notaries**

304. System shall provide for scanning all documents into system.

305. System shall route application to appropriate operator for processing.

306. System shall store data required for tracking and reporting purposes.

307. System shall automate the renewal letter process.

## **Reports**

### **Overview**

This section is an attempt to give a feel for the approximately 200 reports currently produced by the existing systems, and those that are expected to be implemented in the new system. However, we recognize the fact that differences in technology and how it applies may result in some reports no longer being needed, while additional ones may become necessary. Also, the recent implementation of OLAP (Oracle 10g) should also reduce the number of pre-defined reports required. This again is an attempt to give the prospective bidder a feel for the quantity and complexity of the report requirements, so an accurate estimate of time and effort can be made.

### **Specific Examples**

1. System shall provide a report that analyzes the agents that represent more than 50 entities and review their companies to provide percentages of payers and non-payers.
2. System shall produce a conversion report to report all conversion codes. System shall generate the complete list of all document codes.
3. System shall produce a historical report by document code and sub code that will summarize financial data per year data.
4. System shall provide relevant data for [DEFAC](#) projection process.
5. System shall contain a billing process to build in a reprint function to simplify and expedite the reprinting of specific agents or group of agents.
6. System shall provide revenue projection reports to display old year and new year projections, and segment out those entities which included and amended in the same year.
7. System shall provide a monthly report to tally expedited fees for UCC and Corporations.

8. Fiscal year to date comparison all tax methods
9. System shall provide a non-survivors merged into DE entities w/credit balance
10. Monthly invoiced activity recap and fiche.
11. Interest assessment
12. List of companies w/balance due
13. Quarterly merged organizations
14. Monthly new company list
15. List of Notary Public renewal letters for 3 months in future
16. List of Notary Public commissions issued for the month.
17. LLPs set to expire in 3 months (Report, generate letters and Annual Report form) for mailing to agents.
18. Invalid notary, UCC & TM person names
19. UCC filing expirations printed for future 6 months
20. Total SRV revenue generated for year & agent summary totals
21. Total franchise tax payments allocated to current tax year & agent summary totals
22. Billing information summary totals by operator prefix
23. Filing done by an agent other than agent of record
24. Summary of total payments for corps amending stock & year-to-date summary
25. Summary of total payments for new incorporations and year-to-date summary
26. Bankrupt corporations
27. Report of non-credit agents with balance due & fiche
28. Transfers merged entity tax credit to survivor
29. Trademark Registration Expiration letters for future 6 months
30. Bankrupt total corporations
31. Summary of asset method filers
32. Corporations requesting refund
33. Conversions filed past 45 days
34. Municipality fees
35. Notary fees
36. Web summary
37. Report of check batches
38. SRVs invoiced by online agents with only certified copies or certificates present
39. Payments received by quarterly accounts
40. Quarterly payments received with Annual Reports
41. Payments made for Corporations flagged as quarterly
42. Lockbox validations
43. Daily revenue extract
44. New company summary for current/previous month
45. UCC certificate charges
46. LP/LLC automatic restoration
47. Reject pending
48. Clients not being charged for 3rd party hits



49. CSC updated view of accounts
50. TCC updated view of accounts
51. NCR updated view of accounts
52. CT updated view of accounts
53. Tax assessment
54. All open SRVs since conversion
55. Void/forfeited candidates - no agent
56. County filings
57. Count of agent resignations
58. Corporation counts in agent record (Total companies)
59. Out of balance corporate accounts
60. Out of balance agents
61. Documents in suspense for more than 5 days
62. Weekly UCC operator transaction summary
63. Agent reconciliation exception
64. Summary of credit card activity
65. Number of ARs year to date
66. Tax payments for ARs
67. Tax payments for Tax Type L, Y, G
68. Agent reconciliation exception
69. Trademark activity journal
70. Annual purge of Agents
71. Tally new entities for last 5 years
72. Corporations inactive which have not requested refund
73. List of Notary Public Commissions issued
74. Six month run of agents representing fifty or more business entities
75. Notary summary
76. Dissolved/Merged organizations
77. List of Companies with balance due
78. Return mail codes "y"

## **Compliance Requirements**

Responses must address the following deliverables to comply with DOS, Corporations and the State's standards, policies, and established practices.

### **Minimum Project Management Deliverables and Standards**

1. Project Plan and Schedule (Prefer MS Project)
2. Analysis Methodology and Tools (UML/BPML and Use Cases)
3. Requirements Traceability
4. Quality Assurance Methodology
5. Design Methodology and Tools

6. Development Methodology and Tools
7. Work Breakdown Structure
8. Risk Assessment and Management Plan
9. Issue Tracking and Resolution Plan
10. Weekly and Monthly Project Reporting Plan
11. Scope Management Plan
12. Staffing Plan
13. Time Management Plan
14. Change Management Plan and Tools
15. Communication Plan
16. Proposed Project Team Organization Chart
17. Schedule of required State Resources
18. Resource types, timing and efforts expected from the Division of Corporations
19. Additionally, any solution proposed in response to this RFP, must be developed in compliance with the State's standards and established practices.

#### **Minimum Project Engineering Deliverables**

20. All source code including final application and any other code or scripting developed or used during the course of the project becomes the immediate property of the State upon creation
21. System Architecture and Design
22. Automated Functional and Load Test Program, including Test Plan and Verification Matrix, Test Procedures, Scripts and Test Reports
23. Network Impact Assessment
24. Hardware recommendation
25. Users Manuals
26. Maintenance/Administrator Manuals
27. General description and flow of programs and data files
28. Program narratives describing major functions
29. Sample reports, source documents and screen formats
30. File layouts or schemas for master files
31. Periodic Code Reviews (Jointly with State and Vendor)
32. Knowledge Transfer Plan, including Training and post-implementation support
33. Describe the approach to training that you employ (e.g. train-the-trainer, hands-on, etc.).
34. Implementation
35. Cutover/Rollout Plan
36. The product meeting the Detailed Requirements, including software licensing
37. Provide specifications for server(s) configuration. If multiple servers are proposed explain the functionality of each server and the proposed benefits of multiple servers.
38. Data Conversion strategy and plan. Describe your data migration process. Please detail your involvement and the expected involvement of Division of Corporations employees
39. Interface Strategy Plan.

## V. Required Information

The following information shall be provided in each proposal in the order listed below. Failure to respond to any request for information within this proposal may result in rejection of the proposal at the sole discretion of the State.

### Guidelines

Vendor's proposal must respond to each and every requirement outlined in the RFP in order to be considered responsive. Proposals must be clear and concise.

Vendors submitting proposals may be afforded an opportunity for discussion and revision of proposals.

Negotiations may be conducted with responsible vendors who submit proposals found to be reasonably likely to be selected for award. The contents of any proposal shall not be disclosed so as to be available to competing vendors during the negotiation process.

### Minimum Requirements

#### Business Qualifications

Delaware business license: Provide evidence of a Delaware business license or evidence of an application to obtain the business license.

Professional liability insurance: Provide evidence of professional liability insurance in the amount of \$1,000,000.00.

#### Approach Documentation in Response

Project Scope Statement

Description of all key methodologies

High Level Project Schedule

High Level Resource Plan with key resources identified and resumes provided

High Level Solution Architecture Diagram

High Level Training and Transition Plan

High Level Development Plan

Proposed Total Cost and Payment Schedule

Proposed Project Milestones and Check Points

## VI. Professional Services RFP Administrative Information

### A. RFP Issuance

#### 1. Obtaining Copies of the RFP

This RFP is available in electronic form [only] through the State of Delaware, Department of State website at

<http://corp.delaware.gov/default.shtml>

and the State of Delaware Procurement website at

<http://gss.omb.delaware.gov/bids.shtml>.

Paper copies of this RFP will **not** be available.

#### 2. Public Notice

Public notice has been provided in accordance with 29 *Del. C.* § 6981.

#### 3. Assistance to Vendors with a Disability

Vendors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the Designated Contact no later than ten days prior to the deadline for receipt of proposals.

#### 4. RFP Designated Contact

All requests, questions, or other communications about this RFP shall be made in writing to the State of Delaware. Address all communications to the person listed below; communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor. Vendors should rely only on written statements issued by the RFP designated contact.

**Department of State**  
Division of Corporations  
401 Federal Street, Suite 4  
Dover, DE 19901

**Attention:** James A. Harmon

**Email:** [JamesA.Harmon@state.de.us](mailto:JamesA.Harmon@state.de.us)

To ensure that written requests are received and answered in a timely manner, electronic mail (e-mail) correspondence is acceptable, but other forms of delivery, such as postal and courier services can also be used.

## **5. Consultants and Legal Counsel**

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact consultant or legal counsel on any matter related to the RFP.

## **6. Contact with State Employees**

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business.

## **7. Organizations Ineligible to Bid**

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

## **8. Exclusions**

The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;

Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;

Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;

Has violated contract provisions such as:

Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;

Has violated ethical standards set out in law or regulation; and

Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

## **B. RFP Submissions**

### **0. Format of RFP Response**

#### **Introduction**

This section prescribes the mandatory format for the presentation of a proposal in response to this RFP. Each offeror must provide every component listed in the order shown in this RFP, using the format prescribed for each component. A proposal may be rejected if it is incomplete or conditional.

#### **Cover Letter**

Each proposal will have a cover letter on the letterhead of the company or organization submitting the proposal. The cover letter shall briefly summarize the offeror's ability to provide the services specified in the RFP.

The cover letter must be signed by a representative who has the legal capacity to enter the organization into a formal contract with the State of Delaware, Division of Corporations.

#### **Table of Contents**

Each proposal must include a Table of Contents with page numbers for each of the required components of the proposal.

#### **Description of Services and Qualifications**

Each proposal must contain a detailed description of how the offeror will provide each of the requirements and services outlined in this RFP.

This part of the proposal may also include descriptions of any enhancements or additional services or qualifications the offeror will provide that are not mentioned in this RFP.

#### **Project Management Approach**

The proposal must contain high level descriptions of the methodology, controls and communication plans etc.

#### **Technical Approach**

The proposal must contain high level software and implementation architecture diagrams and descriptions.

#### **High Level Project Plan**

The proposal must contain high level project plan that outlines the major tasks, deliverables, milestones and initial time table. The plan must fully reflect the proposed methodologies and deliverables.

The project plan must also include a deliverable 60 to 120 days from inception to publish a final project plan with all detailed tasks, assigned resources and firm schedule.

#### **Milestones and Payment Schedule**

The proposal must contain total costs and high level payment schedule based tied to deliverable milestones that are accepted by the Division.

#### **Post Production Support Costs and Model**

The proposal must include estimates for ongoing costs such as licenses and support fees out to 5 years past production roll out.

## 1. Acknowledgement of Understanding of Terms

By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

## 2. Proposals

To be considered, all proposals must be submitted in writing and respond to the items outlined in this RFP. The State reserves the right to reject any non-responsive or non-conforming proposals.

Each proposal must be submitted in a sealed envelope clearly marked with the name of the offeror and labeled **"Proposal for ICIS"** with **10** paper copies and **2** electronic copies on CD or DVD. One of the paper copies shall be marked "Master Copy" and will contain original signatures in all locations requiring an offeror signature. The remaining nine (9) copies do not require original signatures.

All properly sealed and marked proposals are to be sent to the State of Delaware and received no later than **3:00 PM EST on November 21, 2007**. The Proposals may be delivered by Express Delivery (e.g., FedEx, UPS, etc.), US Mail, or by hand to:

### Department of State

Division of Corporations  
401 Federal Street, Suite 4  
Dover, DE 19901

**Attention:** James A. Harmon

Any proposal submitted by US Mail shall be sent by either certified or registered mail. Proposals must be received at the above address no later than **3:00 PM EST on November 21, 2007**. Any proposal received after this date shall not be considered and shall be returned unopened. The proposing vendor bears the risk of delays in delivery. The contents of any proposal shall not be disclosed as to be made available to competing entities during the negotiation process.

Upon receipt of vendor proposals, each vendor shall be presumed to be thoroughly familiar with all specifications and requirements of this RFP. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.

## 3. Mandatory Pre-bid Meeting

Date: October 29, 2007 08:30 AM

Public Archive Building

121 Duke of York Street

Dover, DE

#### **4. Proposal Modifications**

Any changes, amendments or modifications to a proposal must be made in writing, submitted in the same manner as the original response and conspicuously labeled as a change, amendment or modification to a previously submitted proposal. Changes, amendments or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals.

#### **4. Proposal Costs and Expenses**

The State of Delaware will not pay any costs incurred by any Vendor associated with any aspect of responding to this solicitation, including proposal preparation, printing or delivery, attendance at vendor's conference, system demonstrations or negotiation process.

#### **5. Proposal Expiration Date**

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through May 1, 2008. The State of Delaware reserves the right to ask for an extension of time if needed.

#### **6. Late Proposals**

Proposals received after the specified date and time will not be accepted or considered. To guard against premature opening, sealed proposals shall be submitted, plainly marked with the proposal title, vendor name, and time and date of the proposal opening. Evaluation of the proposals is expected to begin shortly after the proposal due date. To document compliance with the deadline, the proposal will be date and time stamped upon receipt.

#### **7. Proposal Opening**

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to Vendor.

There will be no public opening of proposals but a public log will be kept of the names of all vendor organizations that submitted proposals. The contents of any proposal shall not be disclosed to competing vendors prior to contract award.

#### **8. Non-Conforming Proposals**

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the State of Delaware.

#### **9. Concise Proposals**

The State of Delaware discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.



## 10. Realistic Proposals

It is the expectation of the State of Delaware that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The State of Delaware shall bear no responsibility or increase obligation for a vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

## 11. Confidentiality of Documents

All documents submitted as part of the vendor's proposal will be deemed confidential during the evaluation process. Vendor proposals will not be available for review by anyone other than the State of Delaware/Proposal Evaluation Team or its designated agents. There shall be no disclosure of any vendor's information to a competing vendor prior to award of the contract.

The State of Delaware is a public agency as defined by state law, and as such, it is subject to the Delaware Freedom of Information Act, 29 *Del. C.* Ch. 100. Under the law, all the State of Delaware's records are public records (unless otherwise declared by law to be confidential) and are subject to inspection and copying by any person. Vendor(s) are advised that once a proposal is received by the State of Delaware and a decision on contract award is made, its contents will become public record and nothing contained in the proposal will be deemed to be confidential except proprietary information.

Vendor(s) shall not include any information in their proposal that is proprietary in nature or that they would not want to be released to the public. Proposals must contain sufficient information to be evaluated and a contract written without reference to any proprietary information. If a vendor feels that they cannot submit their proposal without including proprietary information, they must adhere to the following procedure or their proposal may be deemed unresponsive and will not be recommended for selection. Vendor(s) must submit such information in a separate, sealed envelope labeled "Proprietary Information" with the RFP number. The envelope must contain a letter from the Vendor's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not "public record" as defined by 29 *Del. C.* § 10002(d), and briefly stating the reasons that each document meets the said definitions.

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State of Delaware will open the envelope to determine whether the procedure described above has been followed.

## 12. Multi-Vendor Solutions (Joint Ventures)

Multi-vendor solutions (joint ventures) will be allowed only if one of the venture partners is designated as the "**prime contractor**". The "**prime contractor**" must be the joint venture's contact point for the State of Delaware and be responsible for the joint venture's performance under the contract, including all project management, legal and financial responsibility for the implementation of all vendors' systems. If a joint venture is proposed, a copy of the joint venture agreement clearly describing the responsibilities of the partners must be submitted with the proposal. Services specified in the proposal shall not be subcontracted without prior written approval by the State of Delaware, and approval of a request to subcontract shall not in any way relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the work. Further, vendor shall be and remain liable for all damages to the State of Delaware caused by negligent performance or non-performance of work by its subcontractor or its sub-subcontractor.

Multi-vendor proposals must be a consolidated response with all cost included in the cost summary. Where necessary, RFP response pages are to be duplicated for each vendor.

**a. Primary Vendor**

The State of Delaware expects to negotiate and contract with only one “prime vendor”. The State of Delaware will not accept any proposals that reflect an equal teaming arrangement or from vendors who are co-bidding on this RFP. The prime vendor will be responsible for the management of all subcontractors.

Any contract that may result from this RFP shall specify that the prime vendor is solely responsible for fulfillment of any contract with the State as a result of this procurement. The State will make contract payments only to the awarded vendor. Payments to any-subcontractors are the sole responsibility of the prime vendor (awarded vendor).

Nothing in this section shall prohibit the State of Delaware from the full exercise of its options under Section IV.B.17 regarding multiple source contracting.

**b. Sub-Contracting**

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and major subcontractors must be identified by name. **The prime vendor shall be wholly responsible for the entire contract performance whether or not subcontractors are used.** Any sub-contractors must be approved by State of Delaware.

**c. Multiple Proposals**

A primary vendor may not participate in more than one proposal in any form. Sub-contracting vendors may participate in multiple joint venture proposals.

**13. Sub-Contracting**

The vendor selected shall be solely responsible for contractual performance and management of all subcontract relationships. This contract allows subcontracting assignments; however, vendors assume all responsibility for work quality, delivery, installation, maintenance, and any supporting services required by a subcontractor.

Use of subcontractors must be clearly explained in the proposal, and subcontractors must be identified by name. Any sub-contractors must be approved by State of Delaware.

**14. Discrepancies and Omissions**

Vendor is fully responsible for the completeness and accuracy of their proposal, and for examining this RFP and all addenda. Failure to do so will be at the sole risk of vendor. Should vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or should any questions arise concerning this RFP, vendor shall notify the State of Delaware’s Designated Contact, in writing, of such findings at least ten (10) days before the proposal opening. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of vendor’s proposal upon which award could not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the Designated Contact, in writing, no later than ten (10) calendar days prior to the time set for opening of the proposals.

**a. RFP Question and Answer Process**

The State of Delaware will allow written requests for clarification of the RFP. All questions will be consolidated into a single set of responses and posted on the State's website at <http://corp.delaware.gov/default.shtml> by 12:00 PM each Friday. Vendors' names will be removed from questions in the responses released. Questions should be submitted in the following format. Deviations from this format will not be accepted.

Section number

Paragraph number

Page number

Text of passage being questioned

Question

Questions not submitted electronically shall be accompanied by a CD and questions shall be formatted in Microsoft Word.

**15. State's Right to Reject Proposals**

The State of Delaware reserves the right to accept or reject any or all proposals or any part of any proposal, to waive defects, technicalities or any specifications (whether they be in the State of Delaware's specifications or vendor's response), to sit and act as sole judge of the merit and qualifications of each product offered, or to solicit new proposals on the same project or on a modified project which may include portions of the originally proposed project as the State of Delaware may deem necessary in the best interest of the State of Delaware.

**16. State's Right to Cancel Solicitation**

The State of Delaware reserves the right to cancel this solicitation at any time during the procurement process, for any reason or for no reason. The State of Delaware makes no commitments expressed or implied, that this process will result in a business transaction with any vendor.

This RFP does not constitute an offer by the State of Delaware. Vendor's participation in this process may result in the State of Delaware selecting your organization to engage in further discussions and negotiations toward execution of a contract. The commencement of such negotiations does not, however, signify a commitment by the State of Delaware to execute a contract nor to continue negotiations. The State of Delaware may terminate negotiations at any time and for any reason, or for no reason.

**18. Notification of Withdrawal of Proposal**

Vendor may modify or withdraw its proposal by written request, provided that both proposal and request is received by the State of Delaware prior to the proposal due date. Proposals may be re-submitted in accordance with the proposal due date in order to be considered further.

Proposals become the property of the State of Delaware at the proposal submission deadline. All proposals received are considered firm offers at that time.

#### **19. Revisions to the RFP**

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware's website at <http://corp.delaware.gov/default.shtml>.

The State of Delaware is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

#### **20. Exceptions to the RFP**

Any exceptions to the RFP, or the State of Delaware's terms and conditions, must be highlighted and included in writing in the proposal. Acceptance of exceptions is within the sole discretion of the evaluation committee.

#### **21. Award of Contract**

The final award of a contract is subject to approval by the State of Delaware. The State of Delaware has the sole right to select the successful vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP.

Notice in writing to a vendor of the acceptance of its proposal by the State of Delaware and the subsequent full execution of a written contract will constitute a contract, and no vendor will acquire any legal or equitable rights or privileges until the occurrence of both such events.

#### **22. RFP Award Notifications**

After reviews of the evaluation committee report and its recommendation, and once the contract terms and conditions have been finalized, the State of Delaware will award the contract.

The contract shall be awarded to the vendor whose proposal is most advantageous, taking into consideration the evaluation factors set forth in the RFP.

It should be explicitly noted that the State of Delaware is not obligated to award the contract to the vendor who submits the lowest bid of the vendor who receives the highest total point score, rather the contract will be awarded to the vendor whose proposal is the most advantageous to the State of Delaware. The award is subject to the appropriate State of Delaware approvals.

After a final selection is made, the winning vendor will be invited to negotiate a contract with the State of Delaware; remaining vendors will be notified in writing of their selection status.

### **C. RFP Evaluation Process**

An evaluation team composed of representatives of the State of Delaware will evaluate proposals on a variety of quantitative criteria. Neither the lowest price nor highest scoring proposal will necessarily be selected.

The State of Delaware reserves full discretion to determine the competence and responsibility, professionally and/or financially, of vendors. Vendors are to provide in timely manner any and all information that the State of Delaware may deem necessary to make a decision.

## 1. Proposal Evaluation Team

The Proposal Evaluation Team shall be comprised of representatives of the State of Delaware. The Team shall determine which vendors meet the minimum requirements pursuant to selection criteria of the RFP and procedures established in 29 *Del. C.* §§ 6981 and 6982. The Team may negotiate with one or more vendors during the same period and may, at its discretion, terminate negotiations with any or all vendors. The Team shall make a recommendation regarding the award to the ICIS Steering Committee, who shall have final authority, subject to the provisions of this RFP and 29 *Del. C.* § 6982, to award a contract to the successful vendor in the best interests of the State of Delaware.

## 2. Proposal Selection Criteria

The Proposal Evaluation Team shall assign up to the maximum number of points for each Evaluation Item to each of the proposing vendor's proposals. All assignments of points shall be at the sole discretion of the Proposal Evaluation Team.

The proposals all contain the essential information on which the award decision shall be made. The information required to be submitted in response to this RFP has been determined by the State of Delaware to be essential for use by the Team in the bid evaluation and award process. Therefore, all instructions contained in this RFP shall be met in order to qualify as a responsive and responsible contractor and participate in the Proposal Evaluation Team's consideration for award. Proposals which do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the Team.

The Team reserves the right to:

Select for contract or for negotiations a proposal other than that with lowest costs.

Reject any and all proposals or portions of proposals received in response to this RFP or to make no award or issue a new RFP.

Waive or modify any information, irregularity, or inconsistency in proposals received.

Request modification to proposals from any or all vendors during the contract review and negotiation

Negotiate any aspect of the proposal with any vendor and negotiate with more than one vendor at the same time.

Select more than one vendor pursuant to 29 *Del. C.* §6986.

### 3. Criteria Weight

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the Evaluation Team to evaluate proposals:

#### Specific Criteria and Weighting

Criteria	Weight
Pricing Model – Overall Cost and Payment Schedule	15
Proven ability to manage and develop complex enterprise applications of the proposed type and scope	15
Thoroughness of RFP Response demonstrating solid understanding of requirements and how to deliver a successful solution	15
Availability of skilled talent pool to support proposed solution post implementation	10
Proposed Development Approach, Methodologies and Tools	10
Proposed Project Management Approach, Methodology and Tools	10
Training plan and staff to deliver training and transition requirements	10
Current organizational capacity to meet requirements (size, financial condition, etc)	5
Familiarity with governmental work and its requirements	5
Geographic Location and Facilities	5
<b>Total</b>	<b>100%</b>

### 4. Proposal Clarification

The Evaluation Team may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

### 5. References

The Evaluation Team may contact any customer of the vendor, whether or not included in the vendor's reference list, and use such information in the evaluation process. Additionally, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for State of Delaware personnel for these visits.

The offeror will include at least 3 customer references in the RFP response. Each reference must contain a project summary including scope of work, key dates, duration, total cost, composition of project teams and current state. The projects chosen for reference should be similar in size, scope and complexity to the solution proposed for ICIS.

### 6. Oral Presentations

Selected vendors may be invited to make oral presentations to the Evaluation Team. The vendor representative(s) attending the oral presentation shall be technically qualified to respond to questions related to the proposed system and its components.

All of the vendor's costs associated with participation in oral discussions and system demonstrations conducted for the State of Delaware are the vendor's responsibility.

## **D. Contract Terms and Conditions**

### **1. General Information**

The selected vendor will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP. Any proposed modifications to the terms and conditions of the standard contract are subject to review and approval by the State of Delaware. Vendors will be required to sign the contract for all services, and may be required to sign additional agreements.

The selected vendor or vendors will be expected to enter negotiations with the State of Delaware, which will result in a formal contract between parties. Procurement will be in accordance with subsequent contracted agreement. This RFP and the selected vendor's response to this RFP will be incorporated as part of any formal contract.

The State of Delaware's standard contract will most likely be supplemented with the vendor's software license, support/maintenance, source code escrow agreements, and any other applicable agreements. The terms and conditions of these agreements will be negotiated with the finalist during actual contract negotiations.

The successful vendor shall promptly execute a contract incorporating the terms of this RFP. No vendor is to begin any service prior to receipt a State of Delaware purchase order signed by two authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office and the Department of Finance. The purchase order shall serve as the authorization to proceed in accordance with the bid specifications and the special instructions, once it is received by the successful vendor.

If the vendor to whom the award is made fails to enter into the agreement as herein provided, the award will be annulled, and an award may be made to another vendor. Such vendor shall fulfill every stipulation embraced herein as if they were the party to whom the first award was made.

### **2. Collusion or Fraud**

Any evidence of agreement or collusion among vendor(s) and prospective vendor(s) acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such vendor(s) void.

By responding, the vendor shall be deemed to have represented and warranted that its proposal is not made in connection with any competing vendor submitting a separate response to this RFP, and is in all respects fair and without collusion or fraud; that the vendor did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the vendor's proposal preparation.

Advance knowledge of information which gives any particular vendor advantages over any other interested vendor(s), in advance of the opening of proposals, whether in response to advertising or an employee or representative thereof, will potentially void that particular proposal.

### **3. Lobbying and Gratuities**

Lobbying or providing gratuities shall be strictly prohibited. Vendors found to be lobbying, providing gratuities to, or in any way attempting to influence a State of Delaware employee or agent of the State

of Delaware concerning this RFP or the award of a contract resulting from this RFP shall have their proposal immediately rejected and shall be barred from further participation in this RFP.

The selected vendor will warrant that no person or selling agency has been employed or retained to solicit or secure a contract resulting from this RFP upon agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State of Delaware shall have the right to annul any contract resulting from this RFP without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

All contact with State of Delaware employees, contractors or agents of the State of Delaware concerning this RFP shall be conducted in strict accordance with the manner, forum and conditions set forth in this RFP.

#### **4. Solicitation of State Employees**

Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State of Delaware's employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with vendor, without prior written approval of the State of Delaware's contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor's proposal.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

#### **5. General Contract Terms**

##### **Independent contractors**

The parties to the contract shall be independent contractors to one another, and nothing herein shall be deemed to cause this agreement to create an agency, partnership, joint venture or employment relationship between parties. Each party shall be responsible for compliance with all applicable workers compensation, unemployment, disability insurance, social security withholding and all other similar matters. Neither party shall be liable for any debts, accounts, obligations or other liability whatsoever of the other party or any other obligation of the other party to pay on the behalf of its employees or to withhold from any compensation paid to such employees any social benefits, workers compensation insurance premiums or any income or other similar taxes.

It may be at the State of Delaware's discretion as to the location of work for the contractual support personnel during the project period. The State of Delaware shall provide working space and sufficient supplies and material to augment the Contractor's services.

##### **Non-Appropriation**

In the event the General Assembly fails to appropriate the specific funds necessary to enter into or continue the contractual agreement, in whole or part, the agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds.



### **Licenses and Permits**

In performance of the contract, the vendor will be required to comply with all applicable federal, state and local laws, ordinances, codes, and regulations. The cost of permits and other relevant costs required in the performance of the contract shall be borne by the successful vendor. The vendor shall be properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* § 2502.

Prior to receiving an award, the successful vendor shall either furnish the State of Delaware with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to:

Division of Revenue  
Carvel State Building,  
P.O. Box 8750  
820 N. French Street, Wilmington  
DE 19899

Or by telephone to one of the following numbers: (302) 577-8200—Public Service, (302) 577-8205—Licensing Department.

Information regarding the award of the contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject vendor to applicable fines and/or interest penalties.

### **Notices**

Any notice to the State of Delaware required under the contract shall be sent by registered mail to:

James A. Harmon  
Department of State of Delaware  
Division of Corporations  
401 Federal Street, Suite 4  
Dover, DE 19901

### **Indemnification**

#### **1. General Indemnification.**

By submitting a proposal, the proposing vendor agrees that in the event it is awarded a contract, it will indemnify and otherwise hold harmless the State of Delaware, its agents and employees from any and all liability, suits, actions, or claims, together with all costs, expenses for attorney's fees, arising out of the vendor's its agents and employees' performance work or services in connection with the contract, regardless of whether such suits, actions, claims or liabilities are based upon acts or failures to act attributable, ole or part, to the State, its employees or agents.

#### **2. Proprietary Rights Indemnification**

Vendor shall warrant that all elements of its solution, including all equipment, software, documentation, services and deliverables, do not and will not infringe upon or violate any patent, copyright, trade secret or other proprietary rights of any third party. In the event of any claim, suit or action by any third party against the State of Delaware, the State of Delaware shall promptly notify the vendor in writing and vendor shall defend such claim, suit or action at vendor's expense, and vendor shall indemnify the State

of Delaware against any loss, cost, damage, expense or liability arising out of such claim, suit or action (including, without limitation, litigation costs, lost employee time, and counsel fees) whether or not such claim, suit or action is successful.

If any equipment, software, services (including methods) products or other intellectual property used or furnished by the vendor (collectively "Products") is or in vendor's reasonable judgment is likely to be, held to constitute an infringing product, vendor shall at its expense and option either:

- (a) Procure the right for the State of Delaware to continue using the Product(s);
- (b) Replace the product with a non-infringing equivalent that satisfies all the requirements of the contract; or
- (c) Modify the Product(s) to make it or them non-infringing, provided that the modification does not materially alter the functionality or efficacy of the product or cause the Product(s) or any part of the work to fail to conform to the requirements of the Contract, or only alters the Product(s) to a degree that the State of Delaware agrees to and accepts in writing.

### 3. Insurance

1. Vendor recognizes that it is operating as an independent contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the vendor's negligent performance under this contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the vendor in their negligent performance under this contract.
2. The vendor shall maintain such insurance as will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this contract. The vendor is an independent contractor and is not an employee of the State of Delaware.
3. During the term of this contract, the vendor shall, at its own expense, carry insurance minimum limits as follows:

a.	<b>Comprehensive General Liability</b>	<b>\$1,000,000</b>
b.	<b>Professional Liability/Misc Error &amp; Omissions/Product Liability</b>	<b>\$1,000,000/\$3,000,000</b>

If the contractual service requires the transportation of departmental clients or staff, the vendor shall, in addition to the above coverages, secure at its own expense the following coverage:

a.	<b>Automotive Liability (Bodily Injury)</b>	<b>\$100,000/\$300,000</b>
b.	<b>Automotive Property Damage (to others)</b>	<b>\$ 25,000</b>

### 4. The vendor shall provide a certificate of insurance as proof that the vendor has the required insurance.

#### Performance Requirements

The selected Vendor will warrant that it possesses, or has arranged through subcontractors, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work

hereunder in compliance with any and all Federal and State laws, and County and local ordinances, regulations and codes.

#### **Warranty**

The Vendor will provide a warranty that the deliverables provided pursuant to the contract will function as designed for a period of no less than one (1) year from the date of system acceptance. The warranty shall require the Vendor correct, at its own expense, the setup, configuration, customizations or modifications so that it functions according to the State's requirements.

#### **Costs and Payment Schedules**

All contract costs must be as detailed specifically in the Vendor's cost proposal. No charges other than as specified in the proposal shall be allowed without written consent of the State of Delaware. The proposal costs shall include full compensation for all taxes that the selected vendor is required to pay.

The State of Delaware will require a payment schedule based on defined and measurable milestones. Payments for services will not be made in advance of work performed. The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated (as much as 25%).

#### **Penalties**

The State of Delaware may include in the final contract penalty provisions for non-performance, such as liquidated damages.

#### **Termination for Cause**

If for any reasons, or through any cause, the Vendor fails to fulfil in timely and proper manner his obligations under the contract, or if the Vendor violates any of the covenants, agreements or stipulations of the contract, the State of Delaware shall thereupon have the right to terminate the contract by giving written notice to the Vendor of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports or other material prepared by the Vendor under the contract shall, at the option of the State of Delaware, become its property, and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is useable to the State of Delaware.

#### **Termination for Convenience**

The State of Delaware may terminate the contract at any time by giving written notice of such termination and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports or other material prepared by the Vendor under the contract shall, at the option of the State of Delaware, become its property, and the Vendor shall be entitled to compensation for any satisfactory work completed on such documents and other materials which is useable to the State of Delaware. If the contract is terminated by the State of Delaware as so provided, the Vendor will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Vendor as covered by the contract, less payments of compensation previously made. Provided however, that if less than 60 percent of the services covered by the contract have been performed upon the effective date of termination, the Vendor shall be reimbursed (in addition to the above payment) for that portion of actual out of pocket expenses (not otherwise reimbursed under the contract) incurred by the Vendor during the contract period which are directly attributable to the uncompleted portion of the services covered by the contract.

### **Non-discrimination**

In performing the services subject to this RFP the vendor will agree that it will not discriminate against any employee or applicant for employment because of race, creed, color, sex or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.

### **Covenant against Contingent Fees**

The successful vendor will warrant that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees, bona-fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty the State of Delaware shall have the right to annul the contract without liability or at its discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

### **Vendor Activity**

No activity is to be executed in an off shore facility, either by a subcontracted firm or a foreign office or Division of the vendor. The vendor must attest to the fact that no activity will take place outside of the United States in its transmittal letter. Failure to adhere to this requirement is cause for elimination from future consideration.

### **Work Product**

All materials and products developed under the executed contract by the vendor are the sole and exclusive property of the State. The vendor will seek written permission to use any product created under the contract.

### **Contract Documents**

The RFP, the purchase order, the executed contract and any supplemental documents between the State of Delaware and the successful vendor shall constitute the contract between the State of Delaware and the vendor. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP, Vendor's response to the RFP and purchase order. No other documents shall be considered. These documents will constitute the entire agreement between the State of Delaware and the vendor.

### **Applicable Law**

The laws of the State of Delaware shall apply, except where Federal Law has precedence. The successful vendor consents to jurisdiction and venue in the State of Delaware.

In submitting a proposal, Vendors certify that they comply with all federal, state and local laws applicable to its activities and obligations including:

- (1) the laws of the State of Delaware;
- (2) the applicable portion of the Federal Civil Rights Act of 1964;
- (3) the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
- (4) a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- (5) that programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If any vendor fails to comply with (1) through (5) of this paragraph, the State of Delaware reserves the right to disregard the proposal, terminate the contract, or consider the vendor in default.

The selected vendor shall keep itself fully informed of and shall observe and comply with all applicable existing Federal and State laws, and County and local ordinances, regulations and codes, and those laws, ordinances, regulations, and codes adopted during its performance of the work.

#### **Scope of Agreement**

If the scope of any provision of the contract is determined to be too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the contract shall not thereby fail, but the scope of such provisions shall be curtailed only to the extent necessary to conform to the law.

#### **Other General Conditions**

Current Version – “Packaged” application and system software shall be the most current version generally available as of the date of the physical installation of the software.

Current Manufacture – Equipment specified and/or furnished under this specification shall be standard products of manufacturers regularly engaged in the production of such equipment and shall be the manufacturer’s latest design. All material and equipment offered shall be new and unused.

Volumes and Quantities – Activity volume estimates and other quantities have been reviewed for accuracy; however, they may be subject to change prior or subsequent to award of the contract.

Prior Use – The State of Delaware reserves the right to use equipment and material furnished under this proposal prior to final acceptance. Such use shall not constitute acceptance of the work or any part thereof by the State of Delaware.

Status Reporting – The selected vendor will be required to lead and/or participate in status meetings and submit status reports covering such items as progress of work being performed, milestones attained, resources expended, problems encountered and corrective action taken, until final system acceptance to the satisfaction of the State designated project manager.

Regulations – All equipment, software and services must meet all applicable local, State and Federal regulations in effect on the date of the contract.

Changes – No alterations in any terms, conditions, delivery, price, quality, or specifications of items ordered will be effective without the written consent of the State of Delaware.

Additional Terms and Conditions – The State of Delaware reserves the right to add terms and conditions during the contract negotiations.

### **E. RFP Miscellaneous Information**

#### **1. No Press Releases or Public Disclosure**

Vendors may not release any information about this RFP. The State of Delaware reserves the right to pre-approve any news or advertising releases concerning this RFP, the resulting contract, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this RFP or resulting contract shall require the prior express written permission of the State of Delaware.

## **2. RFP Reference Library**

The State of Delaware has made every attempt to provide the necessary information within this RFP. The State of Delaware will make the reference library available only to the winning bidder.

## **3. Definitions of Requirements**

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement. Vendors must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

## **4. Production Environment Requirements**

The State of Delaware requires that all hardware, system software products, and application software products included in proposals be currently in use in a production environment by at least three other customers, have been in use for at least six months, and have been generally available from the manufacturers for a period of at least six months. Unreleased or beta test hardware, system software, or application software will not be acceptable.

## **5. Statewide standards and policies**

The successful vendor shall be responsible for ensuring that all services, products and deliverables furnished pursuant to any Agreement resulting from this RFP comply with best practices and regulatory compliance for the data at all times, and the standards and policies promulgated by the State of Delaware and as modified from time to time during the term of the Agreement. State of Delaware standards and policies will be provided to bidders on a CD at the Pre-Bidder's Conference after a Non-disclosure Agreement is signed. If any service, product or deliverable furnished pursuant to the Agreement resulting from this RFP does not conform to the State of Delaware standards and policies, the Offeror shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to State of Delaware standards and policies. The Offeror shall be and remain liable in accordance with the terms of the Agreement and applicable law for all damages to Delaware caused by the Supplier's failure to ensure compliance with State of Delaware standards and policies.

## **VII. Appendix A – UCC Administrative Rules**

This set of documents can be found at <http://www.state.de.us/corp/uccadminrules.pdf>

## **VIII. Appendix B – State Standards Documents**

This set of documents will be available at the mandatory pre bid meeting.

A non-disclosure agreement will be required.