



# Request for Information For



*Centralized Revenue Opportunity System (CROS)*

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**BOE 0860-094  
July 20, 2012**

*State of California  
Board of Equalization  
450 N Street  
PO Box 942879, MIC: 01  
Sacramento, California 94279-0001  
[www.boe.ca.gov](http://www.boe.ca.gov)*



**Centralized Revenue Opportunity System**





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## Introduction

The Board of Equalization (BOE), with oversight from the Department of General Services (DGS), is releasing this Request for Information (RFI) to solicit feedback on draft excerpts of the Centralized Revenue Opportunity System Project (CROS) Request for Proposal (RFP).

## Objective

The objective of this RFI is to obtain feedback from prospective bidders regarding the CROS Project’s RFP. As a prospective bidder (prime contractor or subcontractor), your feedback is important to the State. We value your review as we intend to use this process to improve the quality of the RFP. We ask that you provide feedback regarding errors, omissions, inconsistencies, contradictions, or understandability. The information furnished may be used to refine the CROS Project’s RFP.

This RFI contains the following drafts from the CROS Project RFP:

RFP Component	Description
Section III – Current System or Problem	Current business functionality and supporting systems, including a description of the business problems the CROS solution will solve.
Section IV – CROS Proposed Solution	Envisioned solution.
Section V – Administrative Requirements	Administrative requirements and bidder qualification.
Section VI – Requirements, CROS D1 RFP Requirements, CROS D2 RFP Requirements, CROS D3 RFP Requirements	Functional, Technical, and Management requirements.
Section VII – Compensation and Cost	Approach to Compensation and Cost.
Deliverable Descriptions and Checklist	Project deliverable descriptions and checklists.
Deliverables Matrix	Matrix of Project and Management deliverables, System Engineering and IT Services Management deliverables.
Bidders’ Library- As-Is- Process Models	Description of all current BOE processes.
Bidders’ Library- Interface Inventory	A subset of the inventory list of BOE interfaces with other entities.
Bidders’ Library- System Inventory	A subset of the inventory list of BOE systems that will be replaced, interfaced with, or remain standalone.
Bidders’ Library- Reports	List of required BOE reports.
Bidders’ Library- Forms	List of required BOE forms.



The BOE will conduct a solutions-based, benefits-funded procurement to acquire the services of a System Integrator (SI). From the bids received, the BOE will select a value-effective solution and will compensate the System Integrator (SI) through increased revenue generated by the solution. The SI will be required to provide initial funding for hardware, software, custom development, and other services necessary to customize the solution according to BOE's needs. The SI will be responsible for the overall project integration and assist in project change management activities. The vendor contract will contain a maximum dollar cap for the vendor and the vendor will not receive full compensation if sufficient revenue levels are not met or if deliverables are not provided.

## Background

The BOE's strategic plans include an information technology modernization effort to enhance its operations through state-of-the-art technology. The CROS project's goals are to decrease the tax gap through voluntary compliance, improve the customer experience, expand customer self service, and improve audit, collection, and return processing activities.

The CROS project will replace the BOE's existing legacy systems: the Integrated Revenue Information System (IRIS) and Automated Compliance Management System (ACMS) and develop an enterprise data warehouse. New systems will allow the BOE to reengineer program processes, adopt tax administration best practices, and apply effective case management. Benefits include streamlining and automating current processes, reducing paper, and providing the ability to work securely anytime and from anyplace. Enhanced system architecture will also support program changes brought about by legislation or other mandates and provide more robust data analysis and business intelligence. BOE staff will assist the selected vendor to provide legacy system data migration and modifications needed for ancillary systems to accommodate the new system. Through this effort, the BOE expects to generate additional revenue into the State General Fund.

## Key Action Dates

Release RFI	7/25/2012
Last Day to Submit RFI Responses	8/24/2012
Anticipated Release of RFP	10/22/2012
Anticipated Bidders' Conference	11/14/2012
Anticipated Contract Start	7/14/2014



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## Information Requested

The BOE requests feedback on the description of its current functionality and environment, the envisioned solution, requirements, and the compensation model. (See Sections III, IV, V, VI, VII which are drafts sections of the RFP currently in development.) Please note that as drafts these sections are subject to change pending additional reviews. Some sections refer the reader to information in the Bidders' Library, however, for purposes of this RFI, the Bidders' Library is unavailable.

The BOE is interested in understanding the following:

1. Whether the sections are meaningful, clear, consistent, and free of omissions and errors.
2. Whether requirements are too onerous or will result in unnecessary costs.
3. Any additional information the vendor needs to craft a solution response.

Although provider comments are important and strongly encouraged, the BOE makes no commitment to change the CROS RFP based on input received.

## Written Feedback and Responses

All feedback must be submitted in writing by mail or electronically to the Procurement Official listed in this RFI by the date listed in the Key Action Dates. The BOE will not provide written responses nor entertain verbal discussions to providers submitting feedback to this RFI.

## Procurement Approach

The CROS Project RFP is expected to be released in October 2012. The RFP will require bidders to provide a conceptual proposal, followed by a draft, and then a final proposal. This approach enables the State and the vendor community to ensure that proposed solutions are in line with the BOE's technology and program needs. Objectives of the CROS project are to:

- Decrease the tax and fee gap by
  1. Improving Audit, Collection, and Return Processing activities
  2. Increasing voluntary compliance
  3. Enabling information discovery through business intelligence
- Improve service to customers by
  1. Expanding online services
  2. Developing customer-centric records
  3. Reducing the number of customer contacts through improved service
- Reengineer and improve business processes by
  1. Minimizing paper consumption
  2. Streamlining and automating business processes
  3. Adopting best practices



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4. Developing an effective case management system
    - Provide the ability to work securely anytime and from anywhere by
      1. Utilizing the latest mobile devices (e.g., Smartphone, tablet)
      2. Enabling access to real-time information for both customers and BOE staff
      3. Complying with information security regulation and standards
    - Obtain an intuitive and easy to use system by
      1. Reducing system training time
      2. Utilizing personalization for user interfaces and screens
      3. Taking advantage of the most current technologies
    - Improve access to data and data sharing by
      1. Supporting real-time transaction updates
      2. Reducing data errors
      3. Supporting business-specific and customized reports
      4. Improving data matching capabilities and access to third-party data
    - Obtain flexible, agile, expandable and sustainable technology to support business changes by
      1. Enabling timely implementation of legislative changes
      2. Allowing BOE business users to easily change system rules
      3. Accepting concurrent system changes
      4. Reducing standalone support systems
      5. Using component architectures of re-useable, shared services with the ability to expand and grow

The RFP will include administrative, functional, technical, and management requirements. It will also provide contract terms and conditions to ensure consistency with statutory procurement rules and regulations. The basis for award will be the bidder's solution that is value-effective to the State. It is expected that the RFP will include the following events and phases subject to final review and approval:

1. A Bidders' Conference
2. Non-Confidential Discussions
3. A Conceptual Proposal including Confidential Discussions
4. A Draft Proposal Phase including Confidential Discussions
5. A Final Proposal Phase

The State requires the bidder to secure its performance under the contract with a \$20 million Irrevocable Letter of Credit for this project. Bidders are required to submit with their draft and final proposals, a letter from a financial institution stating that the financial institution is guaranteeing to issue the bidder the required Irrevocable Letter of Credit, within twenty-one calendar days of request. The awarded contractor will be required to provide the State with the actual Irrevocable Letter of Credit prior to the date of contract award. The Board of Equalization, State of California, must be identified as beneficiary. The term of the Irrevocable Letter of Credit is the period from the beginning of the contract



term until full system acceptance. The financial institution issuing the Irrevocable Letter of Credit must be insured by the Federal Deposit Insurance Corporation and must be licensed to do business in the State of California with a rating equivalent no less than A (Strong) under the AM Best Bank Deposit Rating system.

The Irrevocable Letter of Credit must further provide for honoring of a draft or demand for payment presented with the State's written statement (signed by the Executive Director of the Board of Equalization) certifying that there has been loss, damage, or liability resulting from the contractor's performance or nonperformance of duties and obligations under the contract, or from the negligence or act of omission by the contractor or its agents, servants, and employees and that the amount of the demand or draft is, therefore, now payable.

Because the security represented by the Irrevocable Letter of Credit must remain in effect until full system acceptance, the bidder, by offering the Irrevocable Letter of Credit, agrees to amend, if necessary, the Irrevocable Letter of Credit for the purpose of extending the expiration date.

## **RFI Response Format and Content**

Bidders must include a cover page to their feedback that identifies the:

1. Company name,
2. Company address,
3. Point of contact information (name, telephone number and email address),
4. References to requirements or areas in the RFI Attachments on which they are providing feedback, and
5. Indicate if they are considering competing in the CROS Project procurement as either a SI or a subcontractor. If planning to compete as a team, please provide the same Provider information listed above for each team member.

One (1) original hardcopy or one (1) electronic version (Microsoft Office 2003 or newer) is requested to be submitted by the date listed in the Key Action Dates.

Providers are not required to submit a response to this RFI in order to participate in the anticipated RFP to follow.



## **Procurement Official**

All correspondence and questions related to this RFI shall be directed to:

Attn: Jeremy Dailey  
Department of General Services  
Procurement Division  
707 Third Street, 2nd Floor  
West Sacramento, CA 95605  
Phone: (916) 373-3196  
Fax (916) 375-4505  
Email: [Jeremy.Dailey@dgs.ca.gov](mailto:Jeremy.Dailey@dgs.ca.gov)

## **Disclaimer**

This RFI is issued for information and planning purposes only and does not constitute a solicitation.

A response to this RFI is not an offer and cannot be accepted by the State to form a binding contract.

Responders are solely responsible for all expenses associated with responding to this RFI.



The draft RFP components are available for download at the following location on Bidsync.

**CROS RFI** - <https://www.bidsync.com/DPX/ca/cdgs?ac=view&auc=1925330>

## **RFP Components**

**Section III** – Current System or Problem

**Section IV** – CROS Proposed Solution

**Section V** – Administrative Requirements

**Section VI** – Requirements

CROS D1 RFP Requirements

CROS D2 RFP Requirements

CROS D3 RFP Requirements

**Section VII** – Compensation and Cost

### **Deliverable Descriptions and Checklist**

#### **Deliverables Matrix**

**Bidders' Library** – As-Is- Process Models

**Bidders' Library** – Interface Inventory

**Bidders' Library** – System Inventory

**Bidders' Library** – Reports

**Bidders' Library** – Forms