

ROMANIA
NATIONAL AGENCY FOR FISCAL ADMINISTRATION
REVENUE ADMINISTRATION MODERNIZATION PROJECT

Procurement of an Integrated Revenue Management System (RMS)

IFB: RAMP/5

MINUTES OF SITE VISIT DISCUSSIONS – Revenue Solutions Inc.
Bucharest; January 21st, 2016

Background

According to the provisions of Clause 8 of Section I. *Instructions to Bidders* in the Bidding Documents dated November 18th, 2015, prospective bidders may request a site visit that would help in obtaining information necessary for the preparation of bids.

Such requests were received from a couple of prospective bidders and the Purchaser (NAFA) invited representatives of those bidders to attend meetings with the relevant parties responsible with specific business functions described in the bidding documents.

Proceedings

The meeting with the representatives of Revenue Solutions Inc. (RSI) started at 10.00 hours on January 21st, 2016 in the presence of representatives of NAFA and the perspective bidder as per the attached Register of Attendance.

The parties discussed the questions submitted in advance by RSI. Answers were provided as per the attached Q&A table in Annex 1.

The meeting was adjourned at 11.45 am.

Register of Attendance

Participants from NAFA:

Dana Visalom– DGRCCB

Răzvan Zamfir–DGRCCB

Lucian Neacsu–DGAC

Adrian Banarescu – DGIF

Iuliana Tagirta – DGIF

Dan PEȘȚINĂ –DGTI

VirgiliuPăun–DGTI

Gabriela Iosipescu –DGTI

Laurentiu Bucur – DGTI

Gabriela BANU –DGTI

Alina Meculescu – DGTI

Paul Istrate – DGTI

Mihai Mironov - DGTI

Aron Emil Tataru – DGSRI PMU

Leonard Teiușanu – DGSRI PMU

Craig Russell Neal – Consultant PMU

Victor Voicu – Consultant PMU

Theodor STĂNESCU – Consultant PMU

Revenue Solutions, Inc.

Mark Havens, RSI

Paul Panariello, RSI

Marc Kamel, C2D

Claudiu Constantinescu, Endava

Andrei Mocan, Endava

Toni Calugaru, CapGemini

Annex 1 - Questions and Answers - Site visit Revenue Solutions, Inc.

<p><i>Q1. On October 21, 2013, there was an invitation to participate in an RMS Discovery Workshop where vendors could demonstrate their COTS solutions. Would it be possible to provide the list of Vendors that participated in that workshop?</i></p>	<p>A1. The 2013 discovery workshop provided an initial introduction to the RMS COTS marketplace and was by no means a base for the technical/functional requirements development in the RAMP/5 Bidding Documents.</p>
<p><i>Q2. Are certificates required for all software in all categories or just for the software in the application software category (e.g., System Software; General-Purpose Software; Application Software; Standard Software.)?</i></p>	<p>A2. Manufacturer's Authorization forms are required for all the software products, in all the categories: software in the functional scope, software components, software infrastructure elements, and technical management tools software.</p>
<p><i>Q3. Requirement states: "MUST provide at least one working fiscal risk model."</i></p> <p><i>Within the remainder of the Bidding Documents, NAFA references many risk models but then only asks for one in this particular section? Please clarify.</i></p>	<p>A3. The minimum requirement is for one working fiscal risk model, the general risk model. Products like "tax payer segmentation risk model", "predictive risk model", "analytics risk model", etc. are smaller parts of an overarching fiscal risk model, applicable to the whole fiscal system.</p>
<p><i>Q4. Functional requirement states: "MUST include a complete documented Data Dictionary for the MIS databases and data marts."</i></p> <p><i>In the event the MIS database is the same database used by the RMS, does this requirement necessitate a complete Data Dictionary for the entire RMS database?</i></p>	<p>A4. YES. The complete documented Data Dictionary for the MIS databases and data marts is the centralized repository of information about data such as meaning, relationships to other data, origin, usage, and format, a necessary tool for the ANAF specialists to develop new reports, interfaces, import/export data, etc.</p>
<p><i>Q5. Functional requirement states: "MUST allow an unlimited number of change requests, items, processes – each with their own workflow logic and data capture requirements."</i></p> <p><i>Does this requirement pertain to the RMS system in the post-production</i></p>	<p>A5. The Requirements Management and Definition technical tool is a Commercial Off The Shelf (aka standard software package) application for optimizing requirements communication, collaboration and verification throughout ANAF organization and in the relation with the Supplier. This tool must be used during the life cycle of the system implementation and maintenance to keep track</p>

<p><i>phase or during the development phase?</i></p>	<p>for the all the new requirements. The requirements management tool already used by the RMS manufacturer is preferable, for ease of use reasons.</p>
<p><i>Q6. How did NAFA determine the approach (to pilot in parallel of all taxes/functions followed by roll-out) as opposed to a phasing by tax type (and/or functions) that provides certain benefits (e.g., pilot entire system and all users for a small tax base/user base first)? Question:</i></p> <p><i>Would NAFA consider a different implementation strategy other than what is recommended in the current Implementation Schedule that allows for phasing by tax type?</i></p>	<p>A6. The implementation schedule presented in the RAMP/5 Bidding Documents is only an indicative one. The Bidder has the freedom to propose its best technical approach. Nevertheless various milestone/deliverables in the Implementation Schedule are directly linked to the Technical Requirements related to Services (TR 6) and to the SCC/GGC – notably regarding Payment. Hence, any bid implementation schedule will need to maintain these logical connections.</p>
<p><i>Q7. The functional scope of these Bidding Documents is very broad and could easily be spread out over a longer period of time to implement to ensure less risk and more time for QA verifications and operational takeover. Page 23 of the World Bank Ukraine ICR Report No: ICR2546 stated, "Implementation of the Project (APL1) took eight and one-half years – four years longer than originally planned. The Project became effective on December 31 2003 and was closed on June 29, 2012, after two extensions and a restructuring of project activities formalized and completed in mid-2006." Page 13 of the World Bank Group PID Report AB63 states, "Both the Hungary and Philippine ICRs suggest that the project's implementation suffered from haste. The Hungary ICR indicated that fast-track preparations left substantial investments undefined. The Philippine ICR indicated that the implementation phase should have been broken into sequential sub-projects and implemented over an eight to ten year period (instead of the planned five year period)."</i></p> <p><i>Would NAFA consider extending the implementation period to allow full functionality and rollouts to be over a longer period of time (and</i></p>	<p>A7. ANAF acknowledges the risks associated with the ambitious Implementation Schedule. However, the overall schedule is consistent with various agreements associated with the RAMP made at the national level (as well as with the World Bank.) In theory, there may be flexibility within these agreements. In practice, this may be hard and time-consuming to obtain. That said, if a bidder feels very strongly that a different implementation schedule needs to be used, then it should expressly indicate (and justify) this deviation in Attachment 6 to the First Stage Technical-Only Bid.</p>

<p><i>shorten the warranty period)?</i></p> <p><i>Q8. Page 296: Buildings, constructions and land located inside industrial parks are exempt from building tax and land tax. Page 297: Property taxes. Local councils may grant building and land tax exemptions to legal entities, subject to the state-aid regulations.</i></p> <p><i>Are building and land taxes sub-tax types under Property Tax and is property tax included in the RMS implementation?</i></p>	<p>A8. ANAF supports taxes on income and on capital gain: taxes on the income resulted from the sale of a property (building or land), from renting a property (building or land) or on the capital gains resulted from the creation of a new property (building).</p> <p>Taxes on the property (buildings /land /dwellings) are administered by town halls, through the local fiscal bodies and are collected as income to the local budget. Administration of these is out of scope of the RMS.</p>
<p><i>Q9. In the RAMP Bidding Documents listing of Romania’s Tax Nomenclature, Code 620 is for “Transfer of real estates from the personal property income tax”. Code 701 is for “Property Tax”. Functional Requirements in Section V make no specific mention of supporting property tax.</i></p> <p><i>Please clarify how the Integrated Revenue Management System must support this property tax type.</i></p>	<p>A9. Taxes on property are out of scope. Taxes on the income resulted from transactions with properties (land, buildings) are in scope.</p> <p>Taxes on the property (buildings /land /dwellings) are administered by town halls, through the local fiscal bodies and are collected as income to the local budget. Administration of these is out of scope of the RMS.</p>
<p><i>Q10. Functional Requirements state: “MUST provide flexible interactive functions for the tax officers for pre-filling, validation, filling, verification, crosschecking, and correction of taxpayers’ applications.”</i></p> <p><i>Please clarify the types of interactions required to support this requirement.</i></p>	<p>A10. The flexible interactive functions required are tax return pre-filling, validation, verification, cross-checking and support for corrections in the tax returns and other documents. The flexibility is defined in the terms of industry standard for human (user) interface guidelines (HIG) (like e.g. Eclipse User Interface Guidelines, Java, Windows User Experience Interaction Guidelines, etc.)</p>
<p><i>Q11. Functional Requirements state that the system must support Taxpayer Registration Processes, including TR05 - Inactivate / Reactivate / Radiate Taxpayer.</i></p>	<p>A11. The Tax Payer Registration process has sub processes to manage in time the information in the registers during the life cycle of the tax payer.</p> <p>According to the provisions of Article 90 of the Law 207/2015</p>

<p><i>Please clarify the process involving “Radiate” a taxpayer. What does this status type mean?</i></p>	<p>regarding the Fiscal Procedural Code, to radiate the fiscal registration of a taxpayer means to cancel the Taxpayer Identification Number (TIN) and to withdraw the fiscal registration certificate.</p> <p>If taxpayers cease their activity and will no longer be subject to fiscal obligations, the individuals and legal entities, registered as such must apply for radiation of the fiscal registration. Radiation of the fiscal registration can also happen by default (ex-officio), done by the fiscal body whenever the fiscal authority observes the fulfillment of the legal conditions for radiation of the fiscal registration and the taxpayer did not file any radiation declaration/file.</p> <p>The registers concerned are: general taxpayers register and intra-community operators register (for VAT).</p>
<p><i>Q12. Please clarify what is meant by “profile rating”.</i></p>	<p>A12. The "profile rating" relates to tax compliance. It rates taxpayers as Highly Compliant, Compliant and Non-Compliant. A highly compliant rating will trigger timely tax refunds to the taxpayer. A non-compliant rating will stop further tax incentives or tax breaks.</p> <p>The treatment for each rating will be set accordingly, during the analysis and detailed design activities.</p> <p>Statistics based on the consolidated taxpayer profile rating are used to set KPI's to the local tax offices, in order to improve the compliance level. The criteria shall be set in a Software System Dashboard or similar module.</p>
<p><i>Q13. Functional Requirements state, “MUST implement the algorithms to cover the fiscal obligations of the taxpayer from consolidated payments made by taxpayer in its unique account in the State Treasury or from individual payments per each fiscal obligation.”</i></p> <p><i>Please clarify concept of payments made and held in State Treasury</i></p>	<p>A13. Each taxpayer has a main account in the State Treasury (called "unique account") and more than one subordinated accounts for each tax category it has fiscal credit or social contribution due (contributions to the social security, health insurance and social pensions are collected by ANAF). Payments are accepted as consolidated amounts transferred in the "unique account" for more than one tax at a time (if not all due taxes) or individual transfers in</p>

<p><i>versus made directly to NAFA.</i></p>	<p>the subordinated accounts - specifically to pay the corresponding tax. The amounts transferred in the "unique account" are distributed by ANAF on the fiscal credits categories based on FIFO precedence rule (the oldest debt is paid first).</p>
<p><i>Q14. Functional Requirements state, "MUST generate users support documents for the revenue collection activity, including but not limited to debt lists, due payment notices, tax liabilities reports, taxpayer history, list of cases, list of updates, collection lists / reports grouped per taxpayer categories, tax offices, posting files for enforced collection, etc."</i></p> <p><i>Please clarify if the term "taxpayer categories" refers to the different types of taxpayers that can file (for example: Corporations, Individuals, Fiduciaries, LLC, etc.)?</i></p>	<p>A14. The term "tax payers categories" refers to all the different types of taxpayer that can file returns (e.g. corporations, individuals, etc.) See more details in Informational Annex 2: Romanian Tax System (2015).</p>
<p><i>Q15. Functional requirement states: "MUST provide complete guarantees management workflow, including options management and guarantees in kind with correlated values, cash guarantees, and others as per the case."</i></p> <p><i>Please clarify what is a guarantee amount, and/or guarantee process with relation to Romania's enforcement process.</i></p>	<p>A15. According to the provisions of the Fiscal Procedural Code, the guarantees can be established through: cash deposits in a unit of the State's Treasury, bank guarantees issued by a banking institution, mortgage on real estate property within the country, security interest/mortgage on movable property or surteyship.</p> <p>The fiscal body requests establishment of a guarantee in the following instances: suspension of enforcement through garnishment, suspension of precautionary measures, takeover of the payment obligation by a third party through a payment commitment or in other specific cases provided by law (i.e. installment agreements, appeals).</p> <p>In this context the word "guarantees" could be associated with the word "collaterals", even though according to the definition above "guarantees" has a much broader coverage.</p>
<p><i>Q16. Functional Requirements state: "MUST provide back-office statistical totalizer."</i></p>	<p>A16. The back-office statistical totalizer is a function of the system that counts the number of taxpayers (per categories/status/type/etc.),</p>

<p><i>Please clarify what data is included in a back-office statistical totalizer, and also what department is referenced by the “back-office”.</i></p>	<p>tax returns (per period, per location, on the processing workflow, etc.), actions (tax payer registrations/inactivation/deregistration per period of time, etc.), documents, and other items. The counters in the statistical totalizer must be updated in real time. Because it counts administrative events that are not ""over-the-counter"" interactions, the statistical totalizer is called "back-office". The terminology "back-office" is not used for a department in ANAF.</p>
<p><i>Q17. Functional requirement states: “...including but not limited to accounting of the voluntary payments, calculation and charging of interest on late paid amounts, accounting of reimbursable amounts, accounting of the offsetting and deductions of taxpayers liabilities, recording of the deferred and extended taxpayer liabilities, imposed freezing accounts, accounting treatment, reversals, etc.”</i></p> <p><i>Please clarify what transaction types comprise reimbursable amounts. Please clarify what “imposed freezing accounts” means.</i></p>	<p>A17. The "imposed freezing accounts" term refers to garnishments. "Reimbursable amounts" term refers to tax refunds.</p>
<p><i>Q18. Functional Requirements state, “MUST manage the closure of the case file in orderly manner.”</i></p> <p><i>Please clarify what is meant by an orderly manner.</i></p>	<p>A18. "Orderly manner" means to perform quality assurance review(s) and obtain management approval (based on the chain of command and delegations).</p>
<p><i>Q19. Functional Requirements state, “MUST acknowledge concerned authorities about the appeals.”</i></p> <p><i>Please clarify the form of acknowledgement the solution must support (e.g., Post, Email).</i></p>	<p>A19. The System must support acknowledgements by post, e-mail, fax (all the authorities and internally in ANAF), and via data exchange (ASCII files, .XML files, or intelligent forms digitally signed) with certain authorities (using interconnected system, like Anti Money Laundering Office, courts of law).</p>
<p><i>Q20. Functional Requirements state, “MUST allow to manual highlight other entities (e.g. Court of Accounts) control missions in an entity / business unit”.</i></p>	<p>A20. The functionality consists in a flag (to set/unset manually) on the organization chart - marking that another control mission works at that moment in the respective organization. As it is</p>

<p><i>Please clarify.</i></p>	<p>counterproductive to conduct two audit or control missions at the same time, in the same place - this function helps better planning. No new internal audit mission will start until the current control mission performed by another entity is finalized.</p>
<p><i>Q21. Functional Requirements state, “MUST define, maintain and execute integrated work plans for Internal Control.”</i></p> <p><i>Please clarify "integrated" with relation to the work plans for Internal Control. The work plans are integrated with what?</i></p>	<p>A21. The control plan are integrated at the organizational level, one annual internal control master plan is managed per regions with dedicated sub-plans. The integration is between the master plan and the regional/local sub-plans.</p>
<p><i>Q22. Please clarify what is meant by offering a “configurable display design, including timeline” with regard to the business intelligence requirement?</i></p>	<p>A22. The software component Business Intelligence MUST provide WYSIWYG functions for the user to edit / configure the information displayed on the computer screen.</p>
<p><i>Q23. Functional requirement states: “MUST control for admissible client applications before allowing such application to use the ENTERPRISE REPORTING ENGINE capabilities.”</i></p> <p><i>Is NAFA referring to external applications accessing the reporting engine as well?</i></p>	<p>A23. This protection is applicable to all the "client" applications (in terms of client-server computer processes) that might call the Enterprise Reporting Engine. An application is a "client" when it calls another application to perform some tasks and it is using ("consuming") the respective results. A RMS functional module or a spreadsheet calling the Enterprise Reporting Engine to get the results of a query are examples of "client" applications. Access to the Enterprise Reporting Engine must be controlled mainly for performance and security reasons.</p>
<p><i>Q24. Requirement states, “MUST handle structured, semi-structured, and unstructured data with the data types, including master and reference data, transactional data, machine-generated data, social media data, text, image, video and audio.”</i></p> <p><i>Please provide an example of where the data warehouse would need to handle social media data, images, video or audio ?</i></p>	<p>A24. Social media data, including images, video or audio are used for tax evasion and anti-fraud investigations. The information is stored in/retrieved from the datawarehouse / databases. No other processing is required.</p>
<p><i>Q25. The minimum number of end users for the technical management</i></p>	<p>A25. NO. The requirement is for at least 6 servers, distributed at least</p>

<p><i>tools are as follows: At least at least 6 servers for BUSINESS PROCESS MANAGEMENT SUITE.</i></p> <p><i>Should this requirement say 6 end users for the BUSINESS PROCESS MANAGEMENT SUITE?</i></p>	<p>2 servers per each location (Primary Data Center, Secondary Data Center, Data Warehouse Data Center), for higher availability.</p>
<p><i>Q26. Requirement states: "The business processes analysis and system requirements documentation MUST be presented in the Purchaser's corporate standard formats BPNM 2.0."</i></p> <p><i>Could NAFA please provide a sample of the BPNM 2.0 standard format?</i></p>	<p>A26. Business Process Model and Notation (BPMN) 2.0 samples and templates are freely available for download from the Object Management Group site (http://www.bpmn.org/).</p>
<p><i>Q27. The requirement states, "The Purchaser will provide further detailed descriptions in the technical document of ANAF's Enterprise Architecture (in the format of TOGAF 9®)."</i></p> <p><i>Can NAFA provide a sample of the TOGAF 9(®) format?</i></p>	<p>A27. The TOGAF® 9 Template Artifacts and Deliverables are available from the Open Group (www.opengroup.org). It includes example artifacts for all catalogs, matrices, and diagrams, and template deliverables. Download is free, upon registration with the Open Group. The 1st set of templates is archive "I091" and the second one is "I093".</p>
<p><i>Q28. Team Leader requirement: "at least two successful implementations of integrated revenue administration systems using the System's core RMS product."</i></p> <p><i>In today's changing marketplace, companies are constantly evolving and changing their product lines. It is rare that you will find Project or Program Managers that have had the experience of implementing the same product twice, especially if each project's implementation spans 3-5 years. Would NAFA take consideration of someone that has one successful implementation, but has 10+ years in the industry of implementing RA projects?</i></p>	<p>A28. ANAF will review the proposed change. If accepted, the requirement will be changed via an amendment to the Bidding Documents.</p>

<p><i>Q29. Page 296: References to building/land taxes.</i></p> <p><i>Are the property (building / land / constructions) taxes formally supported by NAFA? Which agency does the appraisals and/or adjustments?</i></p>	<p>A29. ANAF supports taxes on income and on capital gain: taxes on the income resulted from the sale of a property (building or land), from renting a property (building or land) or on the capital gains resulted from the creation of a new property (building).</p> <p>Taxes on the property (buildings /land /dwellings) are administered by town halls, through the local fiscal bodies and are collected as income to the local budget. Administration of these is out of scope of the RMS.</p>
<p><i>Q30. CENTRBIL-INTBIL-INTBILCAZ application [that centralizes data from all financial administrations of the counties and of DGFP Bucharest and performs the following (a) imports into DW (data warehouse) for analysis (b) publishes on MFP-NAFA site certain indicators of financial statements for each type of economic agent and (c) exports data to various formats for external users such as: Statistics, Forecast, NBR, AVAS] is listed under the “dropped application section” (graphic on page 343) but then is also listed as needing interoperability (table on page 358).</i></p> <p><i>Please clarify whether this application is in or out of scope for interoperability.</i></p>	<p>A30. The applications CENTRBIL-INTBIL-INTBILCAZ are out of scope. The interfaces to these applications are in scope, including the data exchange flows (with Statistics, Forecast Commission, National Bank of Romania, AVAS, etc.). Data supplied by these applications from the distributed sources, must be centralized in the RMS.</p>
<p><i>Q31. The short descriptions for the small databases CITER and CITMIN are the same. Should they be different? (Noted that the database sizes are different.)</i></p>	<p>A31. CITARH, CITER and CITMIN are Lotus Domino applications / databases managing information about fines, notifications, subpoenas and lawsuits (some pending in the courts). CITARH is an archive for the pre-2003. CITER is for the cases of the territorial units and CITMIN for the cases of the Ministry of Public Finances. All are interfaced with the existing document management system - SIDOC and have data exchange interfaces with other institutions (connected in ANAF's Extranet, city halls, district councils, Anti Money Laundering Office, Road Authority, etc.). The databases have the same structure, but different content, which resulted in</p>

	different sizes. They must be replaced by a Case Management System as part of the RMS.
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