



**CITY OF DULUTH
PURCHASING DIVISION**

Room 100 City Hall
411 West First Street
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September 19, 2011

**REQUEST FOR PROPOSAL
11-35DS**

Please provide the City of Duluth with a proposal for **Home Energy Application** per the attached description, requirements and goals.

Please mark your proposal with the above number and title on the outside of the envelope and return to: City of Duluth, Purchasing, Room 100, 411 West 1st Street, Duluth, MN 55802 by **2 PM Wednesday, October 5, 2011.**

All proposals will be acknowledged aloud in room 106A of City Hall. Proposals will be reviewed by committee according to established criteria.

The City of Duluth reserves the right to reject all proposals, to select more than one to give presentations if so desired by the City of Duluth, or to select the best one and enter into further negotiations with the vendor.

The City of Duluth will entertain other viable written software initiative not only "off the shelf" products.

Contact: Dennis Sears (218) 730-5003
Purchasing Agent
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Thank you.

Functional Specifications for Home Energy Application System

Revision No.	Author	Changes Made	Date Revised
Draft	Karla Culhane	Initial draft	5/15/2011
Final	Karla Culhane	Final	06/24/2011

Introduction

1. **Purpose** - To acquire a system to track all aspects of the Home Energy Program that is operated by the Public Works and Utility department of the City of Duluth.
2. **Intended Audience** - Public Works & Utility, Auditor's, and Treasurer's office staff
3. **Project Scope** - Implement an application to accurately amortize home energy loans, as well as track all necessary information, produce invoices, receipt payments, and report on necessary information applicable to the application.

Overall Description

1. **Product Perspective** - To replace the City's legacy application for the purpose of tracking data related to the City's Home Energy program.
2. **Product Features** - Track all necessary information needed for the application, processing, invoicing, payment receipting, and reporting of individual home energy accounts.
3. **User Classes and Characteristics**
 - a. Ability to have the loan application form be integrated with the system.
 - b. Ability to have the mortgage process and forms integrated with the system in order to automate the paperwork process.
 - c. Ability to have a loan pre-approval feature which is used to track against authorized loan fund, as the actual loan amount may be different.
 - d. Ability to have the original loan document attached electronically to the loan record with a 'copy' watermark.
 - e. Ability to search for loans by customer name, loan number, address, or plat/parcel code.
 - f. Ability to search payments by check number, amount, customer name, address, or loan number.
 - g. Ability to be able to edit data within the loan (ex: name, address, phone number, plat/parcel) depending upon security permissions.
 - h. Ability to calculate a pay off amount with a future date. Attorneys - track all time worked (not necessarily paid) by project
 - i. Interest needs to be calculated on a daily basis.
 - j. Electronic notes are needed on each individual account (misapplied payments, nsf information, etc).
 - k. Ability to re-calculate interest back to the payment date on an nsf.

- l. Ability to view a year of payments on the loan screen. Default to one year but have the ability to set date parameters to view all transactions and history on an individual loan.
- m. Ability to make adjustments to a loan (remove payments, adjust penalty/interest, etc).
- n. Ability to add an nsf fee.
- o. Ability to have an auto payment mechanism. It is planned that all new loans will be required to participate in an auto payment plan.
- p. Ability to set the loan terms such as, interest rate, length of loan, etc. at loan setup (may differ from loan to loan). However, once it is set for a specific loan and the loan is locked in, the loan terms should not change.
- q. Delinquent payment application as follows: 1st - Penalty, 2nd - Interest, and 3rd - Principle.
- r. Ability to store all transaction data for the life of the loan.
- s. Monthly payment is a fixed amount and doesn't change due to additional payments made. Any additional payment to the loan will reduce the principle balance only.
- t. Loan account numbers need to be in conjunction with the customer's utility account number for ease of use and tracking by City staff.
- u. Total loan fund available each year; encumbered as loans are approved; decremented by loan issuance.
- v. Ability to have maximum loan amounts set based on single vs. multi-unit homes.

4. *Operating Environment*

- a. Microsoft Windows Server 2008 R2 - all servers (application, database, etc.) need to be able to run within a virtual environment
- b. SQL 2008 R2
- c. Web based

5. *User Documentation* - User manuals, online help and tutorials.

System Features

1. *Automation* -

- a. Auto payment (EFT) capabilities are required of this application.
- b. Export capabilities to Microsoft Excel, Word, etc.
- c. Online access for banks, title companies, as well as individual customers. Security mechanisms need to be in place to ensure customer information is secure.
- d. Online access needs to be able to offer the customer the ability to apply for a loan, view their account, make payments via a link to the City's online Direct Biller application via M&I bank.
- e. Online access needs the ability to charge fee per report run, allow for the payment to be made at the time the report is run.
- f. This application must seamlessly interface with the City's Assessment system for use in verification of plat and parcel information to ensure

- that home energy loans are only made available for property that exists within the City limits.
- g. The daily interest rate needs to be made available for pay off information via the online access customer portal.

2. Integration

- a. Seamlessly integrate with the payment processing mechanism utilized by the City, via M&I bank.
- b. Seamlessly integrate with New World Systems finance application with automated journal entries to the accounting system.
- c. Seamlessly interfaces with the City's Assessment system for use in verification of plat and parcel information.
- d. Seamlessly integrates with Special Assessment files.

3. Reporting/Output

- a. Create daily and monthly reports (list will be provided as they currently exist)
- b. Ability to produce monthly and yearly reports containing the number of loans, the original loan amount of each loan, and the amount of money outstanding for the loan(s).
- c. Ability to produce an amortization report.
- d. Monthly invoice - suppress the monthly invoice if customer chooses the auto payment feature. The monthly invoice must include a bottom stub for payment remittance and must include an OCR line for use in our payment processing solution.
- e. Delinquent letters - ability to break down for 30, 60, 90, and over 90 days.
- f. Produce a letter when the loan balance is less than 2 monthly payments, showing the amount of the loan pay off.
- g. Produce a loan pay off letter (utilized for banks, etc).
- h. Produce a loan satisfaction letter.
- i. Produce a year end interest and loan balance letter.
- j. Ability to choose and add criteria for all reports.
- k. Ability to create custom reports easily
- l. Ability to report historical data
- m. Ability to view, share, print, email reports on demand

4. Support

- a. Onsite training
- b. Detailed user manual
- c. Online help
- d. Online tutorials
- e. Technical support

5. Other

- a. Conversion of existing source data

External Interface Requirements

- New World Systems Finance application
- M&I Bank payment processing application

- City's Assessment system for plat and parcel information
- City's Special Assessment system