Test Area 1: Import and Back-up of Files

Purpose: Ensure that the tax and billing system imports and correctly backs up appropriate files. <50 IAC 26-3-5, 50 IAC 26-3-7, 50 IAC 26-12-3, 50 IAC 26-20, 50 IAC 26-21>

Data set used: The Department Data Bundle

Tests:

1. Demonstrate that the tax and billing system can import the following files:
   a. PERSPROP (for Pay 2012, which will need to be imported prior to the scheduled testing session, and Pay 2013)
   b. PARCEL (for Pay 2012, which will need to be imported prior to the scheduled testing session, and Pay 2013)
   c. MOBILE (for Pay 2013)
   d. UTILITYAV (for Pay 2013)
   e. RAILAV (for Pay 2013)

   Verify that the tax and billing system can import the files listed above with a response time that is reasonable in light of current industry standards.

2. Demonstrate that the tax and billing system can perform an on-demand back up of the data in the system and verify that the tax and billing system can run the back-up successfully (i.e., without encountering errors on an error report) and on an as-needed basis. At some juncture in the testing, the evaluator will request a restore of this back-up and will ask the vendor to demonstrate that the system has successfully restored the files that were backed up.

3. Demonstrate that the tax and billing system can perform an automatic back up of the data in the system and verify that the tax and billing system can run the back-up successfully (i.e., without encountering errors on an error report) on a daily (or other time frequency) basis.

Test Area 2: Capture and Maintenance of Data on Record Addition and Update

Purpose: Verify that an operator with the appropriate security level can perform basic modifications to a record. Verify that the tax and billing system prevents erroneous data entry and provides readily noticeable indicators of data entry incompatible with 50 IAC 26. <50 IAC 26-3-12, 50 IAC 26-12-1, 50 IAC 26-14-1>

Data set used: The Department Data Bundle

Tests:

1. Perform a split on an active real property record where a new parcel is created and the original parcel is maintained and still active.
   a. Verify that the record contains a date and time stamp showing the date and time the record was created.
   b. Verify that the record contains a username or user identification stamp showing the operator who created the record.
   c. Verify that the original record (i.e., the parent parcel) is retained as part of the parcel history.
2. Perform a split on an active real property record, creating two new parcels.

   Step 1: Create two new parcels (Vendors: please note that this test may be performed in several different iterations with different characteristics as requested by the evaluator)
   a. Verify that the new records contain a date and time stamp showing the date and time the records were created.
   b. Verify that the new records contain a username or user identification stamp showing the operator who created the records.
   c. Verify that the tax and billing system prevents erroneous data entry and provides readily noticeable indicators of data entry incompatible with 50 IAC 26.

   Step 2: Inactivate the original parent parcel
   a. Next, access the inactivated record. Verify that the record contains date and time stamp showing the date and time the record was inactivated.
   b. Verify that the records contains a username or user identification stamp showing the operator who inactivated the record. Then, close the record.

3. Update an existing record by property owner name change.
   a. Verify that the record contains a date and time stamp showing the date and time the record was updated.
   b. Verify that the record contains a username or user identification stamp showing the operator who updated the record.
4. Access an existing active real property record and:
   a. Change ownership; then
   b. Inactivate the record; then
   c. Verify that the original record (i.e., the one replaced as a result of changing ownership) is retained as part of the record history.
   d. Verify that the inactivated record contains a date and time stamp showing the date and time the record was inactivated.
   e. Verify that the inactivated record contains a username or user identification stamp showing the operator who inactivated the record.
5. Change the parcel number on a real estate parcel due to annexation, then, verify that the original number is maintained as part of the record.

Test Area 3: Tax and Billing System Screens

Purpose: Ensure that the tax and billing system includes basic features for system screens. <50 IAC 26-3-13>

Tests:

1. Verify that the system functionality includes:
   a. a menu-based means of screen navigation and selection
   b. the ability to navigate and select screens by use of a pointing device
   c. the ability to “window” and “scroll” screens.
2. Ensure users can travel from screen to screen without re-keying:
   a. The parcel number
   b. The tax identification number.

Test Area 4: Tax and Billing System Help Functionality

Purpose: Verify that the tax and billing system includes a context-sensitive tutorial suitable for use by new operators. <50 IAC 26-3-14>

Tests:

1. For user driven fields, the help functionality must include (a) a list of valid codes and a description of their meanings and (b) a well-defined/comprehensive description of constraints on data entry that elaborate further beyond the file formats in 50 IAC 26. Operators must be able to obtain help without being directed away from the tax and billing system.
2. For menus, the help functionality must include a description of the available actions for each menu choice.
3. For error messages, the help functionality must include an explanation of 20 of the more frequently-encountered error conditions and advice on corrective action.

Test Area 5: Property Tax Cap Allocations

Purpose: Ensure tax and billing system can accept assessed value for land and improvements that is separated into the one percent (1%) homestead-eligible, two percent (2%), and three percent (3%) property tax cap allocations. <50 IAC 26-7-7>

Data set used: The Department Data Bundle

Tests:

1. Verify that if a value rolls from the assessment system with AV subject to the 1% tax cap allocation and does not have an active homestead filed for the property record, the tax and billing system automatically stores - for the purposes of taxation - the AV allocation to a 2% non-homestead residential property tax cap allocation.
2. Access several individual property records at the direction of the evaluator. Ensure that the tax and billing system can classify the property records under
   a. Land eligible for the one percent (1%) tax cap
   b. Improvements eligible for the one percent (1%) tax cap
   c. Land eligible for the two percent (2%) tax cap:
      Non-Homestead Residential Land
      Commercial Apartment Land
      Long Term Care Facility Land
      Farmland
      Mobile Home Land
   d. Improvements eligible for the two percent (2%) tax cap:
      Non-Homestead Residential Improvements
      Commercial Apartment Improvements
      Long Term Care Facility Improvements
   e. Land eligible for the three percent (3%) tax cap
   f. Improvements and personal property eligible for the three percent (3%) tax cap

Test Area 6: Deductions

Purpose: Ensure that tax and billing system can separately identify the type and amount of all deductions in the Indiana Code and calculate according to specification provided in the Indiana Code and by the department. <50 IAC 26-7-1>

Data set used: The Department Data Bundle

Tests:

1. Access a property record and apply a deduction. Verify that the tax and billing system recognizes the deduction, applies the deduction to the gross AV allocations, and accurately determines the deduction amount by the 1%, 2%, and 3% property tax cap allocations.
2. Access another property record and apply several deductions at the request of the evaluator. Verify that the tax and billing system recognizes the deductions, applies the deductions to the gross AV allocations, and accurately determines the deductions amount by the 1%, 2%, and 3% property tax cap allocations. (Vendors: please note this includes moving homestead eligible AV allocations to and from the 1% property tax cap allocation upon changing the standard homestead deduction.)

3. Access another property record and demonstrate that the system if a homestead deduction is applied and the property does not have an assessed value allocation to the 1% AV allocation bucket, the tax and billing system will generate a warning indicator that informs the user of the discrepancy.

4. Access another property record and demonstrate that the system will provide a warning indicator if a homestead deduction is entered for a non-residential parcel.

5. Access another property record and attempt to apply the blind or disabled deduction and the Over 65 deduction. Verify that the tax and billing system provides a readily noticeable on-screen indicator that 1) this combination is not permissible per Indiana Code should the combination be applied to the same taxpayer and 2) that this combination is allowed for the property record only if two or more people are eligible for the deductions independently.

6. Demonstrate that after a transfer of property the previous deductions exist under the new owner for the allowable amount of time.

Test Area 7: Economic Revitalization Area Deduction

Purpose: Ensure that tax and billing system can apply economic revitalization area deductions for both real and personal property. <50 IAC 26-7-4, IC 6-1.1-12.1>

Data set used: The Department Data Bundle

Tests:

1. Verify that the following elements can be recorded into tax and billing system:
   a. Parcel of property receiving the deduction.
   b. The number of years the parcel or property is to receive the deduction.
   c. The percentage of the deduction for each year the parcel or property is to receive the deduction.
   d. The assessed value eligible to receive the deduction.
   e. The specific improvement to receive the deduction, if multiple improvements exist on a parcel receiving the deduction.
2. Verify that tax and billing system can automatically calculate economic revitalization area deductions once the necessary elements from No. 1 immediately above have been recorded into the tax and billing system.

Test Area 8: Exemptions

Purpose: Ensure that tax and billing system can separately identify the type and amount of all exemptions in the Indiana Code and calculate according to specifications provided in the Indiana Code and by the department. Ensure that tax and billing system can designate assessed value as full or partially exempt and can correctly apply exemptions by the 1%, 2%, and 3% property tax caps allocations. (Vendors: please note that these tests may be performed in several different iterations with different characteristics as requested by the evaluator) <50 IAC 26-7-2>

Data set used: The Department Data Bundle

Tests:

1. Access a property record and apply an exemption. Verify that the tax and billing system recognizes the exemption and that it has accurately applied the exemption to the record.
2. Access a property record that contains a homestead and non-homestead improvements and apply exemptions at the direction of the evaluator. Verify that the tax and billing system recognizes the exemptions and that it has accurately applied the exemptions by the 1%, 2%, and 3% property tax cap allocations to the record.
3. Access a property record for which the assessed value is only partially exempt, where the exempt portion is eligible for the non-profit exemption. Verify that the tax and billing system recognizes the partial exemption, and that it has accurately applied the 1%, 2%, and 3% property tax cap allocations to the record.

4. Demonstrate that after a transfer of property, the system provides an indicator if the person who obtained the exemption or the current owner has not filed an affidavit indicating that the property continues to meet the requirements for the exemption. Furthermore, demonstrate that exemption can be suspended if the affidavit is not filed.

Test Area 9: Administration of Tax Increment Finance Allocation Areas

Purpose: Demonstrate that the tax and billing system can account for, apply, and display data related to tax increment finance revenues. <50 IAC 26-7-10>

Data set used: The Department Data Bundle and Vendor-created allocation areas

Tests:

1. Demonstrate that the system is able identify each real property parcel that is within a TIF Allocation Area by an indicator through the following test: set the indicator for several parcels and run a report to assure that the parcels are identified as in an allocation area.
2. Demonstrate that the system can carry the indicator forward if a real property parcel in a TIF Allocation Area is split through the following test: perform a split of a TIF parcel, and see if the new parcels are shown as designated for the TIF.
3. Demonstrate that the system is able to identify each personal property record that is within a TIF Allocation Area by an indicator through the following test: set the flag for several personal property records and run a report to assure that the records are identified as in an allocation area.

4. Demonstrate that the system is able to identify which TIF Allocation Area the real property parcel or personal property record is in by name or designation through the following test: flag various real estate parcels and personal property records as TIF Allocation Area “x” or TIF Allocation Area “y” and run a report to assure that the system will generate a report by TIF Allocation Area.

5. Demonstrate that the system is able to record the base NAV of the real estate parcel or personal property record based on the value as of a designated March 1st date and retain that original base NAV through the following test: Enter a set of values (gross AV and deductions) for TIF parcels or records as of March 1, 201x (the base date) and a different set of values for the same parcels for March 1, 201x. Run a report to determine whether the base value is reported correctly.

6. Demonstrate that the system is able to record adjustments to the base NAV of the real estate parcel or personal property record and assure that calculations based on incremental value as of a certain date are based on the adjusted base value as of that date and not on the original value as of that date through the following test: Adjust base values and calculate new amount of increment.

7. Demonstrate that for certain TIF Allocation Areas (economic development areas created after July 1, 1995 or redevelopment areas created after July 1, 1997) the system is able to automatically adjust the base NAV of residential real property parcels so that if the NAV of the parcel is greater than the base NAV, the base NAV is adjusted to be equal to the NAV through the following test: Enter various NAV values for a series of residential real property parcels, some higher than the base NAV and some lower than the base NAV. Determine whether the system automatically adjusted the values of residential properties with NAV higher than the base NAV.

8. Demonstrate that the system is able to reallocate the base assessed values of real property parcels with individual negative increment to allocate the negative amount to real property parcels with positive increment on a pro rata basis through the following test: Enter a set of values (gross AV and deductions) for TIF parcels, some of which will create negative increment and run the base adjustment routine. (Note: In this calculation, the parcels with individual negative incremental NAV will receive a reduction in base NAV so that the incremental amount will calculate to zero (0) and the parcels with individual positive NAV will receive a pro rata reduction in NAV by receiving an increase in base NAV.)

9. Demonstrate that the system is able to accept adjustments to the base NAV of the real property parcels records based on the application of a factor to all base NAV amounts through the following test: Input a base adjustment factor and run a report to insure that each base NAV was adjusted.

10. Demonstrate that the system is able to provide notifications that inform the user that the base adjustment factor has been applied to the real property parcels and that remind the user they must apply the base adjustment factor prior to running a statement of certified net assessed values. Demonstrate the system is able to produce a report that lists the base NAV of the real property parcels both before the base adjustment factor is applied and the NAV of the real property parcels after the base adjustment factor is applied.

11. Demonstrate that the system is able to track the decision of a redevelopment commission to release a portion of the captured AV in the TIF Allocation Area back to the base AV by performing the following test: Create a report that shows a column of potential captured AV, a column of captured AV, a column of the amount AV released per directive of the redevelopment commission, and a column that shows the "adjusted" (i.e., after the captured AV has been released) base AV for real property parcels in a TIF Allocation Area.

12. Demonstrate that the system is able to calculate the incremental NAV of the allocation area as a whole (current NAV minus adjusted base NAV) to determine whether there is positive increment. [Note: If the increment is negative, the system must report the amount of TIF increment as the negative number, but must treat that amount as zero (0) for purposes of the NAV Certification and tax rate calculation, as referenced in No. 13(a) below.]

13. Demonstrate that the system is able to calculate the incremental NAV of the allocation area by taxing district and perform the following calculations:

a. If the incremental NAV of the TIF Allocation Area as a whole is negative, no amount for the TIF Allocation Area is carried forward to the NAV Certification and tax rate calculation for any taxing district in which the TIF Allocation Area is situated.

b. If the incremental NAV of the TIF Allocation Area in every taxing district in which the TIF Allocation Area is situated is positive, the positive amount is carried forward to the NAV Certification and tax rate calculation separately for each taxing district.

c. If more than one TIF Allocation Area with positive incremental NAV is contained, in whole or in part, within any taxing district, the positive incremental NAV of each TIF Allocation Area is added together for the NAV Certification. If a taxing district contains all or part of more than one TIF Allocation Area and one or more of the TIF Allocation Areas has a negative incremental NAV, the negative incremental NAV is not combined with the positive NAV of other TIF Allocation Areas in the taxing district for the NAV Certification and tax rate calculation.

To demonstrate the foregoing, perform the following test: create various scenarios with TIF Allocation Areas having positive and negative increment cross various taxing district lines and determine results.

Test Area 10: County Auditor Certified Statement

Purpose: Ensure that tax and billing system can record all data required to prepare the certified statement of net assessed value. <50 IAC 26-7-9, IC 6-1.1-17-1>

Data set used: The Department Data Bundle

Tests:

1. Generate and display a certified statement of net assessed value.
2. Verify that the statement is in a file format compatible with being uploaded to the The Department Gateway portal.

Test Area 11: Post Certification Lock Guidance

Purpose: Ensure that the tax and billing system includes basic features to ensure data integrity. <50 IAC 26-14-2>

Data set used: The Department Data Bundle

Tests:

1. Demonstrate that the tax and billing system may store multiple assessed value postings for any given property record.
2. Verify that the tax and billing system prevents modification or removal - after the rolling and balancing from the assessment system - of certified gross assessed values in the current tax year.
3. Verify that the tax and billing system prevents modification or removal of certified net assessed value in the current tax year.
4. Verify that any modifications needed to a parcel's net assessed value for appeals, corrections of error, appropriate filing of deduction applications, or other allowable changes in a current tax year may be entered into the system but must not overwrite the certified gross assessed value data or the certified net assessed value data for that parcel. Verify that a separate posting of the said modification is created under such circumstances. Verify that the certified gross assessed value data, the certified net assessed value data, the modified gross assessed value data, and the modified net assessed value data shall be available for review in the system.
5. Verify that upon certification of net assessed values, the tax and billing system begins to track the updates made to assessed values in separate postings. This includes postings for assessed value changes and changes to property tax cap allocations. The tracked changes must be included in the lock modification tracking document referenced below in the Management Report testing area.

Test Area 12: County Abstract

Purpose: Demonstrate that the tax and billing system can record all data required to prepare the Abstract of property, assessments, taxes, deductions, and exemptions. <50 IAC 26-7-12, IC 6-1.1-22, Abstract Manual>

Data set used: The Department Data Bundle

Tests:

1. Generate and display the Abstract, then, verify that the Abstract is complete with all required data elements under IC 6-1.1-22 and the Abstract Manual.

Test Area 13: Calculation of Property Tax Credits and Property Taxes

Purpose: Ensure that tax and billing system can separately identify the type and amount of all credits in the Indiana Code and calculate according to specifications provided in the Indiana Code and by the department. Ensure that tax and billing system can correctly calculate property tax rates. <50 IAC 26-3-7, 50 IAC 26-7-3, 50 IAC 26-7-8>

Data set used: The Department Data Bundle

Tests:

1. Demonstrate that the tax and billing system can import the following files:
   a. ALLCERRATE (for Pay 2012, which will need to be imported prior to the scheduled testing session, and Pay 2013)
   b. CERTDRATES (for Pay 2012, which will need to be imported prior to the scheduled testing session, and Pay 2013)

   Verify that the tax and billing system can import the files listed above with a response time that is reasonable in light of current industry standards.

2. Validate that the tax and billing system:
   a. Once the files referenced above in Test No. 1 have been uploaded, does not allow for data entry or any override of any individual taxing unit fund rate as defined by 50 IAC 26-14-2-7(b).
   b. Calculates total taxing unit rates for any given taxing unit.
   c. Calculates total taxing district rates for any given taxing district.
   d. Correctly identifies the rates for those funds that are outside the property tax cap limits within a given tax district.
3. Determine the system can accurately calculate local income tax property tax relief credits.
4. Determine the system can accurately calculate property tax circuit breaker credits.
5. Ensure the tax and billing system can apply deductions, exemptions, and credits in the order specified by the department.
6. Demonstrate that the tax and billing system correctly calculates the total tax bill for 1) a tax district having no funds that are exempt from the property tax cap limits and 2) a tax district having certain funds that are excluded from the property tax limits.
7. Locate a parcel where a homeowner has applied for the Over 65 Circuit Breaker Credit and verify that the credit is calculated correctly based on the increase from the previous year's tax bill.

Test Area 14: Creation of Statements of Taxes and Assessments

Purpose: Demonstrate that the tax and billing system can record all data required to prepare statements of taxes and assessments. <50 IAC 26-7-13, IC 6-1.1-22>

Data set used: The Department Data Bundle

Tests:

1. Generate and display a statement of taxes and assessments, then verify that the statement is complete with all required data elements.
2. For TIF allocation areas, demonstrate that the system is able to combine the base NAV and incremental NAV of each real property parcel and personal property record in order to produce one tax bill for each parcel or record by performing the following test: Create an allocation area and run tax bills to determine that only one bill is generated per parcel or record.
3. Demonstrate that the tax and billing system can generate a batch file of statement of taxes and assessments in PDF format.

Test Area 15: Correction of Error and Adjustment to Assessed Value for Various Reasons

Purpose: Ensure that the tax and billing system can record all data required to prepare a correction of error or adjustment and apply the change to the assessment of property. (Vendors: please note that this test may be performed in several different iterations with different characteristics as requested by the evaluator) <50 IAC 26-7-15, 50 IAC 26-14-2, IC 6-1.1-15>

Data set used: The Department Data Bundle

Tests: Perform the following sequence:

1. Access a property record which contains a parcel that has been incorrectly assessed.
2. Verify that the tax and billing system prevents modification or removal of tax data after calculation of tax liability in the current tax year unless through one of
   a. A correction of error by the county auditor.
   b. An assessment adjustment for the purpose of omitted or undervalued property by the county auditor.
   c. An adjudication by an administrative agency or court.
   d. A legislative change that retroactively affects the calculation of taxes.
3. Access a record from the current tax year that requires one of the allowable changes referenced immediately above and generate a correction of error or adjustment to assessment as requested by the evaluator. Verify that the system creates a separate posting with the modified data and does not overwrite the certified gross assessed value, certified net assessed value, and tax data for the given parcel in the original record.
4. Apply the correction of error to the record for the current and/or prior tax years as requested by the evaluator.
5. Show the calculation of refund for the parcel due to the lowered AV.
6. Access a property record where there has been an amended personal property tax return. Verify that the system creates an indicator that notifies the user of the amended return. Verify that the system can correctly calculate and show the refund due in the next year (following the year that the taxes were paid) as a result of the amended personal property tax return and the local decision on how to refund any credit due.

Test Area 16: Receipt, Posting, and Reconciliation of Payment

Purpose: Ensure the tax and billing system can record the acceptance, posting, and reconciliation of property tax payments to the county treasurer. (Vendors: please note that this test may be performed in several different iterations with different characteristics as requested by the evaluator) <50 IAC 26-7-19>

Data set used: The Department Data Bundle

Tests:

1. Demonstrate that the tax and billing system can record the acceptance, posting, and reconciliation of property tax payments to the county treasurer on the date received.
2. Demonstrate that the tax and billing system can accept payments by electronic funds transfer on the date received.
3. Demonstrate that the tax and billing system can hold an individual payment in suspense, pending application to a bill, on the date received while allowing for the other payments in the batch file to be processed.

Test Area 17: Calculation of Tax Penalties

Purpose: Demonstrate that the tax and billing system can calculate penalties. <50 IAC 26-7-21, IC 6-1.1-37>

Data set used: The Department Data Bundle

Tests:

1. Access a record and enter a current date that is past the tax payment date. Verify that the tax and billing system applies the appropriate tax penalty (i.e., 5% or 10% of the amount of delinquent taxes) at the appropriate time.

Test Area 18: Settlement

Purpose: Ensure that the tax and billing system can 1) calculate the monies available for distribution to individual taxing units 2) record all data required to prepare the certificate of settlement and 3) record all data required to prepare the statement of the distribution of taxes collected. <50 IAC 26-7-22, IC 6-1.1-27, manual for county auditors, manual for county treasurers, settlement Instructions>

Data set used: The Department Data Bundle and Vendor-created allocation areas

Tests:

1. Generate an auditor's statement of the distribution of taxes collected (i.e., Form 22), then, verify that all required data fields are included in the statement. Verify that the statement is in a file format compatible with being uploaded to the The Department Gateway portal.
2. Demonstrate that the tax and billing system can generate the following reports, which are used in the settlement process:
   a. 105 Settlement Form required by the Auditor of State
   b. 49TC - County Treasurer's Certificate of Tax Collections

c. 17TC - Certificate of County Auditor Tax Refund Claims Summary

3. For a TIF allocation area, demonstrate that the system is able to track the property tax payments from real property parcels and personal property records and allocate the payments between the amount allocable to the TIF Allocation Area and the amount allocable to the underlying taxing units by performing the following test: Create an allocation area, generate tax bills and payments and generate a distribution (settlement) report to determine if the amounts were properly allocated.

Test Area 19: Tax Duplicate

Purpose: Demonstrate that the tax and billing system can record all data required to prepare the tax duplicate. Ensure that the tax and billing system automatically archives records immediately after billing and after each settlement period. <50 IAC 26-7-11, 50 IAC 26-14-5, IC 6-1.1-22-3, and the manual for county auditors>

Data set used: The Department Data Bundle

Tests:

1. Generate and display a tax duplicate, and then, verify that the tax duplicate is complete with all required data elements. Then, demonstrate that the duplicate can be saved off-line, and then, access it.

Test Area 20: Sale of Real Property Due to Delinquent Taxes

Purpose: Ensure that tax and billing system can record all data required to prepare a delinquent list of real property and can remove properties from delinquency. <50 IAC 26-7-23, IC 6-1.1-24, manual for county auditors, manual for county treasurers>

Data set used: The Department Data Bundle

Tests:

1. Generate from the tax and billing database a delinquent list of real property. Ensure that the tax and billing database can exclude records that are under $25 and/or that are under bankruptcy protection. Then, remove properties from delinquency and generate an updated delinquent list of real property as of any given date.

2. Demonstrate that the tax and billing system can print and display for inspection of format and content a tax sale notice.

Test Area 21: Delinquent Personal Property

Purpose: Ensure that tax and billing system can capture delinquent personal property data required for inclusion in a written demand served upon taxpayer and data required for a record of delinquencies for filing with the clerk of the circuit court and update the tax duplicate. <50 IAC 26-7-24, 50 IAC 26-11-3, IC 6-1.1-23>

Data set used: The Department Data Bundle

Tests:

1. Generate from the tax and billing database a list of delinquent personal property from the prior year. Demonstrate that upon certification of delinquencies to the clerk, the tax duplicate is updated to move delinquencies to judgments.

2. Demonstrate that the tax and billing system can print and display for inspection of format and content a written demand to be served upon taxpayers delinquent in the payment of personal property taxes.

Test Area 22: Data Integrity

Purpose: Ensure that the tax and billing system includes basic features to ensure data integrity. <50 IAC 26-14-2>

Data set used: The Department Data Bundle

Tests:

1. Access a record from a tax collection period prior to the current tax year. Attempt to change a payment posting and verify that the tax and billing system prevents users from making such edits.

2. Record that a parcel owner has filed for bankruptcy. Attempt to mark the owner's property for tax sale, and verify that this operation is not allowed.

3. Access a record for the current tax year and apply a deduction to the record. Then, access a record for the same taxpayer for the year subsequent to the current tax year and verify that the applied deduction also appears in this record.

Test Area 23: Electronic Notification of Tax Statements

Purpose: Ensure that the tax and billing system has the ability to notify user of a taxpayer's request for electronic receipt of property tax statement and the ability to send tax statement via electronic mail. <50 IAC 26-11-3, 50 IAC 26-14-4, IC 6-1.1-22-8.1(m)>

Data set used: The Department Data Bundle

Tests:

1. Demonstrate that the tax and billing system can import the report from the sales disclosure system listing the taxpayers who are requesting to receive their tax statements via electronic mail. This report contains a list of taxpayers and parcel numbers and email addresses for taxpayers who are requesting to receive their tax statements via electronic mail.

2. Access a record that is classified as the taxpayer requesting electronic notification of tax statements. Verify that the record contains an indicator that informs users that the property is classified as the taxpayer requesting electronic notification of tax statements.

3. Demonstrate that the tax and billing system has the ability for a user (appropriate permission rights assumed) to send a PDF of a tax statement via electronic mail. Ensure that the system can automatically generate a new email to the user's default email and attach the PDF of the tax statement.

Test Area 24: Record Retrieval

Purpose: Verify that tax and billing system operators can retrieve all data on a property by entering certain characteristics and can perform partial searches and wildcard searches. <50 IAC 26-5-1>

Data set used: The Department Data Bundle

Tests:

1. At the discretion of the evaluator, enter data into a search field (e.g., tax identification number, tax duplicate number, owner name, owner address, property address, parcel number, etc.) and verify that, based only on this characteristic, the system can access the corresponding property record(s). This same test may be repeated mutliple times, using various characteristics.
2. At the discretion of the evaluator, enter the first few letters or characters of an owner name or street name - for example - and verify that the tax and billing system can find those records corresponding to the entered pattern. Additionally, verify that the operator can access prior and following records from any of the results generated. This same test may be repeated mutliple times, using various characteristics.

Test Area 25: Generation of User-defined Reports for Tax and Billing

Purpose: Ensure that tax and billing system meets minimum requirements for the generation, display, printing, and electronic formatting (i.e., .xls) of user-defined reports, including making available reports with the summary statistics shown below. <50 IAC 26-11-1>

Data set used: The Department Data Bundle

Tests:

1. Produce a user-defined report using the summary statistics shown immediately below. Verify that: 1) users can select multiple years 2) users can choose the fields from a variety of tax bill, adjustment, and distribution data for inclusion in the report and 3) users can sort in any user-specified order (i.e., ascending or descending order).
   a. Sum.
   b. Count.
   c. Mean.
   d. Median.
   e. Product.
   f. Ratio.
   g. Variance.
   h. Percentages.

Test Area 26: Future Access to a User-Defined Report

Purpose: Ensure that the tax and billing system includes certain features to facilitate continued access to particular user-defined reports. <50 IAC 26-11-1>

Data set used: The Department Data Bundle

Tests:

1. After generating one of the user-defined reports in Test Area 25 above, save the report in an electronic format (i.e., .xls) and then, close the file. Then, re-open the file to verify that the report can be saved in an electronic format (i.e., .xls).
2. After generating one of the user-defined reports in Test Area 25 above, save the layout query(ies) and structure of the report. Then, open the saved file after the underlying data has been updated to verify that the report has been updated.

Test Area 27: Tax and Billing Management Reports

Purpose: Ensure tax and billing reports are available on demand in an electronic format (i.e., .xls) to county auditors and county treasurers or designated officials within other county offices. <50 IAC 26-11-2>

Data set used: The Department Data Bundle

Tests:

1. For each of the following, display a standard, pre-formatted management report that provides the listed information:
   a. The amount of property tax remaining to collect in current cycle, how much was billed, and how much has been paid.
   b. List of taxpayers by parcel or tax identification number with taxes outstanding.
   c. List of properties pending tax or sheriff sale including total or summary information.
   d. Total number of corrections of errors processed and resulting change in assessed value by taxing district.
   e. List of corrections of errors processed
   f. List of exemption totals by taxing district.
   g. List of deduction totals by type for any taxing district.

h. List of records in the tax and billing system on which a refund is due.
i. List of taxpayers receiving multiple homestead deductions and corresponding parcel numbers.
j. Number and amount of payments processed on given day by clerk.
k. Lock modification tracking document as prescribed by the Department

Test Area 28: Tax and Billing Forms and Reports

Purpose: Ensure tax and billing system can print and generate in electronic format basic forms and reports. <50 IAC 26-11-3, IC 6-1.1-22-9>

Data set used: The Department Data Bundle

Tests:

1. Demonstrate that the tax and billing system can generate the following reports, which are used in the approval process of the county abstract:
   a. Net Homestead Value Report for use in local homestead credit rate approval
   b. Net Value Report for use in local property tax replacement credit rate approval
2. Demonstrate that the tax and billing system can generate the following reports, which are used in the settlement process:
   a. Certificate of Error Summary
   b. State and Local LOIT homestead credit and LOIT residential property tax replacement credit reconciliation worksheet
   c. State and Local LOIT property tax replacement credit reconciliation worksheet
   d. Distribution Rates Listing
   e. 102 Apportionment Forms

Test Area 29: Histories and Transaction Logs

Purpose: Ensure the user can generate historical reports and transaction logs from the tax and billing system database. <50 IAC 26-9-1>

Data set used: The Department Data Bundle

Tests:

1. Input parameters for user or user identification and starting/ending dates and times, then generate a transaction log of all the foregoing activities performed during this certification. The resulting transaction log must contain:
   a. Totals and summary level information.
   b. Username or user identification.
   c. Date and time.
   d. Terminal identification.
   e. Transaction type.

Test Area 30: System and Data Security

Purpose: Ensure that the tax and billing system includes a security system to ensure computer system and data security, including access controls to the system as a whole and appropriate levels of control based on required access to database functions. The local computer system administrator should be able to define users and assign them rights to the system. <50 IAC 26-14-3>

Data set used: The Department Data Bundle

Tests:

1. Create a profile, as a system administrator might, for a user who has rights to add deductions and modify a taxpayer address, but no other rights. Then, log on as this user, and attempt to enter a correction of error. Verify that such an operation is not allowed.
2. Create a read only (search and view) profile. Verify that a user is not allowed to enter data into a data field.
3. Create a separate profile, with rights defined by evaluator. Verify that user is not allowed to exceed the parameters of his/her rights.

Test Area 31: Notices to Operator

Purpose: Ensure that the tax and billing system informs users when records meet certain criteria. <50 IAC 26-14-4>

Data set used: The Department Data Bundle and Vendor-created

Tests:

1. Access a record that is classified as involving a tax sale. Verify that the record contains an indicator that informs users that the property is classified as involving a tax sale.
2. Access a record that is classified as involving an overpayment of taxes. Verify that the record contains an indicator that informs users that the property is classified as involving an overpayment of taxes.
3. Access a record that is classified as being held in escrow. Verify that the record contains an indicator that informs users that the property involves an escrow company.

Test Area 32: Maintenance of Data from Prior Years

Purpose: Demonstrate that the tax and billing system can maintain and make available for electronic retrieval historical year data. <50 IAC 26-7-25>

Data set used: Vendor-provided

Tests:

1. Access data and records as requested from the evaluator from the 2009 Pay 2010 cycle by verifying this older tax and billing data can be stored off-line in ASCII format, which can be can then be accessed by and viewed in the tax and billing system.

Test Area 33: Creation of Files

Purpose: Ensure that the tax and billing system creates the appropriate files. <50 IAC 26-3-6, 50 IAC 26-3-7, 50 IAC 26-12-1, 50 IAC 26-20, 50 IAC 26-21>

Tests:

1. Demonstrate that the tax and billing system can create the following files:
   a. TAXDATA (for Pay 2013)
   b. ADJMENTS (for Pay 2013)

Verify that the tax and billing system can create the files listed above with a response time that is reasonable in light of current industry standards.

2. For each of the files listed above in #1, demonstrate that the tax and billing system adheres to following file parameters:
   a. Each file must have a header record and a trailer record in the exact specified format with designated "FILENAME" and the word "TRAILER" in uppercase
   b. All fields are fixed length.
   c. All alphanumeric fields shall be left justified.
   d. All numeric fields must have leading zeros if field value does not utilize all available spaces.
   e. Assume no decimal precision for all numeric fields without format clarification.
   f. All decimal precision is implied. For example, for format 3.2, send 12345. It will be read as "123.45".
   g. All Yes/No fields must have "Y" or "N".
   h. All date fields must be in mm/dd/yyyy format, and entries must contain a valid date.
   i. All fields that reference a code list should contain a value from the lists provided in the Property Tax Management System Code List Manual
   j. Place a negative sign "-" at the far left of the field for all negative numbers.
   k. Phone number format required is ###-###-#### ##### (e.g., 317-555-5555 44444). Phone number extensions may be replaced with spaces if no extension exists.
   l. Postal code format is expected to be xxxxx-xxxx. If no + 4 for the postal code is available, fill with 0000. The space allocated for postal code should accommodate international postal codes.
3. Verify that the tax and billing system provides a notification when data fields are null or empty that will result in noncompliance with the property tax file requirements found in 50 IAC 26-20 and 50 IAC 26-21.

Test Area 34: Creation of Provisional Tax Statements

Purpose: Demonstrate that the tax and billing system can record all data required to prepare a provisional tax statement and a corresponding reconciling statement. <50 IAC 26-7-14, IC 6-1.1-22.5>

Data set used: The Department Data Bundle

Tests: Perform the following sequence:

1. Using the Pay 2013 tax data created via the prior tests, generate and display a provisional Pay 2014 tax statement as defined by IC 6-1.1-22.5, then, verify that the provisional statement is complete with all required data elements.
2. After provisional bills are paid, demonstrate the tax and billing system's ability to import the CERTDRATES and ALLCERRATE files for Pay 2014 (provided by the Department).
3. Using the updated data from the files imported in No. 2 immediately above, demonstrate the tax and billing system's ability to generate and display a reconciling statement corresponding to the provisional statement in #1. Then, verify that the reconciling statement is complete with all required data elements.