



City Of Pittsburgh

Request for Proposal

Professional Services Collection of Delinquent Self-Assessed Taxes

City of Pittsburgh
Department of Finance Room 200
City County Building
414 Grant Street
Pittsburgh PA 15219

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I. INTRODUCTION

COLLECTION OF DELINQUENT SELF ASSESSED TAXES, PENALTY AND INTEREST FOR THE CITY OF PITTSBURGH

A. GENERAL INFORMATION

The City of Pittsburgh's Department of Finance presently maintains and collects delinquent self-assessed tax accounts through its Accounts Receivable System - Taxpayer Services area. This section, which has been operating since 1984, is responsible for the automated billing of 850-950 accounts each month, with an average of 180 new accounts being entered onto the system each 30 day cycle. Accounts that have not responded to the 30 and 60 day billings are downloaded to a separate mode and pursued by a series of letters, telephone contacts and by other available collection resources within the next 30 day period.

The Taxpayer Service Section of the Finance Department bills and collects 2010 and prior years individual income taxes, and all local services tax, parking tax, amusement tax, business privilege taxes, payroll expense tax, institution and service privilege tax and fees. All delinquent taxes billed on the Accounts Receivable system include penalties and interest charges imposed due to late payment.

B. DEFINITIONS

AGREEMENT: Agreement means the negotiated contract between the City of Pittsburgh and the Contractor for performing services set forth in this Request for Proposal (RFP).

CHANGE: Change is the addition to, or reduction of, or other revision to the scope of work in the Contractor's proposal and in the Agreement.

CITY: City means the City of Pittsburgh, a municipal corporation of the Commonwealth of Pennsylvania, acting by and through its qualified officials and employees.

DEPARTMENT: Department refers to the Department of Finance of the City of Pittsburgh.

DIRECTOR: Unless otherwise indicated, the term Director refers to the Director of Finance of the City of Pittsburgh and/or his/her designated representative.

EXTRA WORK: Extra work is any service or action required of the Contractor above and beyond the obligations of the original agreement. No extra work may be initiated by the Contractor without the express written consent of the Director.

MBE/WBE: MBE means Minority Business Enterprise. WBE means Women's Business Enterprise.

RESPONDENT/PROPOSER: An entity that has submitted a proposal in response to this RFP.

SCOPE OF WORK: The scope of work is the detailing of all services and actions required of the Contractor, which will become the obligations of the Contractor in the Agreement.

CONTRACTOR: Contractor means the Contractor selected by Finance, if any, for these professional services.

II. NATURE OF SERVICES REQUIRED

A. OVERVIEW

The City of Pittsburgh, Department of Finance is soliciting proposals from firms and agencies that are interested in providing professional services for the collection of delinquent Self Assessed taxes, fees, penalty and interest due to the City of Pittsburgh. The contract will be with the Department of Finance and the contract period shall be for a period January 1 to December 31, 2015 renewable annually for up to three (3) years by mutual agreement of the parties.

The City of Pittsburgh would transmit, at least monthly, a listing of various delinquent accounts to the successful contractor for immediate collection action. All available information pertaining to those accounts would be submitted with each listing.

The successful contractor must provide evidence that it has a solid background in the collection of taxes, including to what extent that experience is attributable to tax collection for Pennsylvania municipalities.

In accordance with the City of Pittsburgh's Home Rule Charter, the services sought under this engagement are considered to be professional services. As such, the City of Pittsburgh will base its selection upon criteria which shall include, but will not be limited to qualifications of the firm, prior experience of the firm in this field, minority and female owned business participation. Proposed fees will be considered, but will not be the basis for an award (i.e. this is not a competitive bid contract that will be awarded to the lowest responsible bidder).

The City of Pittsburgh encourages responses from small firms, minority-owned firms, women-owned firms and firms who have not previously performed work for the City of Pittsburgh.

All bidders will be asked to submit five (5) copies of a proposal for professional services to assist the Finance Department in the collection of delinquent self-assessed taxes, fees, penalty and interest due to the City of Pittsburgh.

B. SCOPE OF WORK

1. The City of Pittsburgh will supply the successful contractor with the following:
 - A. A file which includes names of individuals, businesses or other fictitious named entities, as they relate to the identification and pursuit of delinquent tax account collections.
 - B. The most current or known addresses, obtained from previous tax filings or readily available resources.
 - C. Tax account numbers, established either by the City of Pittsburgh or other governmental agencies.
 - D. Information concerning type of tax(s), fees, specified year(s), specified quarter(s) and identifies the delinquent amounts to be collected.
2. Successful contractor will contact debtor by letters and by phone in order to collect full payment; payment arrangements may be made. Contractor must adhere to all tax collection laws and the Taxpayer Bill of Rights.
3. Debtors, who are unable to pay must, in writing, explain their situation for the account to be put on hold.
4. An account that is in Bankruptcy must submit a copy of the Bankruptcy and the account placed on hold.
5. If an account is disputed by the debtor, proof must be submitted to the contractor and forwarded to the Department of Finance for review.
6. The Department of Finance reserves the right to recall any accounts sent for collection.
7. The Department of Finance will submit to the contractor any adjustments made to an account.
8. The recovery of delinquent taxes, by the successful contractor including all related penalty, interest and costs resulting from those collections must be on a payment file compatible with the Department of Finance ISAT collection system. Also, a prepared monthly report listing all outstanding accounts must be transmitted to the City of Pittsburgh, Finance Department, by the contractor including the appropriate name, account number, and in particular, the status of the remaining accounts and any other appropriate information.
9. Contractor's collection system must mirror the Department of Finance ISAT system.

C. CONFIDENTIALITY

The successful contractor's employees will agree, in writing, to adhere to all federal, state and local laws related to confidentiality of tax information including, but not limited to, City Code Section 201.06, and 53 Pa.C.S.A. § 8437 of the Pennsylvania Consolidated Statutes, which are set forth below.

CONFIDENTIALITY OF TAX INFORMATION (53 Pa.C.S.A. § 8437)

Any information gained by a local taxing authority as a result of any audit, return, report, investigation, hearing or verification shall be confidential tax information. It shall be unlawful, except for official purposes or as provided by law, for any local taxing authority to:

1. Divulge or make known in any manner any confidential information gained in any return, investigation, hearing or verification to any person.
2. Permit confidential tax information or any book containing any abstract or particulars thereof to be seen or examined by any person.
3. Print, publish or make know in any manner any confidential tax information. Any offense under this section is a misdemeanor of the third degree and, upon conviction thereof, a fine of not more than \$2,500.00 and costs, or a term of imprisonment for not more than one (1) year, or both, may be imposed. If the offender is an officer or employee of the local taxing authority, the officer or employee shall be dismissed from office or discharged from employment.

CONFIDENTIALITY OF INFORMATION PITTSBURGH CODE § 201.06)

Any information gained by the Treasurer or his/her designee, or by any other City official or agent, as a result of any declaration, return, investigation, hearing or verification required by authorized by this title, shall be confidential, except for official purposes, and shall not be revealed except in accordance with a proper judicial order, or as otherwise provided by law. This section shall not be construed or interpreted as preventing the City from entering into agreements with the government of the United States or the Commonwealth of Pennsylvania to exchange the information for information of a similar nature solely for the purpose of furthering the administration, collection and enforcement of taxes, provided that agreements required that the shared information remain confidential. (Ord. 19-1989, effective 8-14-1989)

D. QUESTIONS

Questions should be directed to Joseph Lewandowski, Supervisor, Self-Assessed Tax Section, Department of Finance, City of Pittsburgh, and Room 206, City-County Building, Pittsburgh, PA 15219 or e-mail joseph.lewandowski@pittsburghpa.gov. according to the calendar set forth in Section IV of this RFP).

III. MINORITY AND WOMEN BUSINESS

ENTERPRISE PARTICIPATION/ VETERANS'S PREFERENCE

Minority and Women Business Enterprise Participation/Veteran's Preference

Minority Business Enterprise (MBE) and/or Women Business Enterprise (WBE) participation is requested in all City of Pittsburgh contracts. Such participation may be demonstrated by utilization of MBE/WBE firms through the use of subcontracts with such firms in support services, supplies, etc. The offer or shall include in the proposal a plan on how and to what extent the MBE/WBE participation will be utilized, a copy of a current MBE/WBE certification(s) and a letter(s) of commitment signed by the MBE/WBE subcontractor(s) must be submitted with the proposal. The Pennsylvania Unified Certification program which includes, PENNDOT, County of Allegheny, City of Philadelphia, the Commonwealth of Pennsylvania Department of General Services, and the Port Authority of Allegheny County are recognized governmental certifications. In addition, certifications from the Small Business Administration 8a program are acceptable. Certifications from private "local" purchasing Councils are reviewed on a case by case basis at the discretion of the Equal Opportunity Review Commission.

The goals suggested by the City of Pittsburgh for the MBE and or WBE utilization are 25% MBE and 10% WBE of the dollar amount volume of the contract.

The Equal Opportunity Review Commission of the City of Pittsburgh will review each proposal in cooperation with the Mayors appointed Commission and may authorize waivers of this requirement in cases where these conditions cannot be met.

It is also the City's goal to encourage participation by veteran-owned small businesses in all contracts. The City of Pittsburgh shall have an annual goal of not less than five (5) percent participation by veteran-owned small businesses in all contracts. The participation goal shall apply to the overall dollar amount expended with respect to the contracts.

The City requires that all bidders demonstrate good faith efforts to obtain the participation of veteran-owned small businesses in work to be performed under City contracts. The levels of veteran-owned participation will be monitored by the City of Pittsburgh's Department of Finance.

In order to demonstrate good faith commitment to these goals, all bidders are required to complete and submit with their bids either: the attached MBE / WBE / Veteran Owned Solicitation and Commitment Form (which details the efforts made by the bidder to obtain such participation), or the attached MBE/WBE/Veteran Owned Solicitation and Commitment Form–Waiver Request, which details why no MBE/WBE/Veteran-Owned business participation could be obtained. Failure to submit either of these forms will result in rejection of the bid. Copies of these forms are provided.

For further information, including definitions and additional requirements, please see Chapter 177A (Sections 177A.01 et. seq.) of the Pittsburgh City Code and Section 161.40 of the Pittsburgh City Code.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued: September 29, 2014

Due dates for questions: October 06, 2014.

Answers to any questions raised by Respondent will be answered via e-mail. Any Respondent believing that there is any ambiguity, inconsistency, or error in this RFP shall notify the City of Pittsburgh in writing or electronically by the above-mentioned deadline. Failure to notify the City will constitute a waiver of claim of ambiguity, inconsistency, or error.

Due date for proposals:

All proposals are due at the City of Pittsburgh, Department of Finance, 1ST Floor, City-County Building, 414 Grant Street, and Attention: Margaret L. Lanier, Treasurer, and Pittsburgh, PA 15219 by 4:00PM October 20, 2014. Envelopes should be clearly marked "COLLECTION OF DELINQUENT SELF ASSESSED TAXES".

B. Notification

Selected firm notified: November 7, 2014

C. Date Services May Commence

The selected Respondent, if any, shall not begin performing services until an executed contract is in place. No fees shall be paid or due until the parties have an executed contract in place, which is subject to the terms set forth herein.

V. PROPOSAL REQUIREMENTS

INSTRUCTIONS FOR PROPOSAL PREPARATION

A. GENERAL REQUIREMENTS

The Contractor shall submit its proposal by placing five (5) bound copies of each part, on 8 ½ x 11 paper, composed in Word, font should be Arial size 12, in separate sealed envelopes and enclosed in another sealed envelope, which is clearly marked,

“COLLECTION OF DELINQUENT SELF ASSESSED TAXES” and submitted to the Treasurer, Department of Finance no later than 4:00PM October 20, 2014 at the following address:

ATTN MARGARET L LANIER TREASURER
CITY OF PITTSBURGH
DEPARTMENT OF FINANCE
CITY-COUNTY BUILDING 1ST FLOOR
414 GRANT STREET
PITTSBURGH PA 15219

The Narrative proposal shall include the following:

- a. Letter of Transmittal.
- b. Project Organization and Staffing – The Contractor shall include a Project Organization Chart which includes the names and titles of all key personnel to be assigned to the contract.
- c. A brief listing of the entire Contractor’s experience on similar type work should also be provided. This listing should include 5 references for similar types of work.
- d. Personnel Resumes – Resumes of education and experience of all key personnel identified in the Project Organization Chart shall be included. Each individual is to be listed by name corresponding to their area of expertise. All subcontractors must also be identified.
- e. The Contractor shall present a written narrative description of the manner in which the services provided are to be performed. Please limit description of services to not more than six (6) pages.
- f. The Contractor shall indicate the status of the firm’s coverage concerning Public Liability Insurance, Workers’ Compensation and Professional Liability Insurance and monetary limitations.
- g. The Contractor must address MBE/WBE/Veteran’s participation or submit a required explanation if waivers are requested not to participate.
- h. A willingness to enter into a Professional Services agreement (as further defined herein) with the City of Pittsburgh and to comply with the terms agreed to by the parties’ therein.

B. ADDITIONAL TERMS AND CONDITIONS:

- a. Any proposals received after the deadline will not be considered.
- b. All materials submitted in response to this RFP will become property of the City of Pittsburgh. Respondents shall not retain any rights, including, but not

limited to intellectual property rights, to the information and/or ideas contained within or accompanying their Proposals.

- c. The content of all proposals will be maintained as confidential until the Final Respondent selection is publically announced, but may be subject to disclosure pursuant to applicable law (e.g. Pennsylvania Right to Know Law) thereafter.
- d. Submission of a Response indicates acceptance by the Respondent of the terms and conditions of this RFP unless clearly and specifically noted otherwise in the Response.
- e. You must submit your proposal for the provision of the services detailed in these specifications in the same format outlined in the paragraphs above. The fee proposal must be based on a flat percentage of collections. Respondents should indicate if it seeks to impose and collect its fee as part of the collection procedure authorized pursuant to Act 192 of 2004. No extra amount will be paid for business expenses. You are also invited to include with your submission all other pertinent information which you believe may assist the City of Pittsburgh in making its selection and may be submitted as an appendix to your proposal. If you are selected to provide the services outlined above, you will be held for the entire contract period to the fee proposal submitted on page 15.
- f. Respondents are responsible for all costs associated with responses to this RFP. In no event shall the City be responsible for any costs related to the preparation of a response to this RFP or for attending any requested meetings before the review committee.
- g. By responding to this RFP, the Respondent shall be deemed to have represented and warranted that its submission was not made in connection with any competing Respondent submitting a separate response to this RFP, is in all respects fair, and was without collusion or fraud.
- h. Pursuant to Section 161.36 of the City of Pittsburgh Code, the Respondent must include a disclosure of any finder's fees, fee splitting, firm affiliation or relationship with any broker-dealer, payments to consultants, lobbyists, or commissioned representatives or other contractual arrangements that could present a real or perceived conflict of interest.
- i. By responding to this RFP, the Respondent certifies that no attempt has been made, or will be made, by the Respondent to induce any other person or firm to submit or not to submit a submission for the purpose of restricting competition.
- j. This RFP is also subject to Section 161.22 of the City of Pittsburgh Code related to debarment from bidding on and participating in City contracts.

- k. Respondent must confirm its willingness to enter into a Professional Services agreement with the City and to comply with the terms agreed to by the parties' therein. The City's Professional Services agreement terms include, but are not limited to, insurance (liability and workers compensation) and indemnification requirements. Specific guidelines regarding reimbursement for business/travel expenses (as applicable) will also be included. Respondent acknowledges that the City's final selection of a Respondent, if any, is contingent upon prior authorization by Pittsburgh City Council to enter into a Professional Services agreement for these services after the selection process set forth herein is completed.

*Notification to a Respondent that it has been selected by City to perform services desired under this RFP is only preliminary. The final selection remains subject to the negotiation and execution of a Professional services Agreement.

- I. The City reserves and may exercise the following rights and options with respect to the selection process:
 1. To reject any and/or all proposals and reissue the RFP at any time prior to execution of a final contract, if, in the City's opinion, it is in the City's best interest to do so.
 2. To supplement, amend, substitute, or otherwise modify this RFP at any time prior to selection of one or more respondents for negotiation and to cancel this RFP with or without issuing another RFP.
 3. To accept or reject any or all of the items in any proposal and award the contract in whole or in part if it is deemed in the City's best interest to do so.
 4. To reject the proposal of any Respondent who, in the City's sole judgment, has been delinquent or unfaithful in the performance of any contract with the City, is financially or technically incapable or is otherwise not a responsible respondent.
 5. To reject any proposal that, in the City's sole judgment, is incomplete, is not in conformity with applicable law, is conditional in any way, or deviates from the mandated requirements of the RFP.
 6. To waive any informality, defect, and/or deviation from this RFP that is not, in the City's sole judgment, material to the proposal.

7. To permit or reject, at the City's sole discretion, amendments (including information inadvertently omitted), modifications, alterations and/or corrections to proposals on a fair and consistent basis.
8. The City also reserves the right to request that some or all Respondents submit additional information or attend interviews at City offices at no cost to the City.

C. PAYMENTS TO CONTRACTOR

As part of its Fee proposal, a Respondent shall indicate how it proposes to collect the following:

1. Local Service Fees (successor to Occupational Privilege Tax) and Earned Income Taxes. (Respondent should indicate if it seeks to impose and collect its fee as part of the collection procedure authorized pursuant to Act 192 of 2004.)
2. Payroll Expense Taxes, Amusement Taxes, Parking Taxes, Facility Usage Fees, Institutional Service Privilege Taxes, and Business Privilege Taxes, and other charges approved by the CITY (e.g. PNIP and NSF).

The Contractor shall submit monthly, to the City Treasurer, City of Pittsburgh Finance Department, payments resulting from collections of taxes, penalties, interest, and all related fees for the previous month. The contractor shall submit an invoice for those monthly services based on the total collections and agreed upon fee. To "Net Out" the stated fee from the monthly collections is prohibited under this proposal, payment for services will be recognized only after the submission of an invoice by the contractor and approval by the Director of the Department of Finance.

Per contract, the City will reserve the right to withhold its payment or reduce the level of the contractual fee in the event of unsatisfactory services or poor performance. In all instances, any decision to modify the payment of the contractual fee will be made at the discretion of the Director of the Department of Finance.

Upon receipt and approval of said statement by the City of Pittsburgh, the compensation due to contractor shall become due and payable.

D. LOBBYIST PROVISION

Miscellaneous

1. Conflict of Interest. By submission of a proposal to this RFP, respondent agrees that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services required under this RFP.

2. No proposal shall be accepted from, or contract awarded to, any individual or firm in which any City employee, Director or Official has a direct or indirect financial interest in violation of applicable City and State ethics rules. Entities that are legally related to each other or to a common entity which seek to submit separate and competing proposals must disclose the nature of their relatedness.

E. INSURANCE REQUIREMENTS

Prior to the beginning of any work or program covered under this Agreement, the Contractor shall deliver to the City, Certificates of Insurance duly executed by the officers or authorized representatives of a responsible and no assessable insurance company, evidencing the following minimum coverage’s for the benefit of the City as an additional insured, which insurance shall be no cancellable, except on thirty (30) days prior written notice.

<u>Public Liability</u>	<u>Each Occurrence</u>	<u>Aggregate</u>
Bodily injury, including Death and property damage Combined.	\$500,000.00	\$1,000,000.00
<u>Professional Liability</u>	\$1,000,000.00	
<u>Workers’ Compensation</u>	Statutory Limit	

According to the statutes of the state the Contractor resides in.

All premiums shall be at the expense of the Contractor. It should also be noted that a “claims made policy” is not acceptable. All certificates must carry a notation as to whether the liability policy is an occurrence policy.

VI. EVALUATION PROCEDURES

A. REVIEW OF PROPOSALS

The proposals will be evaluated and scored during the review process. The City of Pittsburgh reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

Upon receipt of the proposals, the City will select the proposal that best meets its needs. The proposal with the lowest price will not necessarily be accepted, nor will any reason for the rejection of any proposal be indicated. Authorization to enter into a contract with the selected Respondent (if any is selected) is also subject to approval by City Council.

B. EVALUATION CRITERIA

Proposals will be evaluated using various criteria such as the firms' collection history (references) and the ability to set up a collection system that mirrors the City of Pittsburgh ISAT system. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price.

C. MANDATORY ELEMENTS

- a. The firm is independent and licensed to practice in the Commonwealth of Pennsylvania.
- b. The firm has no conflict of interest with regard to any other work performed by the firm or by the City of Pittsburgh.
- c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality tax collection work.

VII. FEE PROPOSAL SUMMARY

THE CITY OF PITTSBURGH FEE PROPOSAL SUMMARY

Firm Proposing: _____

Fee Structure Proposed:

The undersigned hereby certifies that the above fee structure constitutes a firm quotation for the Collection of Delinquent Tax for the City of Pittsburgh.

Signed _____

Title _____

Date _____

