REQUEST FOR PROPOSAL

SALES / USE TAX ALLOCATION REVIEW & CONSULTING SERVICES PROGRAM

City of Los Angeles
Office of Finance

April 20, 2015
April 20, 2015

Attention: All Prospective Proposers

Attached is a copy of a request for proposal (RFP) for a qualified firm(s) to provide the City of Los Angeles with Sales / Use Tax Allocation Review & Consulting Services. All proposals shall be submitted in accordance with the requirements set forth in this document.

A Proposers’ Conference will be conducted at 10:00 a.m. on Wednesday, April 29, 2015 at:

200 N. Spring St. (Use Main St. Entrance)
City Hall, Room 152 A & B
Los Angeles, California 90012

ATTENDANCE AT THIS CONFERENCE IS MANDATORY in order to complete the “Good Faith Effort” outreach requirement of the City’s Business Inclusion Program. Failure to complete all tasks of the “Good Faith Effort” provisions of the Business Inclusion Program will render your bid non-responsive and will result in its rejection. Refer to Appendix F for further information regarding this requirement. The purpose of the conference is to provide assistance to prospective proposers in the interpretation of this RFP, its scope, or any other terms and conditions. The City will make a presentation and respond to proposers’ questions.

The City requests prospective proposers to submit their questions for the Proposers’ Conference in writing to Robert Lee, Chief Tax Compliance Officer II, at the address designated below by Monday, April 27, 2015. Questions may also be sent to Mr. Lee by fax at (213) 978-1780 or by e-mail at robert.lee@lacity.org. Written responses to questions will be distributed to all proposers in attendance at the Conference and to other proposers upon request. The City will respond only to questions that are submitted in writing to ensure that all proposers are treated equally during the RFP process.

Proposals and questions shall be delivered to:

City of Los Angeles, Office of Finance
Attention: Robert Lee, Chief Tax Compliance Officer II
200 N. Spring St., City Hall Room 220
Los Angeles, CA 90012

No proposal will be accepted after 5:00 p.m. on Wednesday, May 27, 2015. The City reserves
the right to extend the deadline for response to this RFP and to waive any informality in procedure should such action be deemed in the best interest of the City. All written communications should be directed to the address above. Thank you for your interest in this project.

Per Los Angeles City Charter section 371(e) (10) and 372 and Los Angeles Administrative Code section 10.15(a)(10), I determine and find that the services described in the Request for Proposal dated April 20, 2015 for Sales/Use Tax Allocation Review and Consulting Services Program (“RFP”) are professional, technical, expert, and/or special because they require the services listed below for which the use of competitive bidding would be undesirable, impractical and where the common law otherwise excuses compliance with competitive bidding requirements. The following are some, but not all, of the professional, expert, technical, and special requirements and services the Office of Finance seeks in the RFP:

- Consulting services including assistance and guidance to enhance City departments’ abilities to capture Sales and Use Tax from the City’s own contracting process;

- Consulting services to create a method of determining where Sales Tax revenues can be increased, including creation of a Sales Tax management program which can also lead to more accurate Sales Tax Revenue forecasting;

- Consulting services to establish clear guidelines to identify and differentiate between the following transactions: Sales and Use Tax; Use Tax point of sales transactions and those covered by specific regulations; and Misallocations of Use Tax and transactions arising from the Use Tax Enhancement Program (Use Tax Rebate Program);

- Consulting services to analyze businesses leaving the City and make recommendations for measures the City can take to retain more Sales Tax generating businesses;

- Consulting services to identify and correct “point-of-sale” sales tax misallocations thereby generating new Sales Tax revenue for the City on an ongoing basis and identifying businesses conducting sales activities within the City of Los Angeles that have not obtained a Sales/Use Tax Permit as required by CA State law or regulation;

- The proposers/consultants must provide the following for each of its employees anticipated to work on the services described in the RFP; their history of relevant work experience, education level, specific work assignments and experience working with the State Board of Equalization in each of the last 5 years;

- The effort(s) of the selected contractor(s) will complement, not replace, the work of the City Staff.

Sincerely,

Antoinette Christovale, CPA
Director of Finance / City Treasurer

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CITY OF LOS ANGELES  
REQUEST FOR PROPOSAL  
SALES / USE TAX ALLOCATION REVIEW & CONSULTING SERVICES PROGRAM

I. Intent and Background

A. Intent

The City is seeking proposals from qualified firms to provide a Sales / Use Tax Allocation Review & Consulting Services program to the City. These services will be focused on, but not limited to, identifying and correcting “point-of-sale” reporting errors thereby generating new Sales Tax revenue for the City of Los Angeles on an on-going basis and identifying businesses conducting sales activities within the City of Los Angeles which have not obtained a Sales/Use Tax Permit as required by State law. The City also seeks to place greater emphasis on the Use Tax Enhancement Program (Use Tax Rebate Program) of the City of Los Angeles. Unlike most tax reviews, this service produces new revenue without causing any additional tax liability for business. The City also intends to utilize the corollary consulting services to enhance the collection of Use Tax revenue from the City’s own contracting/purchasing agreements by having the selected contractor(s) establish an effective method to capture this revenue. This service would include the contractor providing assistance and guidance to various City departments. The City will consider proposals that address Sales and Use Tax services which include “point-of-sale” analysis, misallocation identification and correction, Use Tax Rebate Program administration, and City contracting/purchasing analysis and instruction for Sales and/or Use Tax revenue collection opportunities.

B. Background

The City of Los Angeles contracts with the State of California to collect those Sales and Use Tax dollars belonging to the City at the same time the State collects the State Sales Tax. The State of California offers this service to all entities within the State. The City received a total of $435.4 million in Sales and Use Tax revenues for Fiscal Year 2013/14.

Allocation of the Sales Taxes collected is based on the actual point of sale of items as reported by the business entity. To ensure that the City receives its appropriate share of these taxes, the City has one Senior Tax Auditor permanently assigned to Sacramento. In addition, the City has additional audit staff dedicated to the analysis of sales tax data for misallocations and to work with City departments and developers to encourage and expand use tax recovery.

The City currently contracts with one private firm to review Sales Tax records to ensure the City is receiving all appropriate revenue. The efforts of the selected contractor(s) will be to complement, not replace, the work of the City staff located in Sacramento and Los Angeles, who will continue to perform this special type of review. Furthermore, it should be noted that the City is currently working on major Sales and Use Tax projects related to the Grand Ave and L.A. Live construction projects and will continue to do so.
The City has implemented a Use Tax Rebate Program to enhance the amount of Use Tax received by the City from the State and to offer participating businesses a rebate of 20% on the additional Use Tax collected by the California State Board of Equalization on behalf of the City as a result of the program. These additional Use Tax revenues will help to fund important City services, including public safety, parks, and libraries. At the same time, participating businesses receive a rebate while directing 100% of their Use Tax obligation to the City.

II. **Statement of Work**

At a minimum, all proposals must address the following:

A. Identify the method of determining where Sales Tax revenues can be increased through a system of continuous monitoring, identification and correction of “point of sale” allocation errors.

B. Set forth a Sales Tax management program and demonstrate how it will improve identification of Sales Tax opportunities as they relate to economic development and provide for more accurate Sales Tax Revenue forecasting.

C. Identify a process to determine where Use Tax revenue can be increased.

D. Provide an estimate of the number of reviews (verifications) and total hours to be performed for a 12 (twelve) month period.

E. State the statutory period(s) that will be reviewed.

F. Describe how your Sales Tax verification activity for the City of Los Angeles will interface with any Sales Tax verification activity your firm currently performs, or may perform during the term of this program for any other governmental entities in California.

G. Contractor will be required to:

1. Conduct initial and on-going Sales Tax reviews in order to identify and correct “point-of-sale” distribution errors and thereby generate previously unrealized Sales Tax revenue for the City.

2. Identify businesses conducting sales activities within the City of Los Angeles which have not obtained a Sales/Use Tax Permit as required by State law.

3. Initiate contacts with the appropriate sales, management, and accounting officials of those companies believed to be misreporting Sales Tax to the State and out-of-state sellers with California Sales / Use Tax Permits selling to in-City purchasers but not reporting Use Tax to the State and/or not allocating the Use Tax to the City of Los Angeles.
4. Initiate contacts with appropriate officials at companies to identify additional Use Tax sources.

5. Conduct a review of Use Tax allocated to the Countywide Pool to identify and correct those that should have been allocated to the City of Los Angeles.

6. Establish clear guidelines to identify and differentiate between the following transactions:
   -- Sales and Use Tax;
   -- Use Tax point of sale transactions and those covered by specific regulations; and
   -- Misallocations of Use Tax and transactions arising from the Use Tax Enhancement Program (Use Tax Rebate Program).

7. Identify the steps and extent of work to be performed and documentation to be obtained to clearly demonstrate contractor’s efforts to promote the Use Tax Rebate Program of the City.

8. Provide assistance and guidance to City departments to ensure that Sales and Use Tax is properly captured from the City’s own contracting/purchasing process.

9. Prepare and submit to the State Board of Equalization all information necessary to correct any identified allocation errors.

10. Identify businesses located in the City that are properly reporting Sales Tax but have the potential for modifying their operation to provide an even greater share to the City.

11. Describe how your Sales and Use Tax identification program will maintain the confidentiality of the records provided by the State Board of Equalization to the City.

12. Identify the procedures you will utilize to assure that there will be no conflicts of interest.

H. Deliverables:

1. The Contractor shall install and update quarterly the City’s Sales and Use Tax registration and allocation data on computer equipment designated by Office of Finance Sales and Use Tax staff.

2. Contractor shall provide updated quarterly reports. Each quarterly report shall identify changes in sales by category, growth and decline comparisons, utilizing charts, tables, and top producer listings. Quarterly aberrations due to State audits, fund transfers and
receivables along with late or double payments shall be identified.

3. Contractor shall provide annual sales / use tax reports identifying historical growth comparisons with State, County, selected City averages and Consumer Price Indices; top producer listings; and, make-up and volatility of the economic base.

4. Contractor shall provide quarterly status presentations with reports, which contain reconciliation worksheets to assist the City with budget projections and receipt monitoring. Such reports should also contain a separate quarterly analysis of all fund adjustments and reporting aberrations impacting said projections. At a minimum, these reports will include:

   a. Status of work in progress, including number of reviews.

   b. Forecast of quarterly sales and use tax revenue including the factors or assumptions used in preparing the report.

   c. Comparison of forecast and actual revenue with explanation of any significant variances.

   d. Quarterly and year-to-date accounting of actual Sales and Use Tax recovered through Contractor’s activities.

   e. Listing and the status of problems encountered quarterly.

5. Contractor shall provide quarterly reports which:

   a. Detail the number of active sales/use permits in the City of Los Angeles identifying by SIC and/or NAICS codes growth as well as declining industries.

   b. Analyze businesses leaving the City and make recommendations as to measures the City can take to retain more sales tax generating businesses.

6. All deliverables identified in this Request for Proposal shall be submitted to the City’s representative according to the following schedule:

   a. Annual: Within 30 days following the close of the City’s fiscal year which commences July 1 and ends June 30.

   b. Quarterly: Within 30 days following the close of the quarter.
III. **Proposer’s Conference**

A. **Proposer’s Conference**

A Proposers’ Conference will be conducted at **10:00 a.m. on Wednesday, April 29, 2015** at:

200 N. Spring St. (Use Main St. Entrance)
City Hall, Room 152 A & B
Los Angeles, California 90012

**ATTENDANCE AT THIS CONFERENCE IS MANDATORY** in order to complete the “Good Faith Effort” outreach requirement of the City’s Business Inclusion Program. Failure to complete all tasks of the “Good Faith Effort” provision of the Business Inclusion Program will render your bid non-responsive and will result in its rejection. Refer to Appendix F for further information regarding this requirement. The purpose of the conference is to provide assistance to prospective proposers in the interpretation of this RFP, its scope, or any other terms and conditions. The City will make a presentation and respond to proposers’ questions.

Proposers are requested to submit in writing, any questions for discussion at the conference not later than **Monday, April 27, 2015** to:

Robert Lee, Chief Tax Compliance Officer II
Office of Finance, Tax & Permit Division
200 N. Spring St., City Hall Room 220
Los Angeles, CA 90012

Questions may also be sent to Mr. Lee by fax at (213) 978-1780 or by e-mail at robert.lee@lacity.org. Written responses to questions will be distributed to all proposers in attendance at the Conference and to other proposers upon request. The City will respond only to questions that are submitted in writing to ensure that all proposers are treated equally during the RFP process.

IV. **Conditional Provisions**

A. Upon award of contract(s), all contacts initiated by the Contractor with City staff must be approved in advance by the Chief TCO II of the Tax and Permit Division or his designee prior to initiating such contact.

B. All information received by the Contractor(s) from State or City files shall be regarded as confidential under State Government Code 6254 (f) (1) and Section 21.17 of the Los Angeles Municipal Code and may not be disclosed without written approval of the City’s representative. Upon award of the contract, all information received by the Contractor during completion of this contract will be considered property of the City of Los Angeles and may not be disclosed without written approval by the City’s representative. All information received by
the Contractor from the State as a result of this contract shall not be disclosed or used for the benefit of any other client(s) of the Contractor.

V. Personnel

The contractor must be able to demonstrate that assigned personnel possess the capability and appropriate experience to implement and manage this program. The City shall have the right to conduct background verifications for all personnel assigned to the project and the right to approve any changes in key personnel.

A. List all personnel to be assigned to this project and indicate those functions that they will perform.

B. For each individual to be assigned to the project, provide a history of relevant experience including but not limited to:

1. The level and type of professional education attained;

2. A resume of professional experience, including tenure of service with the firm;

3. Specific work assignments and time spent interfacing with the State Board of Equalization in each of the last 5 years.

C. Upon award and during the contract term, if the Contractor chooses to assign different personnel to the program, their names and qualifications including the information listed above, must be submitted to the City for approval before they begin work. This list must be updated on a quarterly basis for the contract term.

VI. Compensation

A. The compensation paid for the specified services will be based on a percentage of any Sales and Use Tax recoveries which directly result from the efforts of the Contractor(s). All proposers shall indicate in their proposal the percentage to be applied against Sales Tax recoveries, recoveries from Use Tax point of sale, from Use Tax subject to specific regulations, or net additional revenue to the City from promoting the City’s Use Tax Revenue Enhancement Program (Use Tax Rebate Program), and from additional Sales and Use Tax collected from City department contracting/purchasing transactions. The method(s) of compensation for each type of correction or promotion of the Use Tax Rebate Program, etc. must be clearly identified in the proposal. The funds for this effort will come only from, and shall not exceed, the additional Sales / Use Tax revenue discovered and received by the City as a direct result of the contractor’s program. The City will not compensate the Contractor(s) in any other manner than that included in the proposal.
The City has more than 84,000 Sales/Use Tax accounts, equal to the number of accounts of 15 to 20 average cities. The City expects this volume to be considered along with the prestige of having the City of Los Angeles as a client when the percentage of the contingency fee is proposed. This would be similar to a quantity or volume discount due to the potential to detect a large number of misallocations each quarter.

B. Each proposal shall also set forth the total fee that would be paid on a recovery of $100,000 in Sales or Use Taxes. You must also describe the exact method of tracing the amount of additional Sales or Use Tax against which the percentage will be applied. You must also describe how the total fee for the recovery of additional sales or use tax revenue would be calculated over the term of the contract and include an example applying the compensation method you wish to apply.

C. Sales/Use Tax returns filed by City departments and associated agencies, such as the Metropolitan Transportation Authority, will be reviewed by the Contractor on an annual basis, or more often if required, to determine if any changes or corrections can be made to increase the City’s Sales/Use Tax recovery. City personnel will be trained by the Contractor to make the changes recommended by the Contractor. These will be considered as corollary services, thus commissions will not be paid on these misallocations.

D. Detail all additional services to be provided which are covered by this fee that are not already identified in this RFP.

VII. Qualifications

The proposal shall include:

A. A summary of the proposor’s demonstrated capability, particularly including experience with large, diverse government or private corporations.

B. A list of governmental agencies or private enterprises for whom the proposer has performed similar work, a description of those efforts and the name of an individual to contact.

C. A statement of financial capability to undertake the pursuit of lengthy Sales and Use Tax reviews on a contingency basis.

D. The staffing level for the proposor’s Southern California office, its location, and identify the local representative(s) available to serve the City.

VIII. Contents of Proposal

Proposals shall be organized generally as described below. You should note the various attachments that must be submitted with your proposal. Failure to follow these
guidelines may cause your proposal to be considered non-responsive.

A. Cover Letter

The cover letter of each proposal shall be limited to one page. The letter must include the name, title, address, and telephone number of the person or persons who will be authorized to represent the proposer. The letter must be signed by a company officer authorized to bind the company to all commitments made in this proposal.

B. Statement of the Program

Provide a straightforward, concise statement of your understanding of the project requirements and objectives and demonstrate the ability to provide the required services in each of the areas listed in Section II A through H - Statement of Work.

C. Personnel

Provide information identified in Section V A through C for all personnel assigned to the project.

D. Compensation

State the proposed basis for compensation including all information identified Section VI A through D.

E. Bidder Qualifications

Provide information to demonstrate your capability and experience in providing the requested services including all items identified in Section VII A through D.

F. Proposal Addendum

All requirements listed below must be strictly adhered to and all applicable signed statements pertaining to the following must be submitted:

1. Contractor Responsibility Ordinance (See Appendix B)
3. Compliance With Child Support Obligations (See Appendix C)
4. Service Contract Worker Retention and Living Wage Ordinance Compliance (See Appendix D)
5. Compliance with the Americans With Disabilities Act (See Appendix E)
6. Business Inclusion Program (See Appendix F)
7. Compliance With Equal Benefits Ordinance (See Section IX H.)
8. Slavery Disclosure Affidavit (See Section IX R.)
9. Non-Collusion Affidavit (See Appendix G)
10. Workforce Residence Information (See Appendix H)
11. Prior City Contract History Form (See Appendix I)
12. Bidder Certification – CEC Form 50 - Compliance with Municipal Lobbying Ordinance (See Appendix J)
13. City of Los Angeles – Confidentiality Agreement / Loyalty Oath (See Appendix K)
14. Bidder Campaign Contribution Limits – CEC Form 55 (See Appendix L)
15. First Source Hiring Ordinance (See Appendix M)
16. Local Business Preference Program (See Appendix N)

G. Additional Information

Any other information that you believe will be essential to a complete evaluation of your proposal should be clearly stated. If you have no additional information, this section of your proposal should consist of the following statement: “There is no additional information we wish to present.”

H. Omissions and/or Deviations

Any omissions and/or deviations from this RFP must be listed with complete explanations.

IX. Proposal Requirements

This section sets forth provisions which will be incorporated into any contract(s) awarded pursuant to the RFP and also identifies the forms, certifications, request for information, and affidavit which must be completed and returned with the proposal. Failure to provide the information requested and/or to submit the necessary forms may result in the proposal being deemed non-responsive.

A. Contract Term

The Office of Finance, subject to the approval of the City Council, anticipates negotiating a contract with a duration of three years with an option to extend for up to two additional years, if both parties agree to the extension.

B. Standard Provisions

The selected Proposer(s) will be required to enter into a written contract with the City of Los Angeles in a form approved by the City Attorney. A copy of this RFP with all attachments and the successful proposal(s) will remain on file and will constitute a part of the contract. However, the City reserves the right to further negotiate the terms and conditions of the contract(s) with the selected contractor(s). The final contract offer of the City may contain additional terms or terms different from those set herein. The Standard Provisions for City Personal Services Contracts (Rev. 3/09) are attached as Appendix A. These provisions will be incorporated into any contract(s) awarded pursuant to this RFP. These provisions include, but are not limited to, the following:
1. **Indemnification**

   The Contractor(s) will be required to indemnify the City in accordance with the provisions set forth in PSC-20 of the Standard Provisions for City Personal Services Contracts.

2. **Insurance**

   The Contractor(s) will be required to provide insurance in accordance with the Insurance Requirements, Appendix A - Exhibit 1, attached to the Standard Provisions for City Contracts. Proof of Insurance will be required prior to contract execution and does not need to be returned with the response to this RFP.

3. **Business Tax Registration Certificate**

   The selected Proposer(s) shall be required to demonstrate compliance with the City’s business tax laws by acquiring/maintaining one of the following: Business Tax Registration Certificate, Vendor Registration Number, or Certificate of Exemption. The Certificate or Registration Number must remain in force during the entire period of the contract.

C. **Termination of Contract**

   Any contract awarded pursuant to this RFP may be terminated in whole, or in part, by the City for its convenience effective as of any date, upon ten (10) days written notice thereof. The City reserves the right to verify the information in the proposal and to consider unverifiability in its decision making. If it is determined that a contract was awarded as a result of false statements submitted in response to this RFP, the City reserves the right to terminate that contract.

D. **Contractor Responsibility Ordinance**

   Proposers are advised that any contract(s) awarded pursuant to this procurement process shall be subject to the provisions of the Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance (CRO). Refer to Appendix B, “Contractor Responsibility Ordinance”, for further information regarding the requirements of the Ordinance.

E. **Nondiscrimination, Equal Employment Practices and Affirmative Action Program Requirements**

   Bidders/Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2., Non-discrimination Clause.

   Non-construction services to or for the City for which the consideration is $1,000 or more shall comply with the provisions of Los Angeles Administrative Code
Sections 10.8.3., Equal Employment Practices Provisions. All Bidders/Proposers shall complete and upload, the Non-Discrimination/Equal Employment Practices Affidavit (two (2) pages) available on the City of Los Angeles’ Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract valued at $1,000 or more.

Non-construction services to or for the City for which the consideration is $100,000 or more [over the term of the contract] shall comply with the provisions of Los Angeles Administrative Code Sections 10.8.4., Affirmative Action Program Provisions. All Bidders/Proposers shall complete and upload, the City of Los Angeles Affirmative Action Plan (four (4) pages) available on the City of Los Angeles’ Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract valued at $100,000 or more. Bidders/Proposers opting to submit their own Affirmative Action Plan may do so by uploading their Affirmative Action Plan onto the City’s BAVN.

Both the Non-Discrimination/Equal Employment Practices Affidavit and the City of Los Angeles Affirmative Action Plan Affidavit shall be effective for a period of twelve months from the date it is first uploaded onto the City’s BAVN.

Bidders/Proposers seeking additional information regarding the requirements of the City’s Non-Discrimination Clause, Equal Employment Practices and Affirmative Action Program may visit the Bureau of Contract Administration’s web site at http://bca.lacity.org.

F. Business Inclusion Program and Outreach

All Bidders/Proposers shall comply with the City’s Business Inclusion Program requirements, identify sub-contracting opportunities and outreach to Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Small Business Enterprises (SBE), Emerging Business Enterprises (EBE), Disabled Veteran Business Enterprises (DVBE), and Other Business Enterprises (OBE) sub-consultants. Requirements must be completed on the Business Assistance Virtual Network (BAVN), www.labavn.org. (See Appendix F: Instructions for Performing BIP Outreach).

G. Service Worker Retention and Living Wage Ordinance Compliance

Unless approved for an exemption, contractors under contracts primarily for the furnishing of services to or for the City and that involve an expenditure in excess of $25,000 and a contract term of at least three (3) months, lessees and licensees of City property, and certain recipients of City financial assistance, shall comply with the provisions of Los Angeles Administrative Code Sections 10.37 et seq., Living Wage Ordinance (LWO) and 10.36 et seq., Service Contractor Worker Retention Ordinance (SCWRO). Bidders/Proposers shall refer to Appendix D, “Living Wage Ordinance and Service Contractor Worker Retention Ordinance” for further information regarding the requirements of the Ordinances. Bidders/Proposers who believe that they meet the qualifications for one of the exemptions described in the LWO List of Statutory Exemptions shall
apply for exemption from the Ordinance by submitting with their proposal the Bidder/Contractor Application for Non-Coverage or Exemption (Form OCC/LW-10), the Non-Profit/One-Person Contractor Certification of Exemption (OCC/LW-13) or the Small Business Exemption (Form OCC/LW26A). These exemption forms are available on the Bureau of Contract Administration website at http://bca.lacity.org/index.cfm. The List of Statutory Exemptions are included in Appendix D.

H. Equal Benefits Ordinance

Bidders/Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO).

All Bidders/Proposers shall complete and upload, the Equal Benefits Ordinance Affidavit (two (2) pages) available on the City of Los Angeles’ Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract valued at $5,000. The Equal Benefits Ordinance Affidavit shall be effective for a period of twelve months from the date it is first uploaded onto the City’s BAVN. Bidders/Proposers do not need to submit supporting documentation with their bids or proposals. However, the City may request supporting documentation to verify that the benefits are provided equally as specified on the Equal Benefits Ordinance Affidavit.

Bidders/Proposers seeking additional information regarding the requirements of the Equal Benefits Ordinance may visit the Bureau of Contract Administration’s web site at www.bca.lacity.org.

I. Compliance with Laws

The selected Proposer(s) shall abide by and conform to all applicable laws of the United States, the State of California, and the ordinances and policies of the City of Los Angeles including, but not limited to, the business tax provisions of the Los Angeles Municipal Code and the nondiscrimination provisions of Los Angeles Administrative Code Section 10.8. The selected proposer(s) shall stipulate that in any action related to the awarded contract, the venue to be in the County of Los Angeles, State of California.

J. Prior Contracts With The City

All proposers must include a list of all contracts with the City for the past ten (10) years (see Appendix I).

K. Affidavit of Non-Collusion

Proposers shall complete and return with the proposal, an affidavit of non-collusion signed by a person(s) authorized to bind the proposer (see Appendix G), which states that:

1. The proposal is genuine, not a sham or collusive;
2. The proposal is not made in the interest of or on the behalf of any person not named in the proposal;

3. The Proposer has not directly or indirectly induced or solicited any person to submit a false or sham proposal or to refrain from proposing;

4. The Proposer has not in any manner sought by collusion to secure an advantage over any other proposer.

L. Disposition of Proposals and Disclosure of Information

The City reserves the right to retain all proposals submitted and the proposals will become the property of the City of Los Angeles. All proposals received will be considered public records potentially subject to disclosure under the Public Records Act (California Government Code Section 6250 et seq.). Proposers must identify any material they claim is exempt from disclosure under the Public Records Act. Any Proposer claiming such an exemption must identify the specific provisions of the Public Records Act that provide an exemption from disclosure for each item that the proposer claims is not subject to disclosure under said Act. In the event that such exemption is claimed, the proposer must then state in the proposal that he or she will defend, indemnify and hold harmless the City, its officers and employees from any action brought against the City for its refusal to disclose such material to any party making a request therefore. Failure of a Proposer to include such a statement shall constitute a waiver of proposer’s right to exemption from disclosure.

M. Withdrawal of Proposal

Each proposal must contain a statement that the proposal shall remain firm for a period of one hundred twenty (120) calendar days following the deadline date for submission of proposals to the Office of Finance, which date is noted in the cover letter and body of this RFP.

N. Required Copies and Deadline for Submission of Proposal

Proposers must supply all information requested in the format prescribed by this RFP. One clearly identified original and five (5) clear copies of the proposal are required. Additionally, please provide one (1) electronic / CD version as well in MS Word or Adobe PDF format. The proposal shall be addressed to:

Robert Lee, Chief Tax Compliance Officer II
Office of Finance
200 N. Spring Street, Room 220
Los Angeles, CA 90012

No proposal will be accepted after 5:00 P.M. on Wednesday, May 27, 2015. The City reserves the right to extend the deadline for response to this RFP and to waive any informality in procedure should such action be deemed in the best interest of the City. In the event this date is changed, those who have been sent
the RFP will be notified in writing. The City may require oral presentation of the proposals by the proposers to a review committee. The City reserves the right in its sole discretion to determine the timeliness of all proposals, extend the submission deadline and/or to reject all proposals.

O. Child Support Ordinance

This RFP is subject to the Child Support Ordinance, Los Angeles Administrative Code Section 10.10 et seq. Proposers shall complete and return with their proposal, the Certification of Compliance with Child Support, which is attached hereto as Appendix C.

P. Americans With Disabilities Act

The City is a covered entity under Title II of the Americans with Disabilities Act, 42 U.S.C.A. Section 12131 et seq. Proposers shall complete and return with their proposal, the Certification Regarding Compliance with the Americans with Disabilities Act which is attached hereto as Appendix E.

Q. Workforce Information

The policy of the City of Los Angeles is to encourage businesses to locate or remain in the City. Therefore, the City Council requires all City departments to gather information regarding the headquarters address and other information on the employees of vendors contracting with the City. The following information shall be included with the proposal (see Appendix H):

1. Headquarters address of your company.
2. Total workforce.
3. Percentage of the total workforce residing in Los Angeles.
4. Percentage of total workforce working in Los Angeles.
5. The address of any branch office(s) within the City of Los Angeles.
6. Workforce in each City of Los Angeles branch office.
7. Percentage of workforce in each City of Los Angeles branch office residing in the City of Los Angeles.
8. Percentage of workforce assigned to each branch office in the City of Los Angeles.

R. Slavery Disclosure Ordinance

Unless otherwise exempt, in accordance with the provisions of the Slavery Disclosure Ordinance, any contract awarded pursuant to this RFB/RFP/RFQ will be subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code. All Bidders/Proposers shall complete and upload, the Slavery Disclosure Ordinance Affidavit (one (1) page) available on the City of Los Angeles’ Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract. Bidders/Proposers seeking additional information regarding the requirements of the Slavery Disclosure
Ordinance may visit the Bureau of Contract Administration’s web site at [www.bca.lacity.org](http://www.bca.lacity.org).

S. **Bidder Certification – CEC Form 50**

All proposers for this contract must complete the CEC Form 50 certifying their agreement to abide by the provisions of the Municipal Lobbying Ordinance. Copies Municipal Lobbying Ordinance and form are attached as Appendix J.

T. **Mandatory Protest Provisions:**

Any protest as to the RFP documents or matters or procedures referred to therein must be submitted in detail and in writing and postmarked within 5 calendar days after the issuance of the RFP to the public. The RFP is considered issued when posted to the Los Angeles Business Assistance Virtual Network at [http://www.labavn.org/](http://www.labavn.org/). All persons submitting quotations in response to this RFP will be notified of the City’s intended award by mail. Any protest regarding the City’s intention to award a contract which results from this RFP process must be submitted in detail and in writing and be postmarked within 7 calendar days of the postmark date of the City’s notification letter concerning the City’s intention to award a contract that results from this RFP process.

Any protest, whether relating to the RFP or to the eventual awarding of a contract resulting from this RFP process, shall contain a full and complete statement specifying in detail the grounds of the protest and the facts in support thereof. All protests must include the following information:

1. The name address and telephone of the person representing the protesting party;
2. The name of the involved RFP;
3. A detailed written statement of the legal and factual grounds of the protest, including copies of relevant documents and an indication as to what specific portions of the documents form the basis of the protest;
4. A statement as to the form of relief requested; and
5. Any evidence as to why the RFP should not issue, or in the event of a protest concerning a contract award, any reasons or evidence as to why a contract award should not be made according to the City’s plans;
6. If applicable, a request that a hearing with the Director of Finance, or her designee, be set within 7 calendar days of the actual receipt by the City of the protest or, in the alternative, a statement that the protester waives such hearing.
7. A request that the Directory of Finance, or her designee, issue a decision either sustaining or denying the protest.

All protests, whether relating to the RFP or a resulting contract award, must be in writing and sent via certified mail to:
The procedure and time limits set forth in this Section are mandatory and are the sole and exclusive remedy available in the event of protest. Failure to comply with these procedures shall constitute a waiver of any right to further pursue the protest, including filing a Government Code claim or legal proceedings. The City will only consider protests by or against any Proposer(s) who appear to have a substantial and reasonable prospect of receiving an award if the protest is denied or sustained, as applicable.

Protests meeting the above criteria will be reviewed by the Director of Finance, or her designee. Protesters requesting a hearing will be notified of the time and date of a hearing within seven (7) calendar days of the actual receipt of the written protest with the Director of Finance or her designee. Protesters requesting a hearing will be given the opportunity to present their arguments to the Director of Finance, or her designee. The Director of Finance, or her designee, will hear and consider the contents of any written protest and/or any arguments made at the time of the hearing, and will issue by mail a decision in writing to the protester that either denies or sustains the protest within 5 calendar days. The decision of the Director of Finance, or her designee, shall be final.

U. Bidder Campaign Contribution Limitations

Persons who submit a response to this solicitation (bidders) are subject to Charter section 470(c)(12) and related ordinances. As a result, bidders may not make campaign contributions to and or engage in fundraising for certain elected City officials or candidates for elected City office from the time they submit the proposal until either the contract is approved or, for successful bidders, 12 months after the contract is signed. The bidder's principals and subcontractors performing $100,000 or more in work on the contract, as well as the principals of those subcontractors, are also subject to the same limitations on campaign contributions and fundraising.

Bidders must submit CEC Form 55 (provided in Appendix L) to the awarding authority at the same time the response is submitted. The form requires bidders to identify their principals, their subcontractors performing $100,000 or more in work on the contract, and the principals of those subcontractors. Bidders must also notify their principals and subcontractors in writing of the restrictions and include the notice in contracts with subcontractors. Responses submitted without a completed CEC Form 55 shall be deemed non-responsive. Bidders who fail to comply with City law may be subject to penalties, termination of contract, and debarment. Additional information regarding these restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or ethics.lacity.org.
V. First Source Hiring Ordinance

Unless approved for an exemption, contractors under contracts primarily for furnishing of services to or for the City, the value of which is in excess of $25,000 and a contract term of at least three (3) months, and certain recipients of City Loans or Grants, shall comply with the provisions of Los Angeles Administrative Code Sections 10.44 et seq., First Source Hiring Ordinance (FSHO). Bidders/Proposers shall refer to Appendix M, “First Source Hiring Ordinance” for further information regarding the requirements of the Ordinance.

All Proposers shall complete and upload the First Source Hiring Ordinance Affidavit (one (1) page) available on the City of Los Angeles’ Business Assistance Virtual Network (BAVN) at [www.labavn.org](http://www.labavn.org) prior to award of a City contract. The First Source Hiring Ordinance Affidavit shall be valid for a period of twelve months from the date it is first uploaded onto the City’s BAVN.

Proposers seeking additional information regarding the requirements of the First Source Hiring Ordinance may visit the Bureau of Contract Administration’s web site at [http://bca.lacity.org](http://bca.lacity.org).

W. Local Business Preference Program Ordinance

The Local Business Preference Program Ordinance (Los Angeles Administrative Code Section 10.47) establishing the Local Business Preference Program for the City’s procurement of goods, equipment and services, including construction, when the contract involves an expenditure in excess of $150,000 is available as Appendix N, and incorporated herein by reference. If you believe you are qualified or can be provisionally qualified as a Local Business please indicate that in your proposal.

X. Selection Criteria

The City intends to conduct a competitive process and select the proposer that provides the best, most professional services at a reasonable rate. Each proposal must meet all requirements included in Section IX and be evaluated according to the criteria set out below:

✓ Proposal Quality, Responsiveness and Technical Solution 0-25 Points

Written proposals will be evaluated for adherence to the RFP requirements, specific technical solution(s), completeness and clarity of content. Proposals should provide a straightforward, concise statement of the proposer’s understanding of the project tasks and objectives and demonstrate the ability to accomplish the goal of identifying and securing additional tax revenues for the City. The proposed approach to the work will be evaluated in terms of appropriateness, understanding of constraints, and consideration of relevant issues that may not have been mentioned in the RFP.
✓ **Comparable Experience** 0-25 Points

The experience of proposers in having accomplished similar Sales and Use Tax Allocation Review and consulting services or directly analogous programs for private business or public agencies will be considered. Experience should be listed in as much detail as possible, highlighting areas of similarity as well as differences. Utilizing the documentation and financial statement provided by the contractor, the firm’s overall financial position will be used as an indicator of the ability to provide the requested services over the full term of the contract.

✓ **Evaluation of Key Personnel** 0-20 Points

The relevant experience of key personnel to be assigned to the program should be clearly set forth. An organizational structure for the program should be provided, with the key personnel to be assigned identified as to their functions and responsibilities.

✓ **Fee for Services** 0-30 Points

Proposers should clearly set forth the formula(s) for calculating the fee and any conditions that impact the fee.

**Total Possible 100 Points**

Proposals will be evaluated by a review committee composed of representatives of the City. The Committee will evaluate the proposals on the basis of experience and qualifications of the proposer(s), its personnel, its Southern California presence, compensation and other factors previously mentioned. At the discretion of the City, firms submitting the most responsive proposals may be required to make oral presentations to the review committee. The successful Proposer(s) will be named after the proposals and presentations (if any) are evaluated to select the most qualified firm(s). Proposers will be notified of the time and place of any oral presentations not more than five (5) days nor less than two (2) days prior to the event. Any contract(s) awarded pursuant to this RFP is subject to the Contractor Evaluation Ordinance which requires awarding authorities to evaluate contractors’ performance and to retain such evaluative information in a data bank for future reference.

**XI. Required Contract**

The selected Proposer will be required to enter into a written contract with the City of Los Angeles in a form approved by the City Attorney. A copy of this RFP with all attachments and the successful proposal will remain on file and will constitute a part of the contract. However, the City reserves the right to further negotiate the terms and conditions of the contract with the selected contractor. The “Standard Provisions for City Contracts (Rev. 03/09)” (Appendix A) will be incorporated into the contract and are not subject to negotiation.
XII. **Acceptance of Terms and Conditions**

Submission of a proposal pursuant to this RFP shall constitute acknowledgement and acceptance of all terms, conditions, and content set forth in this RFP.

XIII. **Initiation of Contract**

After the award of the contract, the successful proposer(s) shall meet with representatives of the Office of Finance to conduct advance planning for the project.

XIV. **Rejection of Responses to RFP**

The City reserves the right to withdraw this RFP at any time without prior notice and the right to accept or reject any and all responses to it. The City may also reject the proposal of any proposer who has failed to timely and satisfactorily perform any contract with the City. The City makes no representation that any contract will be awarded to any person or firm responding to this RFP.

XV. **Financial Responsibility**

All costs incurred in responding to this RFP shall be borne by the proposer. The City shall not, in any event, be liable for any pre-contractual expenses incurred by the proposer in the preparation and/or submission of its proposal.