

**Request for Proposals**

**20-101**

**Collection Services for Delinquent Tax Debt**

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**Schedule of Events**

|  |  |
| --- | --- |
| Issuance of RFP | 10/22/2021 |
| Deadline for Submission of Round One of Bidder Questions  and  Deadline for Submission of **Attachment 1, Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines** | 11/05/2021 |
| Department Response to Round One of Bidder Questions | 11/19/2021 |
| Deadline for Submission of Round Two of Bidder Questions | 11/26/2021 |
| Department Response to Round Two of Bidder Questions | 12/10/2021 |
| Deadline for Submission of **Attachment 2, Notification of Intent to Bid** | 12/17/2021 |
| Proposals Due | 12/22/2021  By 2:00 p.m. ET |
| Anticipated Notification of Intent to Award | 01/26/2022 |
| Anticipated Approval of Contract | 04/04/2022 |
| Anticipated Commencement of Network Connectivity | 04/18/2022 |
| Anticipated Commencement of Development Phase | 05/18/2022 |
| Anticipated Commencement of Active Collection Phase | 11/18/2022 |
| Anticipated Commencement of Disengagement Phase | Six months prior to the expiration of the contract. |

# Preface

## Procurement Lobbying – Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines

New York State (“NYS”) Finance Law § 139-j(6)(b) requires that the Department of Taxation and Finance (“Department” or “DTF” ) seek written affirmation from all Offerers as to the Offerer’s understanding of, and agreement to comply with, the DTF procedures relating to permissible contacts during a Government Procurement. Information related to the Procurement Lobbying Law and DTF guidelines can be found on the Department’s website at: <http://www.tax.ny.gov/about/procure>.

All inquiries concerning this solicitation must be addressed to one of the following designated contacts:

|  |
| --- |
| DESIGNATED CONTACTS FOR INQUIRIES AND SUBMISSIONS |
| NYS DTF Bureau of Fiscal Services Procurement Unit Designated Contacts:  Katherine Cavanaugh  Yafei Cao  Earl Jones  Amber Alexander  Questions and inquiries related to the Request for Proposals must be submitted via email to [BFS.Contracts@tax.ny.gov](mailto:BFS.Contracts@tax.ny.gov) or via fax to (518) 435-8413. **No other method of inquiry will be accepted.**  **Administrative issues pertaining to sending/receiving email through the designated mailbox may be reported to one of the designated contacts listed above at (518) 530-4484.**  **Procurement Website:** <https://www.tax.ny.gov/about/procure/current_bid_opportunities.htm> |

Contacting individuals other than the designated contacts listed above may result in the disqualification of the Bidder’s proposal – please refer to the Procurement Lobbying Law and the Department guidelines posted on the Department’s procurement website at <http://www.tax.ny.gov/about/procure>, and find additional requirements in **Section 8, Administrative Requirements**.

Offerers are required to sign and submit **Attachment 1, Offerer Understanding of, and Compliance with, Procurement Lobbying Guidelines**, and requested to do so by the date specified in the Schedule of Events. This may be submitted in conjunction with Round One of Bidder Questions.

## Proposal Questions/Inquiries

Prospective Bidders have two opportunities to submit written questions and requests for clarification regarding this RFP. All questions regarding this RFP must be submitted via email (preferred) or fax and be received by the dates specified in the Schedule of Events. Questions must reference the relevant page and section of the RFP and must be directed to one of the designated contacts identified herein.

Questions submitted by Bidders should be in the following format:

| **#** | **RFP Section** | **RFP Page #** | **Bidder Name** | **Question** |
| --- | --- | --- | --- | --- |
| 1 |  |  |  |  |
| 2 |  |  |  |  |

All clarifications and exceptions, including those relating to the terms and conditions of the RFP, are to be resolved prior to the submission of a bid by utilizing the Question and Answer periods. Also, during the Question and Answer periods, Bidders should bring forward terms and conditions in the RFP and in the **Preliminary Base Contract (Exhibit A)** that would prohibit a Bidder from bidding. All objections, proposed changes, and/or additions to the terms and conditions (Bidder-Proposed Change(s)) relating to Preliminary Base Contract language in **Exhibit A**, must be submitted with the proposal. The Bidder that enters into an Agreement with the State is expected to comply with all the terms and conditions contained herein.

## RFP Amendments/Announcements

All amendments, clarifications, updates, and announcements related to this RFP will be posted on the Department’s website at: <http://www.tax.ny.gov/about/procure>.

It is the responsibility of the Bidder to check the website for any amendments, clarifications, updates or announcements. All applicable such information must be incorporated into the Bidder’s proposal. Failure to include this information may result in the Bidder’s proposal being deemed non-responsive.

## Response to Bidder Questions and Requests for Clarification

The Department will provide a written response to all substantive questions and requests for clarification. Responses to Bidder questions and requests for clarifications will be posted on the Department’s website at: <http://www.tax.ny.gov/about/procure>.

## Notification of Intent to Bid

If your firm is submitting a proposal in response to the RFP, **Attachment 2, Notification of Intent to Bid**, should be completed and submitted by the date specified in the Schedule of Events. Contact information provided on this form may be used to notify Bidders of changes to the RFP.

## Submission of Proposals

Bidders must submit their proposals as instructed in **Section 9**, **Proposal Submission Requirements**.

## Contract Signing

**The Bidder must agree to sign a contract within thirty (30) days of Notification of Intent to Award. If the Bidder fails to do so, the Department reserves the right to begin negotiations with the next highest ranked Bidder.**

The Preliminary Base Contract is attached hereto as **Exhibit A**. Bidders should review **Exhibit A** and must be willing to enter into an Agreement **substantially in accordance** with the terms of **Exhibit A.**

Bidders may propose language amending **Exhibit A** that does not materially change the requirements of the RFP. Bidder-Proposed Changes to **Exhibit A must** be specifically identified in the Bidder’s proposal. If there are specific terms a Bidder wishes to change or terms the Bidder wishes the Department to consider for inclusion in the Base Contract, they **must** be identified and submitted in accordance with **Section 8.2.18., Bidder-Proposed Change(s) to Preliminary Base Contract Terms**.

**Note: The Department is under no obligation to include in the Agreement any Bidder-Proposed Changes, nor to negotiate from any Bidder-supplied documents. DTF reserves the right to require a Bidder to withdraw any and all such proposed terms or documents or parts thereof, as necessary.**

## Contract Term

The Department will award one (1) Contract as a result of this RFP. The Contract, and any renewal, requires the approval of the New York State Attorney General (“AG”) and the Office of the New York State Comptroller (“OSC”). The initial term of the Contract will commence only upon receiving the approvals of both the AG and OSC, and thereafter be effective for a period of five (5) years. The Contract may be renewed, upon mutual agreement of the Parties in writing, for one (1) two-year extension.

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# RFP Key Points

1. **Read the RFP in its entirety.** Note key items such as critical dates, services required, qualifying and mandatory requirements, and proposal submission requirements.
2. **Note the name, address, phone numbers and email address of the designated contacts.** These are the only individuals that you are permitted to contact regarding this RFP.
3. **Take advantage of the question and answer periods.** Submit your questions by one of the methods identified by the dates listed in the Schedule of Events. Responses to the questions will be posted on the Department’s website at: <https://www.tax.ny.gov/about/procure/current_bid_opportunities.htm>
4. **Submit Attachment 2, Notification of Intent to Bid form by the date listed in the Schedule of Events.**
5. **Provide complete answers/descriptions. Bidder proposals must completely address all qualifying and mandatory requirements.** To prevent disqualification from bid evaluation, thoroughly read all proposal requirements and provide complete responses. Use **all** the forms provided to submit your response. Vague or incomplete responses to desirable requirements may result in a reduced technical score.
6. **Review the RFP document and your proposal.** Make sure all requirements are addressed and all copies are identical and complete.
7. **Package your proposal as required in the RFP.** Make sure your proposal conforms to the packaging requirements. Proposals not packaged accordingly may be deemed non-responsive.
8. **Submit your proposal on time.** Except as specified in **Section 8.1.16.G**, proposals received after the date and time in the Schedule of Events will not be considered for award and may be returned, unopened, to the sender.
9. **Review the DTF website prior to submission of a proposal.** Only the DTF website will contain all amendments and/or addenda to the RFP, including Responses to Bidder Questions. Note that all applicable amendments and/or addenda information must be incorporated into the Bidder’s proposal. Failure to include such information may result in disqualification or a reduced technical score.

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# Introduction

## Purpose

The New York State Department of Taxation and Finance is soliciting proposals as defined in this Request for Proposals from professional collection agencies and/or law firms.

The purpose of this outsourcing will be the collection of outstanding taxes owed by Tax Debtors located inside and outside New York State. All initial efforts will be made through collection calls and letters provided by the Contractor who is awarded the contract.

Any contract awarded is intended to supplement, not supplant, the overall Collection Efforts of the Department.

## Program Overview

The New York State Department of Taxation and Finance collects tax revenue and provides associated services in support of certain New York State government operations. In fulfilling its responsibilities, the Department collects and accounts for $76 billion in State taxes and about $40 billion in local taxes; administers over 40 tax types, including New York City and City of Yonkers income taxes; and processes about 26 million returns. In executing these responsibilities, the Department is obligated to efficiently collect tax revenues in support of state services and programs while acting with integrity and fairness in the administration of the tax laws of New York State.

The Civil Enforcement Division (CED) operates as the Department’s internal collection agency for the collection of all outstanding tax Liabilities owed to the State of New York.

## Implementation of Services

The Collection Services solicited herein must be operational no later than six months after the start date of the Development Phase as later defined in **Section 1.4., Contract Phases**, unless extended at the Department’s sole discretion. Upon award of a Contract, a comprehensive implementation plan must be provided to the Department which demonstrates the ability to:

* Work within a project schedule, achieve milestones and provide deliverables in a timely manner;
* Provide sufficient staffing for development, implementation and on-going support throughout the entire duration of the Contract;
* Establish and maintain an effective working relationship with Department staff; and
* Resolve problems that may affect the delivery of the services.

## Contract Phases

The Contract will have four distinctive phases:

* **Network Connectivity Phase –** This phase will begin two weeks after approval of the Contract by the New York State Attorney General and Office of the State Comptroller. This phase may last up to one month unless extended at the Department’s sole discretion. During this phase, the Contractor will be expected to successfully transmit, receive, process and post a Department test file.
* **Development Phase** **–** This phase will begin at the conclusion of the Network Connectivity Phase. This phase may last no longer than six months unless extended at the Department’s sole discretion. During this phase the Contractor will be expected to complete all tasks necessary to commence the Active Collection Phase. The Development Phase will include the analysis of the Contractor’s existing systems, processes, design, coding and testing of any modifications to those processes or the development of new processes for performing the Collection Services.
* **Active Collection Phase –** This phase will commence immediately after the successful completion of the Development Phase and will conclude approximately six months prior to Contract expiration or upon notification of Contract termination. The Contractor will be expected to perform Collection Services in order to collect outstanding taxes owed by Tax Debtors on the Department’s Cases throughout this phase.
* **Disengagement Phase –** This phase will begin at the conclusion of the Active Collection Phase. The Contractor shall work with the Department to draft a complete detailed Disengagement Plan within two (2) years of the start date of the Active Collection phase, or sooner as may be requested by DTF. During this phase, collections may continue on collection Cases already placed with the Contractor.  However, additional Case placement may be reduced or eliminated.  Should the Department elect to terminate the Contract, disengagement activities will begin forthwith upon Contractor’s receipt of notice of termination and proceed expeditiously until concluded to the Department’s satisfaction. See **Table 4.1, Requirement 1.4., Disengagement Phase and Plan** for additional information.

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# Scope of Services

* 1. **Background**

When a tax Liability is not fully paid when due, the Department may issue an Assessment for the outstanding Liability. The appropriate billing document(s) are sent to the Tax Debtor. The Tax Debtor has a statutorily mandated amount of time in which to respond to the billing document(s). If the Liability remains outstanding beyond the liability protest period, a Case is created and referred to the Civil Enforcement Division (CED).

CED begins its Collection Efforts by offering the Tax Debtor an opportunity to voluntarily resolve their outstanding Case by sending one or more collection letters seeking payment. If not resolved, the Case may be assigned within CED for progressive collection work. This assignment is dependent on a variety of Case characteristics and predetermined assignment rules.

CED pursues progressive collection through various means including, but not limited to:

* Contacting Tax Debtors via mail, phone and in person;
* Negotiating Installment Payment Agreements (IPA);
* Issuing Tax Warrants;
* Serving levies on banks or other third parties;
* Issuing income executions (wage garnishments); and
* Seizing a Tax Debtor’s property, when appropriate, pursuant to CED’s levies.
  1. **Unresolved Case Pool**

While CED is very effective in resolving the Department’s collections Cases, not all Cases are resolved. Unresolved Cases are removed from active CED inventories so that new inventory may be assigned. It is from this unresolved pool of inventory that the Department selects Cases to refer for Collection Services.

These Cases may contain Assessments for various tax types administered by the Department. The majority will be Personal Income Tax and the three primary business tax types: Sales, Withholding, and Corporation. It is not uncommon for a Case to contain Assessments for multiple tax types.

* 1. **Case Characteristics**

Cases eligible for placement with the Contractor as a result of this Contract may contain the following characteristics based on the most current Department information:

* Tax Debtors will be located in the United States;
* Assessments within a Case may be actual, estimated or a combination of both;
* Assessments are warranted or within statute to warrant; and
* Cases may have been previously assigned to a collection agency.

**Exhibit 1, Case Characteristics** identifies a breakdown of the Assessments available as of October 21, 2021 for placement within the potential Case pool as follows:

* Number of Tax Debtors and Total Value of Assessments;
* Assessment Age Summary;
* Actual versus Estimated Assessments; and
* Total Tax Debtors by Warrant Status.
  1. **Volume**

As of October 21, 2021, there are approximately 930,000 unresolved Cases with an estimated value of $3.7 billion available for placement.

Please see **Section 2.3., Case Characteristics** for more detail.

The Department reserves the right to assign Cases, modify Case placements, and modify the inventory at its sole discretion.

* 1. **Inventory Placement**

The Department intends to make an initial placement of 50,000 Cases from the unresolved Case pool at the beginning of the Active Collection Phase. The Cases to be placed will be chosen from the pool in the Department’s sole discretion. It is the Department’s intention to replenish and/or add to the unresolved Case pool with Recalled or returned Cases on a monthly basis to maintain an average caseload placed with the Contractor of approximately 50,000 cases.

As noted in **Section 2.3., Case Characteristics**, some Cases eligible for placement under the Contract have been previously assigned to a collection agency. It is the Department’s intention to give these Cases lower priority for initial placement under the Contract. The Contractor will also receive new Assessments during the term of the Contract for taxpayers who have fully paid previous Assessments.

The Department reserves the right to modify Case placements at its sole discretion.

* 1. **Inventory Retention**

The Contractor will be responsible for identifying non-productive Cases to return to the Department in order to receive new Cases.

In addition, Cases will be placed with the Contractor for a maximum period of 180 days unless a valid and current Installment Payment Agreement (IPA) is in place. If 3 consecutive payments have been missed on an Installment Payment Agreement (IPA), this is considered non-productive and the Case must be returned. At the end of the 180-day period, Cases will be Recalled unless an extension of time is approved by the Department. Extensions will be considered on a Case-by-Case basis. The Department has sole discretion on approval of an extension and the decision of the Department is final.

The Department reserves the right to Recall any Case at any time, based on law, policy, procedure or for any reason the Department deems necessary.

Under no circumstances may any Case remain with the Contractor after Contract expiration or termination.

* 1. **Administrative Resolution**

The Department will place Cases with the Contractor that, for a variety of reasons, may contain Assessments requiring resolution by means other than payment. Additionally, based on information received from the Tax Debtor, the Department may resolve Assessments contained in Cases placed with the Contractor which requires the Assessment(s) to be adjusted or cancelled. In the event that all Assessments contained within a Case are resolved via administrative resolution, the Case will be Recalled.

Administrative resolution may include, but is not limited to, the following:

* **Estimated Assessments**

The resolution of these Assessments will require the Contractor to either:

* + Direct the Tax Debtor to remit a tax return to the Department, or
  + Communicate information to the Department relating to the Tax Debtor which may result in the cancellation or adjustment of an Assessment.
* **Bankruptcy, Receivership and Assignment for Benefit of Creditors**

If Tax Debtors indicate they are currently in bankruptcy, receivership or subject to an assignment for benefit of creditors, and they provide the Contractor with documentary evidence to support their assertion, the Contractor must **immediately** cease all collection activity and forward any pertinent documentation to the Department in the manner prescribed by the Department. The Department will review the material submitted and advise the Contractor if collection may resume. Otherwise, the Case will be Recalled.

* **Deceased Tax Debtors**

If the Contractor becomes aware that a Tax Debtor is deceased, the Contractor must **immediately** cease all collection activity and forward any pertinent documentation to the Department in the manner prescribed by the Department. The Case will be Recalled.

* **Tax Debtor Disputes**

If a Tax Debtor disputes an Assessment issued by the Department, and/or a process employed by the Contractor to collect the unpaid tax obligation, the Contractor must communicate the nature of the debtor’s dispute to the Department. The Department will evaluate the factual and/or legal basis of the Tax Debtor’s dispute and, depending on its findings, shall advise the Contractor to either cease or resume its collection activity against the Tax Debtor. During this process, the Case may be put on hold and it may be Recalled by the Department.

* **Tax Debtors in Active Military Status**

If the Contractor becomes aware that a Tax Debtor is currently in active military status in a combat zone or qualified hazardous duty area, the Contractor must **immediately** cease all collection activity and forward any pertinent documentation to the Department in the manner prescribed by the Department. The Department will review the material submitted and advise the Contractor if collection may resume. Otherwise, the Case will be Recalled.

* **Incarcerated Tax Debtors**

If the Contractor becomes aware that a Tax Debtor is incarcerated, the Contractor must **immediately** cease all collection activity and forward any pertinent documentation to the Department in the manner prescribed by the Department. The Department will review the material submitted and advise the Contractor if collection may resume. Otherwise, the Case will be Recalled.

* 1. **Case Resolution**

The Contractor must attempt to resolve all Cases via full payment, IPA or, when applicable, Administrative Resolution. See **Section 2.7., Administrative Resolution**.

The Contractor is expected to identify Cases appropriate for filing judgments and post-judgment proceedings where a Tax Debtor and/or the Tax Debtor’s source of income or assets are thought to be located outside the State of New York and refer these cases to the Department for further review.

In addition, the Contractor must be aware there may be ongoing Department efforts to resolve Cases placed with the Contractor.

* 1. **Department Programs**

In the event the Department should conduct any limited programs (e.g., Amnesty) to allow Tax Debtors to remit payment at a reduced amount in exchange for full resolution of their Liability during the Contract period, the Department reserves the right to Recall the affected Cases.

* 1. **Contractor Reliance on the Department**

The Contractor must handle all routine issues involving Tax Debtor Liability based on information supplied by the Department and/or obtained from the Tax Debtor. If the Contractor is unable to address an issue raised by a Tax Debtor, the Contractor must immediately consult with the Department.

* 1. **Payments Remitted by Tax Debtors**

The Contractor must instruct Tax Debtors to remit payments directly to the Department using only acceptable payment options as identified by the Department. Acceptable payment options are:

* Payment by check, money order or other similar negotiable instrument;
* Payment by Electronic Funds Withdrawal (ACH Debit); and
* Payment by credit card and debit card.

Under no circumstance should the Contractor instruct a Tax Debtor to remit payment, using any payment option, directly to the Contractor. In all instances where payment(s) from a Tax Debtor are received by the Contractor, the payments must be redirected by the Contractor to the Department on a daily basis, without deducting any Contractor fees, in the manner prescribed by the Department.

Additional payment options may be developed during the term of the Contract.

* 1. **Tax Returns Submitted by Tax Debtors**

When a tax return is required to be filed by a Tax Debtor, the Contractor must instruct the Tax Debtor to submit its tax return(s), with or without payment, directly to the Department. Under no circumstance should the Contractor instruct a Tax Debtor to submit a tax return, with or without payment, directly to the Contractor. In all instances where a tax return from a Tax Debtor is received by the Contractor, with or without payment, the Contractor must immediately notify the Department and the return must be sent to the Department in the manner prescribed by the Department.

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# Qualifying Requirements

Only qualified entities may submit a proposal in response to this RFP. A qualified entity is defined as one that meets **all of the following Qualifying Requirements. Entities not meeting these Qualifying Requirements should not submit a proposal.**

| **TABLE 3.1: QUALIFYING REQUIREMENTS** | | | |
| --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | |
| **3.1 Electronic File Exchange** | | | |
|  | The Bidder must have the capacity to engage in electronic data file exchange with the Department, and must use an electronic data exchange protocol acceptable to the Department as described in **Table 4.1, Requirement 2.1., Communications Environment**.  Data file exchange processes that are specifically unacceptable are: magnetic tapes, e-mail, paper, CD, DVD, floppy disc, removable drives, analog or digital dial up, Value Added Network’s (VAN) or DSL connections. | The Bidder must affirm that it meets, and will continue to meet, this requirement. | |
|  | Yes, the Bidder affirms that it meets, and will continue to meet, this requirement. |
| **3.2 Qualifying Experience** | | | |
|  | The Bidder must have, and be able to demonstrate, its relevant collections experience by submitting evidence of up to three (3) collections contracts that confirm:   * The Bidder has a minimum of five (5) years of experience collecting debts on behalf of clients since January 1, 2016. * The Bidder has at least one (1) contract since January 1, 2016 that demonstrates the Bidder has Multi-State collection experience. * For at least two (2) years since January 1, 2016, the Bidder worked a case volume of 10,000 debtors annually. This annual volume must be met by a single client. However, up to two (2) contracts can be used to meet the two (2) year requirement. | The Bidder must affirm that it meets this requirement, and supply the required reference information. | |
|  | Yes, the Bidder affirms that it meets this requirement and has supplied the required reference information. |
| The Bidder must complete **Attachment 5, Experience and References** to demonstrate the experience required.  The Bidder should provide up to three (3) contracts total on **Attachment 5, Experience and References**. These contracts must collectively demonstrate the experience required in this **Table 3.1, Requirement 3.2**, and will be further evaluated and scored in the **Table 4.1, Requirement** **4, Bidder Experience and References**.  **NOTE:** The Bidder is solely responsible for providing contact information of clients that are readily available to be contacted by DTF and will respond to questions. **Failure to provide references demonstrating this required experience will result in the disqualification of the Bidder’s proposal.** | |
| **END OF TABLE 3.1: QUALIFYING REQUIREMENTS** | | | |

***[Remainder of Page Intentionally Left Blank]***

# Technical Requirements

This section of the RFP provides instructions to Bidders regarding information that is to be included in the Technical Proposal. The Department reminds Bidders that responses must be complete, factual, and as detailed as necessary to allow the Department to perform a comprehensive review and evaluation of Bidder’s proposed services, capabilities, and experience.

There are mandatory requirements stated throughout this section stipulated by the words “must,” “shall,” “will,” and “required.” Failure to provide or include the affirmation of understanding of, and agreement to comply with, each mandatory requirement will result in the Proposal being deemed non-responsive and removed from further consideration. While not mandatory, not providing information in response to service requirements labelled with the words “should,” “desired,” or “preferred” in this section may negatively impact the Technical Proposal score.

**If Subcontractors are proposed to be used, delineate who the Subcontractors are in Attachment 6, Listing of Proposed Subcontractors, AND identify in each Response any Subcontractor to be used and include their role in providing the services for that requirement.**

| **TABLE 4.1: FUNCTIONAL REQUIREMENTS** | | | | |
| --- | --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | | | |
| **1.** | **COLLECTION SERVICES REQUIREMENTS** | | | | |
| **1.1.** | **Department Access to Contractor’s Collection System** | | | | |
|  | The Contractor must provide the Department remote access to the Contractor's collection system, in real time, for active, Recalled, and returned Cases. The Department will evaluate and award points for the proposed collections system in terms of access, functionality and navigation including, but not limited to:   * + - * if access is user or terminal based;       * if the collection system utilizes Graphical User Interface (GUI) system; and       * availability of access (e.g. 24/7) | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder should provide, in narrative form, information relating to the Contractor’s collection system. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **1.2.** | **Department Service Observation** | | | | |
|  | The Contractor must have the ability to record all phone calls conducted by the Contractor with Tax Debtors. The Contractor must provide remote access of these recorded calls to the Department.  The Contractor must retain all recorded calls for a minimum of two (2) years. | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder should describe how this requirement will be met.  The Department will evaluate and award points to the Bidder’s response. Additional points may be gained with respect to how the Proposal addresses the following subjects:   * + Department’s real-time access for all Contractor calls with Tax Debtors.   + Next day Department access for recorded calls with Tax Debtors.   + The ability of the Bidder to send recorded calls per request to the Department via a secure file transfer solution acceptable to the Department.   + The retention time for archiving recordings of complaint calls and calls authorizing payment. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **1.3.** | **Contractor Requirements** | | | | |
| **1.3.1.** | **Limitation in Subcontracting**  The Contractor must not use subcontractors to assist with active collection work, including but not limited to: routine phone calls to Tax Debtors, review of the Department’s Case referrals, review and/or request copies of the Tax Debtors’ federal and/or state tax returns, access to the Department’s Cases, emails and computer system, access to the Contractor’s Cases, emails, and computer system. Subcontractors must not be given access to the Tax Debtor’s Federal Tax Information (FTI), especially their social security numbers.  Any Subcontracting must be approved by the Department prior to the Subcontractor’s commencement of services. | |  |  | | --- | --- | | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | | | |
| **1.3.2.** | **Contacting Tax Debtors**  The Contractor must have a process for contacting Tax Debtors by telephone and written correspondence, which complies with applicable federal and state laws and regulations.  The Contractor must ensure that robocalls to cell phones will not be utilized as a part of the Collection Services provided under this Contract. | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder must provide samples of the collection letters. | | | |
|  | | The Bidder has provided the samples of the collection letters. | |
| **1.3.3.** | The Department prefers that the Contractor has the ability to contact Tax Debtors in foreign languages. | The Bidder should provide samples of the collection letters written in foreign languages, currently being utilized, if any. | | | |
| Indicate if the Bidder has or intends to have collection staff who are proficient in speaking and comprehending Spanish in the performance of Collection Services on behalf of the Department.  Yes  No | | | |
| Indicate if a third-party language translation service is utilized.  Yes  No | | | |
| **1.3.4.** | **Documents and Phone Scripts**  The Contractor must obtain the Department’s pre-approval of all documents and phone scripts prior to use in Collection Efforts on Cases placed under the Contract. The Department reserves the right to change the Contractor’s collection practices for the Department’s collection work if it is determined that collection practices utilized by the Contractor are not consistent with Department policies and procedures. | The Bidder must affirm understanding of, and agreement to comply with, this requirement.   |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | | | |
| **1.3.5.** | **Case Scoring, Prioritization, and Skip Tracing efforts**  The Contractor must describe its process, if any, for Case scoring, prioritization and skip tracing. The process may include both automated and manual efforts. | The Bidder should describe its process, for this requirement, including a description for both automated and manual procedures for case scoring, prioritization and skip tracing efforts.  It is desirable that the Bidder also:   * Provide flowcharts of processes; * Indicate if any statistical or algorithmic scoring is used for Case scoring in terms of recovery expectations; and * Indicate if specialized personnel dedicated to skip tracing will be utilized for the Contract. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **1.3.6.** | **Quality Assurance**  The Contractor must have a quality assurance process in place to provide appropriate training, supervision, monitoring, controls, and complaint investigation and resolution with respect to Contractor personnel and systems handling the Cases assigned to the Contractor by the Department. | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder should describe their quality assurance process, including but not limited to, the following:   * Their procedure for handling/resolving debtor complaints including, but not limited to, if an independent quality assurance person or advocate reviews debtor complaints; * Their procedure for reviewing collector phone calls; and * Their procedure for training collection staff on applicable collection laws and regulations. The description should Include information on how much time is devoted to classroom training versus on the job training. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **1.3.7.** | **Reports**  The Contractor must make available a variety of reports to the Department in a format and frequency prescribed by the Department. The reports will minimally include the following:   * inventory * collection actions taken (including new phone and mail contacts, active Installment Payment Agreements, etc.) for each referred Case * Tax Debtor complaints * staffing * exception reports * fiscal year end summaries | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | | | |
| **1.3.8.** | **Secure Area**  The Contractor and their Subcontractors must maintain a secure area for conducting all work relative to the Contract. A secure area is defined as one that provides the following:   * No access to the general public; * No access by Contractor employees who are not directly involved with the Contract; * Separate storage of all Department materials; * A locked area for all documents and information containing FTI in compliance with Publication 1075; and * A means to handle controlled destruction of all Department information and data. | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | | | |
| **1.3.9.** | **Contractor Facility/Staffing**  DTF prefers that the Contractor have a single facility (location) to interact with Contractor staff for day to day operations in performance of Collection Services on behalf of the Department.  The Department prefers that the Client Services/Collection manager assigned to work on the Department’s Cases have Federal and/or state tax collection experience. | State whether the Bidder will be performing Collection Services on behalf of the Department in a single facility (location).  Yes  No | | | |
| State if the following Contractor staff will be assigned to work on the Department’s Cases and if the staff will be at the same location:   * Contract Administrator; * Client Services / Collection Manager; * Collection staff; and * IT staff   If the above Contractor staff will be assigned to work on the Department’s Cases but at more than one location, identify which staff will be at another location(s) and identify the additional location(s). | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| The Bidder should describe the proposed client services’/collection manager’s Federal and/or state tax collection experience, including the duration for each experience. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| Will the Department interact directly with Collection staff for Operations?  Yes  No | | | |
| Will the Department interact directly with Client Services / Collection Manager for Operations?  Yes  No | | | |
| **1.3.10.** | **Business Continuity**  The Contractor must ensure a sufficient level of business continuity, with no disruptions to the Collection Services, in the event that operations cease at the Contractor’s primary facility where Collection Services are being performed. | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. |   The Bidder should provide an overview of the business continuity, disaster recovery, and fail-safe operations that can be provided to the Department.  This overview should include a description of the alternate facility(ies), staffing, and equipment utilized to ensure continuity of services if there is an interruption of Collection Services for any length of time by a disaster or other unforeseen event. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **The Bidder should provide the distance between the Contractor’s primary site where Collection Services on behalf of the Department will be performed and any alternate facility utilized by the Contractor, including the Contractor’s disaster recovery/business continuity site(s):** | | | |
|  | | | |
| **1.3.11.** | **Toll-Free Number**  The Contractor must maintain an exclusive nationwide toll-free telephone number for use by Tax Debtors. | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | | | |
| **1.3.12.** | **Professional Memberships or Associations**  It is desirable that the Contractor be a member of at least one professional debt collection association (e.g., ACA International). | The Bidder should provide a list of any professional membership(s) it has and/ or association(s) it belongs to. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **1.4.** | **Disengagement Phase and Plan** | | | |
| **1.4.1.** | The Contractor will work with the Department to draft a complete detailed Disengagement Plan within two (2) years of the start date of the Active Collective Phase, or sooner as may be requested by DTF. The Disengagement Plan may be subject to change, if necessary, as agreed or requested by the Department. The Department will prescribe the disengagement process to be followed during the Disengagement Phase.  Disengagement requirements to be provided for in the Disengagement Plan are to include the following. Contractor must promptly:   * send to the Department any Tax Debtor communications received after the Contract ends; * destroy or return to the Department, as directed, all paper records, including, but not limited to, work papers, photocopies, computer printouts, and transcripts, and DTF taxpayer information and Case-related files. Where destruction is required, records must be destroyed by shredding or disintegrating. Paper records should be shredded to 5/16 inch wide strips or smaller; * deactivate all active Department Cases, including taxpayer-specific or identifying data, on the Contractor’s system and return all Department Cases , except those DTF may permit Contractor to continue working, to DTF or DTF’s designee; * permit continued access by DTF to the Contractor’s system(s) until transfer of the Department Cases and data to DTF or DTF’s designee is tested and complete; * make sure to remove all Department data from the Contractor’s systems. Storage devices such as hard disk drives, thumb drives, and other magnetic media such as tapes, diskettes, and CDs/DVDs must be physically destroyed or securely overwritten to prevent unauthorized disclosure of Department and taxpayer-specific or identifying data; * make sure to remove all Department data from the Contractor’s system, including both on-site and off-site backup copies, in accordance with applicable laws and regulations, including IRS Publication 1075. Electronic media containing FTI must not be made available for reuse by other offices or released for destruction without first being subjected to electromagnetic testing; and * comply with all record destruction policies in accordance with the Office of Information Technology Services Policy for Sanitization/Secure Disposal in NYS-S13-003 found here: <https://its.ny.gov/sites/default/files/documents/nys-s13-003_sanitization_secure_disposal_standard.pdf>   **Documentation:**  The Contractor must provide to the Department a record of the media sanitization or disposal and maintain a record of the destruction for a period of one year from the date of last destruction. This record is to contain:   * the date and time of the sanitization or disposal; * a description of the data; * a description of the media; * the method of sanitization or disposal (clear/purge/physical destruction); * the name of the Contractor; * If a subcontractor was hired to handle the destruction, provide the name and contact information of the subcontractor. * Contractor contact name for information regarding the sanitization or disposal activity; and * the name and title of the officer, such as the company Chief Information Officer, Information Security Officer, or Privacy Officer, responsible for sanitization or disposal of media. This officer must sign and send the record via US Mail or email to the Department-designated contact.   In addition, at the conclusion of the Contract, the Contractor must provide the Department’s designated contact with a notarized document. Said document must be executed under penalty of perjury by an official authorized to bind the Contractor, affirming the Contractor has complied with the terms and conditions for record destruction and sanitation requirements during the Disengagement Phase that are prescribed by the Department. | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. | | |
| |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. | | | |
| The Bidder should describe how this Requirement will be met. | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | |
| **1.4.2.** | If the Contract is terminated by DTF prior to Contractor’s drafting a complete and acceptable Disengagement Plan, the Disengagement Phase will begin upon Contractor’s receipt of notice of termination. Contractor shall work with DTF to complete a detailed Disengagement Plan. DTF will set a deadline for disengagement activities in the notice of termination and Contractor will comply with the deadline in good faith. | | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. | | --- | | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. | | | | |
| **1.4.3.** | In the event of a reorganization, merger, acquisition, consolidation or other change to Contactor’s business impacting its performance under the Agreement (herein “Acquired Business Event” or “ABE”), the Contractor shall notify the Department in writing of such ABE as soon as possible, but no later than five (5) business days after execution of a notice of intent regarding the ABE.  The ABE written notification must be sent to the address for notices set forth in the Agreement and provide sufficient detail about the ABE and its impacts on the services provided by the Contractor for DTF to assess whether the circumstances require disengagement. | | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. | | --- | | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. | | | | |
| **1.4.4.** | If DTF determines, in its sole discretion, that the Acquired Business Event, requires disengagement, DTF shall inform Contractor in writing of the date of commencement of the Disengagement Phase, which shall continue until all disengagement activities are completely performed by the Contractor and any subcontractors.  If the ABE occurs before an acceptable Disengagement Plan has been drafted and agreed upon by the Parties, then DTF shall notify the Contractor to draft a complete Disengagement Plan in consultation with DTF within a specified timeframe and, upon finalization of an agreed upon Disengagement Plan, implementation of disengagement activities shall commence and continue until all disengagement activities are completely performed by the Contractor and any subcontractors. | | The Bidder must affirm understanding of, and agreement to comply with, this Requirement. | | --- | | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this Requirement. | | | | |
| **2.** | **SYSTEM REQUIREMENTS** | | | |
| **2.1.** | **Communications Environment** | | | | |
| **2.1.1.** | **Electronic Data File Exchange**  The Department requires electronic data file exchange to and from the Department over the internet. The Contractor must have the capacity to engage in electronic data file exchange using protocols acceptable to the Department. Data file exchange processes that are specifically unacceptable are: magnetic tapes, e-mail, paper, CD, DVD, floppy disc, removable drives, analog or digital dial up, Value Added Network’s (VAN) or DSL connections.  The Contractor must use a secure file transfer protocol that is acceptable to the Department. The list below describes the secure file transfer protocols currently approved by the Department, listed in order of preference:  This list includes, but is not limited to:   * HTTPS browser or compatible clients – pickup and drop at Department servers only. (Port 443). The encryption algorithm must be Transport Layer Security (TLS) 1.2 or better. * SFTP (SSH/FTP) using minimum 2048 bit key based authentication (Port 22) * FTPS (FTP/SSL) Explicit FTPS allowed (Port 21 and passive data ports range 3000 – 3999)   Additionally, the Department also supports the optional use of “Pretty Good Privacy” (PGP) or the open source equivalent “Gnu Privacy Guard” (GPG) with public encryption key exchange. Testing is required to ensure that the encryption and version of software used by the Contractor is compatible with Department software. This connection will need to meet all Department and industry standard security measures, including using standard TCP Ports.  This connection, encryption algorithms, and all technology that receives, stores, processes, or transmits Department confidential information or Federal Tax Information (FTI) must meet the current versions of NYS ITS Information security policies provided on the following website:  <https://its.ny.gov/tables/technologypolicyindex>  They must also meet the current version of IRS Publication 1075, NIST 800 (moderate), and associated documentation located here:  <https://www.irs.gov/pub/irs-pdf/p1075.pdf>  <https://www.irs.gov/privacy-disclosure/safeguards-program>  <https://www.irs.gov/privacy-disclosure/computer-security-compliance-references-and-related-topics>  <https://csrc.nist.gov/publications/sp800>  If NYS ITS Information Security Policies, IRS Publication 1075 and NIST 800 (moderate) and associated documentation differ, the above must meet the strongest requirements, as identified by the Department. | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder should describe the proposed method of electronic data file exchange. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| The Bidder should describe its data communication security measures. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **2.1.2.** | **Additional Communication Requirements**  The Contractor must have the following:   * **Internet Browser Software -** The Contractor must have acceptable internet browser software to enable the Contractor’s staff to access the Department’s website. The current Department minimum requirement is a secure internet browser that supports encryption algorithm TLS 1.2 or better. Browser must support JavaScript to use all of the features on the Department’s site.   The proposed system will be subject to the Department’s ultimate approval. | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder should provide a narrative that demonstrates the Bidder has acceptable internet browser software. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **2.1.3.** | **Technology Upgrades**  The Contractor must agree to make technological changes in order to meet upgrades to industry supported standards including alignment with updates to NYS policies and standards and IRS Publication 1075 and associated documentation. | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | |
| **2.1.4.** | **Storage of Department Data/Information**  Department or Tax Information may not be received, processed, stored, transmitted or disposed of by information technology (IT) systems located offshore.  The storage of any Department data/information on a cloud or other server owned by a third party must comply with all pertinent sections of NYS ITS Information security policies, IRS Publication 1075, and associated documentation, including but not limited to:   * <https://its.ny.gov/tables/technologypolicyindex> * <https://www.irs.gov/pub/irs-pdf/p1075.pdf> * <https://www.irs.gov/privacy-disclosure/safeguards-program> * <https://www.irs.gov/privacy-disclosure/computer-security-compliance-references-and-related-topics> * <https://csrc.nist.gov/publications/sp800> * FedRamp Certification – <https://www.fedramp.gov/#auth-process> | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | |
| **2.2.** | **System Functionality** | | | | |
| **2.2.1.** | **Functions**  The Contractor’s system must perform the following functions:   * Process files received by the Department. This process must include storing the data on the Contractor’s system as a new Case or as an update to a previously assigned Case. * Create and transmit files to the Department as described in **Table 4.1, Requirement** **2.2.2., Files** below. * Provide exception processing and reporting when files from the Department are processed, including where: * Tax Debtors identified as an update on the Assignment/Update file from the Department are not active on the Contractor’s system. * Active Tax Debtors on the Contractor’s system are not on Department Assignment/Update files. * Records on Department files cannot be processed and posted to the Contractor’s system. * Provide integrity checking mechanisms to ensure the data is not altered in an unauthorized manner. * Provide and support the reports identified in **Table 4.1, Requirement 1.3.7., Reports.** * Record all contacts with Tax Debtors. * Record all events that affect collection activity (bankruptcy, death of Tax Debtor, etc.).   **The Contractor’s collection system must be able to store and process Tax Debtor information as follows:**   * The Contractor must use the ten-character Case identification number supplied by the Department as a key into their system. See **Exhibit 2, Assignment/Update File** for description. * Cases may be composed of multiple Assessments. The Contractor must link all Assessments for a Tax Debtor to the Case identification number supplied by the Department. * The Contractor must store Tax Debtor data at an Assessment level basis to ensure balances can be updated at this level, collection activity can be placed on hold on an individual Assessment basis, and that the Contractor’s system supports an audit trail of collection activity sufficient for reporting and auditing. * The Contractor must store a joint indicator at the Assessment level and link one Assessment to two Tax Debtors. The Contractor must be able to work and return joint Tax Debtor Cases independently of each other. See **Exhibit 2, Assignment/Update File**. * The Contractor must store an associated Tax Debtor indicator at the Assessment level. See **Exhibit 2, Assignment/Update File**. * The Contractor must store the check digit provided for Taxpayer Identification Number, Assessment Number and Collection Case ID for inclusion on all Tax Debtor correspondence. See **Exhibit 2, Assignment/Update File.** | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder should describe how this requirement will be met. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| **2.2.2.** | **Files**  The Department will establish a schedule for the electronic transmission of various files between the Department and the Contractor. The Contractor must adhere to this schedule of file transfers. Files must be processed timely and in the sequence prescribed by the Department.  The following are the files that will be exchanged and processed between the Department and the Contractor. The file layouts below will be finalized during the Development Phase:  **Department to Contractor File**   * Assignment/Update File – Each week the Department will create and transmit a file of newly assigned Cases and updated information for previously assigned Cases. See **Exhibit 2, Assignment/Update File,** for file layout. * Payment File – Twice a month the Department will create and transmit a file for reconciling payments. See **Exhibit 3, Payment File Layout**, for file layout.   **Contractor to Department Files**   * Return File – Contractor must create and transmit a Return File of completed Cases, and/or Cases that the Department has Recalled via the Assignment/Update File, using the file format provided. See **Exhibit 4, Return/Recall File** for file layout. * Recall File – Contractor will be required, no more frequently than once a day, to create and transmit a Return File of Recalled Cases using the file format provided. See **Exhibit 4, Return/Recall File** for file layout. * Case Contact File – Contractor must create and transmit a taxpayer Case contact file using the file format provided. See **Exhibit 5, Case Contact File Layout**.   Contractor must store a minimum of ten (10) generations of scheduled files and twenty (20) generations of requested files. | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | |
| The Bidder must provide a complete narrative description of its proposed system. The narrative description should include:   * The process for receiving files sent from the Department (see **Exhibit 2, Assignment/Update File**), including edits and validations performed, storage of the data on the Contractor’s system, exception processing (identification, reporting, resolution), storage of new Tax Debtor records, and update of previously stored Tax Debtor records. * The process for encrypting data in transit and data at rest. * The process for creating files sent to the Department (See **Exhibit 4, Return/Recall File and Exhibit 5, Case Contact File Layout**). * The process that will store the records needed to support the Case history requirement and required management reporting. * A Data Model Diagram that shows how the Tax Debtor records will be stored in the Bidder’s system, including all keys and relationships. * A development timeline that shows projected dates for each phase indicated in **Section 1.4., Contract Phases** and milestones for the project.   The Bidder should also indicate which processes of the proposed system are: 1) existing; 2) modifications of existing processes and 3) new processes.  **Please note: Generic system information, white papers and/or promotional material provided in response or supplemental to the above requested narrative is not sufficient to meet the requirements of this Section.** | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| The Bidder must provide system flowcharts. | | | |
|  | Yes, the Bidder has attached system flowcharts to this requirement. | | |
| **2.3.** | **Development and Support of the System** | | | | |
| **2.3.1.** | **Implementation**  The Contractor must complete the Development Phase within six (6) months of network connectivity completion, unless extended at the Department’s sole discretion, as well as provide support during each Contract Phase set forth in **Section 1.4., Contract Phases**. | |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. |   The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | | |
| **2.3.2.** | **Support and Maintenance**  The Contractor must provide support and maintenance for all software and hardware used to support the Collection Services in this RFP for both the primary facility and any facility utilized in the event of a disaster. | |  |  | | --- | --- | |  | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. |   The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement. | | | |
| **2.3.3.** | **Problem Resolution**  The Contractor must communicate and coordinate resolution of any issues or problems that may occur, correct any problems, and implement any changes within two (2) business days of the discovery of the issue/problem, unless otherwise agreed to in writing. | |  |  | | --- | --- | |  | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. |   The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement. | | | |
| **3.** | **SECURITY, CONFIDENTIALITY, INTEGRITY, AND AVAILABILITY** | | | | |
| **3.1.** | The Contractor must be able to assure the security, confidentiality, integrity, and availability of the Department's data in accordance with:   * Federal and New York State tax law provisions, as well as generally accepted information security policies, procedures, and standards. * NYS Security Policies, which can be found at:   <https://its.ny.gov/tables/technologypolicyindex>   * Publication 1075 and NIST 800 (moderate) and associated documentation which can be found at:   <https://www.irs.gov/pub/irs-pdf/p1075.pdf>; and  <https://www.irs.gov/privacy-disclosure/safeguards-program>  <https://www.irs.gov/privacy-disclosure/computer-security-compliance-references-and-related-topics>  <https://csrc.nist.gov/publications/sp800>  The Department’s mandatory requirements for security, confidentiality, integrity, and availability include **all** of the following:   * Documented information security policies that address the security, confidentiality, integrity, and availability of the Contractor’s information systems. * Documented procedures and physical security controls which limit access to the Contractor’s data center, or an area where computer hardware is located, to only those employees with job functions that require access (computer operations staff, quality control, systems programmers, etc.). * Documented procedures and logical data access controls which restrict access to information stored within the computer system to only those employees who require access to such information to perform job related functions. * Network security controls that ensure the Contractor’s information systems are protected from unauthorized access from outside the Contractor’s network. * Policies and programs used for the encryption of data in transit and data at rest. | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement. | | | |
|  | | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | |
| 1. The Bidder should describe how this requirement will be met. | | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | | |
| 1. The Bidder should describe its current security programs, policies, and procedures which will be evaluated and scored to the extent they demonstrate:  * Programs, policies and procedures used to provide discretionary access control to systems and data. This information should address both physical security and electronic data security. * Defined roles and responsibilities of all of those using the Contractor's information systems. * Separate computing environments for test, quality assurance, and production systems. * Policies, procedures and controls for backup and recovery of data. * Off-site storage and disaster recovery operations. * A process and procedure which conforms to Federal and State Tax Law requirements for controlled destruction of system output or other documents containing Tax Debtor identifying data (name, address, identification numbers, etc.). * A process and procedure which conforms to generally accepted best practices to sanitize or dispose of obsolete electronic information on all forms of electronic media to be used in the proposed system. * Protection against unauthorized access or disclosure 1) by employees, consultants, and others located at its facilities; and 2) from external sources, such as dial-in or via internet access. * Procedures for data breach notification and data breach incident response. * Processes to monitor the Contractor’s and Subcontractor’s compliance with its information security policies, such as internal audit controls and/or independent audit programs. * Network security controls or programs, such as virus protection, intrusion detection systems, and firewall rules that protect the Contractor’s and Subcontractor’s information systems from unauthorized access. * Description of the Contractor’s system to record, maintain, and report on collection Case activity (audit trails) as attested to in **Section 6.14., Audit Trail, Internal Controls, and Ability to Audit**. | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | |
| 1. The Bidder must submit a copy of any audits, internal or external, performed within the past three years that cover the specific requirements set forth in this section. Summary audit results or redacted audits are acceptable, as necessary, to address confidentiality concerns. Bidder must at least indicate if security measures relating to requirements set forth in this section were adequate or deficient. | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | | |
| **3.2.** | Personal identifiable information (PII) stored on the Contractor’s system must be encrypted in transit and at rest. For more information on which encryption to use, see the NYS ITS encryption standard, NYS-S14-007. See the link below for additional information:  <https://www.its.ny.gov/document/encryption-standard> | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement.   |  |  | | --- | --- | |  | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | | | |
| **3.3.** | This connection, encryption algorithms, and all technology that receives, stores, processes, or transmits Department confidential information or Federal Tax Information (FTI) must meet the current versions of NYS ITS Information security policies provided on the following website:  <https://its.ny.gov/tables/technologypolicyindex>  They must also meet the current version of IRS Publication 1075, NIST 800 (moderate), and associated documentation located here:  <https://www.irs.gov/pub/irs-pdf/p1075.pdf>  <https://www.irs.gov/privacy-disclosure/safeguards-program>  <https://www.irs.gov/privacy-disclosure/computer-security-compliance-references-and-related-topics>  <https://csrc.nist.gov/publications/sp800>  If NYS ITS Information Security Policies, IRS Publication 1075 and NIST 800 (moderate) and associated documentation differ, the above must meet the strongest requirements, as identified by the Department. | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement.   |  |  | | --- | --- | |  | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | | | |
| **3.4.** | The Contractor must work with NYS to perform a security review/risk assessment of the proposed security architecture.  The purpose of the NYS security review is to determine whether adequate controls are in place to protect the availability of the system and the integrity and confidentiality of the information.  Contractor’s solution must pass an internal NYS security review conducted by NYS prior to production implementation and after any significant system modifications that is comprised of, but not limited to:   * Description of the system including a listing of hardware and software; * The sensitivity of data that is stored or transmitted; * A diagram of the system including system components, data stores, and connections; * Physical and logical vulnerabilities and associated security controls. * NYS review of Contractor documentation * As needed, the State will perform vulnerability, web application, and penetration scans. * Contractor will remediate all issues until their solution is compliant with all NYS Policies and Standards as determined by the State.   The Contractor must remediate all risks identified by the security assessment or obtain the Department’s approval for compensating controls. The final outcome and Department approval of the security risk assessment must be documented and provided to the Department. | The Bidder, after verification with the Chief Information Officer or equivalent role, must affirm understanding of, and agreement to comply with, this requirement.   |  |  | | --- | --- | |  | Yes, the Bidder verified with the Chief Information Officer or equivalent role and affirms its understanding of, and agreement to comply with, this requirement. | | | |
| **3.5.** | The Contractor and the Contractor’s employees with access to or who use Federal Tax Information (FTI) must meet the background check requirements defined in IRS Publication 1075. | The Bidder must affirm understanding of, and agreement to comply with, this requirement.   |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | | |
| **3.6.** | The Department shall have the right to send its officers and employees and/or agents into the facilities of the Contractor for inspection of the facilities and operations utilized in the performance of any work under the Contract.  On the basis of such inspection, corrective measures to rectify noncompliance shall be required in cases where the Contractor is found to be noncompliant with any security requirement stated in the Contract.  The Contractor must implement the necessary corrective measures so that the Department, in its sole discretion, determines the implemented corrective measures have brought the Contractor into compliance with any prior non-compliant security requirement stated in the Contract. | The Bidder must affirm understanding of, and agreement to comply with, this requirement.   |  |  | | --- | --- | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | | |
| **4.** | **BIDDER EXPERIENCE AND REFERENCES** | | | |
| **4.1.** | DTF has set forth minimum Bidder experience requirements in **Table 3.1, Requirement 3.2** that all Bidders must meet.  Additionally, the Department prefers that the Bidder have prior experience in the collection of debt similar in nature, size, scope and complexity as set forth in this RFP. Those Bidders who can demonstrate they have this prior experience may receive a higher score for their experience. | The Bidder should provide references for up to three (3) contracts on **Attachment 5, Experience and References**.  The contracts must collectively demonstrate the experience required in **Table 3.1, Requirement 3.2.** If three (3) contracts have been submitted in response to **Table 3.1, Requirement 3.2.**, the three contracts will be evaluated in response to this **Table 4.1, Requirement 4.1**.  If the Bidder submitted less than three (3) contracts to meet **Table 3.1, Requirement 3.2**, the Bidder may submit additional reference contract(s) to demonstrate the experience sought in this **Table 4.1, Requirement 4.1**. A Bidder’s score for this section of the evaluation will be adversely impacted if less than three (3) contracts references are submitted.  The Bidder should provide information for contracts that best represent the Bidder’s ability to undertake a project of the nature, size, scope and complexity as set forth in this RFP.  The Department is particularly interested in and will evaluate and assign a higher score to the Bidder’s prior successful experience with:   * Tax debt collection for Federal and/or State entities for Personal Income, Corporation, Sales and/or Withholding taxes. * Tax debt collection for Federal and/or State entities **other than** Personal Income, Corporation, Sales and/or Withholding taxes. * Non-tax debt collection for Federal and/or state government entities. * The Department will also evaluate, but will give less weight to, local government or private debt collection contracts. * Special weight will also be given to each contract with an average annual placement of 10,000 debtors or more over the contract term.   Contact information should be provided for an individual(s) who can substantiate the Contractor’s work performed under the reference contracts submitted by the Bidder. Bidder should identify contacts as follows: (1) a person (s) that is familiar with the collections services (operations) provided by the Bidder and (2) an individual familiar with the reference client’s computer application system and the process for exchanging data (systems).  The Department will contact all client references to evaluate the Bidder’s past performance related to collections services. If the Department is unable to contact or obtain information from any client reference, the Bidder will assist in obtaining cooperation from the reference(s) who have not responded. | | | |
| In response to this requirement, the Bidder should provide experience and reference information on **Attachment 5, Experience and References.** | | | |

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| **TABLE 4.2: INSURANCE REQUIREMENTS** | | | |
| --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | |
| **1.** | The Contractor and any Subcontractor, as applicable, must procure and maintain insurance providing coverage against claims or judgments relevant to risks associated with providing the Collection Services throughout the duration of the Agreement.  Prior to commencing work under the Agreement, the Contractor must provide the Department with certificates of insurance in a form acceptable to the Department showing the respective coverages and applicable policy limits for insurance coverages for risks associated with providing the Collection Services. The contractor and any subcontractor, as applicable, shall be solely responsible for the payment of all applicable insurance premiums.  If the Bidder is self-insured for any portion of its insurance coverage(s), a letter indicating the coverage and limits of such self-insurance, signed by the Bidder’s authorized representative with direct knowledge of, and responsibility for, their insurance/risk management program should be provided. The Contractor shall be solely responsible for the payment of all applicable deductibles and self-insured retentions.  Information concerning coverage types, limits, and other specifics will be set forth in the Insurance section of the Agreement, as negotiated between the Parties.  Updated certificates of insurance (or other documentation where self-insured) must be provided to DTF throughout the life of the Agreement. | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | |
|  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. |
| Listed below are the insurance types and minimum amounts of coverage (except a minimum amount of coverage is not included for Commercial Umbrella and/or Excess Liability), that the Department prefers.  **The Bidder should provide copies of its current certificates of insurance or if self-insured, a letter, that includes a summary of the Bidder’s current insurance coverages, including the policy limits and effective dates for each of the following**:   * Commercial General Liability   + $1,000,000 per occurrence   + $2,000,000 aggregate * Business Automobile Liability   + $1,000,000 per occurrence   + $2,000,000 aggregate * Cyber, Privacy, Security Liability coverage (including any coverage for failure to protect confidential information and failure of the security of the Bidder’s systems)   + $1,000,000 * Professional Liability/Errors and Omissions Insurance   + $1,000,000 per occurrence   + $5,000,000 aggregate * Crime Insurance   + $1,000,000 * Umbrella and/or Excess Liability * Any other insurance the Bidder is required by law to have in place which covers risks attendant to providing the Services   The Bidder should also specify whether the Department may be added as additional insureds and/or loss payees, if applicable, for each of these coverages. | |
| |  |  | | --- | --- | |  | Yes, the Bidder has supplied copies of their certificates of insurance or if self-insured, a letter, that includes the insurance information outlined above. | | |
| **Describe:**  *The space will expand as you type. Provide additional pages as necessary.* | |
| **2.** | Upon Notification of Intent to Award, and as requested by the Department of the Contractor periodically throughout the term of the Agreement, the Contractor and any Subcontractor, as applicable, must provide the Department with their certificates of insurance showing coverages for Workers’ Compensation and Disability Benefits as described in **Section 8.2.8**. | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | |
|  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. |
| **END OF** **TABLE 4.2: INSURANCE REQUIREMENTS** | | | |

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| **TABLE 4.3: FINANCIAL STABILITY REQUIREMENTS** | | | |
| --- | --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | | |
| **1.** | 1., The Contractor, and its Subcontractor, if any, must be a financially stable entity, such that it may initiate and perform all obligations through the duration of the Agreement. The Department will conduct an initial evaluation of the selected Bidder’s financial stability. The Department reserves the right to also conduct an evaluation of the financial stability of any Subcontractor submitted on **Attachment 6, Listing of Proposed Subcontractors**; the Contractor must facilitate obtaining financial stability information from such Subcontractor(s). The evaluation will include, but not be limited to, a review of the entity’s equity position, liquidity, profitability trends, and prospects for financial growth. The financial stability evaluation will also include a business background review of the entity’s officers and management team, its organizational structure, and the financial operating relationship between the business units and divisions.  2., The Contractor, and its Subcontractor, must continue to evidence financial stability throughout the entire term of the Agreement. The on-going financial stability of these entities may be evaluated based upon criteria similar to that used in the initial financial stability evaluation process as set forth herein. If the Department elects to re-evaluate financial stability, annual financial statements prepared by an accountant in accordance with Generally Accepted Accounting Principles (“GAAP”) will be required to be submitted for review to the Department within 90 days of the end of the entities’ fiscal year. In addition, any material change in ownership of the entities, or material change in the financial condition of the entities, will require a re-evaluation of the Agreement in its entirety by the Department. | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | |
|  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | |
| Upon the Department’s request, the Bidder must provide DTF with proof of financial stability required for the particular organizational structures, as set forth in the requirements listed in paragraphs 1, 2, 3, and 4 below. Where reviewed annual financial statements are required, they must have been prepared by a CPA in accordance with GAAP. Interim financial statements that are requested may be reviewed, compiled, or prepared by the entity.All required information must be provided for any predecessor entity within the last three (3) years and any other subsidiary, affiliate, or related company that may be requested by the Department. The Bidder must provide the Subcontractor’s financial stability information.  **Financial Data to be Provided**   1. **If the entity is a subsidiary of a parent company that is publicly held,** it must provide audited annual financial statements for the parent company and subsidiary, including consolidating statements, for the last three (3) years.   The most recent interim financial statements are also required for both the parent company and subsidiary.   1. **If the entity is a subsidiary of a parent company that is privately held,** it must either   (a) comply with the requirement outlined in paragraph 1 above  OR  (b) submit reviewed annual financial statements for both the parent company and subsidiary, including consolidating statements, for the last three (3) years.  The most recent interim financial statements are also required for both the parent company and subsidiary.  OR  (c) submit unaudited/company prepared annual financial statements for both the parent company and subsidiary for the last three (3) years, a separate Dun and Bradstreet Comprehensive Report (dated within 30 days of bid submittal) for both the parent company and subsidiary, and a statement explaining why audited/reviewed annual financial statements are not available.  The most recent interim financial statements are also required for both the parent company and subsidiary.  **3. If the entity is a publicly held company and is not a subsidiary of a parent company,** it must provide audited annual financial statements for the last three (3) years.  The most recent interim financial statements are also required.  **4. If the entity is a privately held company and is not a subsidiary of a parent company,** it must either  (a) provide audited or reviewed annual financial statements for the last three (3) years.  The most recent interim financial statements are also required.  OR  (b) submit unaudited/company prepared annual financial statements for the last three (3) years, a Dun and Bradstreet Comprehensive Report (dated within 30 days of bid submittal), and a statement explaining why audited/reviewed annual financial statements are not available.  The most recent interim financial statements are also required.  **In addition, the Bidder must provide the following information:**   * The name and phone number of a contact at its primary bank in order for a bank reference to be obtained as part of the financial stability evaluation. * Documentation attesting to any significant line(s) of credit that are available to the entity.   This documentation must include information identifying the source of such lines and detail the maximum credit amount(s) available to the entity, outstanding balance(s), and current amount(s) available.   * A statement concerning whether or not the entityis a guarantor of the debt of any other entity. * If the entity is a subsidiary of a parent company, the Bidder must explain, in detail, the inter-company financial relationship between the parent company and the entity. The Bidder must indicate if the parent company guarantees the debt of the entity, or if the entity guarantees the debt of the parent company. * Organizational charts, including a listing and detailed description of: * The entity’s primary business units and divisions; * Key executives; * Any and all subsidiaries; and * Any and all minority interests, joint ventures, or other type of business affiliations. * Brief biographies on its key officers and management. | | |
| END OF **TABLE 4.3: FINANCIAL STABILITY REQUIREMENTS** | | | | |

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# Tax Secrecy: Non-Disclosure Forms, Record Keeping & Training Requirements

This section outlines and defines the Department’s Tax Secrecy Requirements under which the Contract must be conducted.

| **TABLE 5.1: SECRECY REQUIREMENTS** | | |
| --- | --- | --- |
| **#** | **REQUIREMENT** | **RESPONSE** | |
| **5.1.** | **Tax Secrecy and Contractor Non-Disclosure** | | |
| All persons who have or may have access to confidential tax information, including Contractors, and all Subcontractor(s), if applicable, and the respective employees and agents of each, must adhere to the tax secrecy and confidentiality provisions of the Tax Law and the Internal Revenue Code and not engage in any unauthorized accesses, use, or disclosures of any confidential information. | |  |  | | --- | --- | | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | |
| **5.2.** | **Contractor Signature on Non-Disclosure Forms** | | |
| Bidder must have a representative authorized to bind the organization complete and submit with its Proposal: (1) a signed **Tax Information Access and Non-Disclosure Agreement** (“DTF-202 Form”), attached as RFP **Attachment 13**, and (2) a signed **Acknowledgement of Confidentiality of IRS Tax Return Information and Internal Revenue Code Selected Confidentiality Provisions Pertaining to Contractors (Technology Services)** (“**IRS Tax Secrecy Acknowledgment Form – Technology Services**”), attached as RFP **Attachment 14**. | |  |  | | --- | --- | | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | |
| **5.3.** | **Disclosure List of Personnel with Access** | | |
| Within thirty (30) days of execution of the Contract, Contractor shall send to DTF Office of Risk Management at the address set forth in the “Secrecy & Non-Disclosure List” form attached as RFP **Exhibit H** the names of each employee, agent, Subcontractor and any other person who, during the Contract term, will perform work under the Contract or otherwise have access to state or federal tax information (herein, the “Secrecy & Non-Disclosure List” or “List”). The List should include all person(s) who will enter onto DTF premises, even if not directly involved in providing services or accessing tax information, and include all information requested on the “Secrecy & Non-Disclosure List” form attached as RFP **Exhibit H**.  The List must be updated and sent to the Department every six (6) months to provide current information for the duration of the Contract. | |  |  | | --- | --- | | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | |
| **5.4.** | **Non-Disclosure Forms and Requirements for Individuals** | | |
| Contractor shall: (1) require each individual included on the Secrecy & Non-Disclosure List, as updated throughout the Contract term, to sign the DTF-202 Form prior to granting the individual any access to DTF’s information and (2) collect all original, completed, signed forms and send them to the address provided on the DTF-202 Form.  In addition, the Contractor is required to inform every individual subcontractor, employee or agent who may be granted access to Federal Tax Information of the penalty provisions of Sections 6103, 7431, 7213, and 7213A of the Internal Revenue Code (IRC), and specifically alert them to the criminal and civil sanctions set forth in the IRS Tax Secrecy Acknowledgement Form – Technology Services (RFP **Attachment 14**). | |  |  | | --- | --- | | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | |
| **5.5.** | **Training Requirement and Record Keeping** | | |
| Contractor will require each individual included on the Secrecy & Non-Disclosure List, as updated throughout the Contract term, to complete the Access and Disclosure Training for Non-DTF Employees, accessible via the Department’s website by navigating to <https://www.tax.ny.gov/about/procure> (-->Information -->Disclosure Requirements) and clicking on the link to “DTF Annual Access and Disclosure Training” prior to granting each individual access to the Department’s information. Upon completion of the training, each individual must sign and date an acknowledgement (last page of the Contractor Training Materials) setting forth their date of completion.  The Contractor Training Materials are updated by DTF annually and a new training course must be completed each year by all individuals on the List each year as the new year’s Contractor Training Materials become available at the website address above.  Contractor and Subcontractor(s) shall maintain records of the annual acknowledgment(s) of completion of the Contractor Training Materials by their respective employees and agents for the duration of the Contract. Contractor and Subcontractor(s) will record the dates of each individual’s completion of training on the List, and when it is updated, and provide updated training completion information to DTF upon request. | |  |  | | --- | --- | | The Bidder must affirm understanding of, and agreement to comply with, this requirement. | | |  | Yes, the Bidder affirms its understanding of, and agreement to comply with, this requirement. | | |

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# General Contract Requirements

This section outlines and defines the Department’s general contract requirements and the conditions under which the Contract must be conducted.

6. 1. **Professional Standards**

The Contractor must ensure that all collection agencies and/or law firms, if applicable, directly employed or subcontracted to perform services as a result of this RFP are licensed, in good standing, and authorized to do business in each state in which they are performing services, or practicing their profession, as the case may be.

* 1. **Compliance with Laws**

The Contractor, and any Subcontractor(s), must be in compliance with all applicable Federal, state and local laws, ordinances and regulations at the time of its Proposal submission and, upon becoming a Contractor, may not violate any Federal, state or local laws, ordinances or regulations established by the United States, State of New York or any other state or locality in which collection is attempted throughout the Contract period.

* 1. **Performance of Work**

All work under the Contract must be performed within the boundaries of the United States. Contractors are required by Federal law to verify that all their employees and Subcontractors in their employ are legally entitled to work in the United States. Accordingly, the Department reserves the right to request legally mandated Contractor-held documentation attesting to the same for each employee and Subcontractor assigned work under any contract awarded. In accordance with such laws, the Department does not discriminate against individuals on the basis of national origin or citizenship.

* 1. **Professional Conduct**

The Contractor must provide the Collection Services required in the Contract in a manner that will further the Department’s goal of providing professional service to all taxpayers. The Contractor may not use any threats, intimidation or harassment in the collection process. The Contractor must operate within all laws, regulations, and industry guidelines and standards regarding debt collection practices including, but not limited to, full compliance with the provisions of the federal Fair Debt Collection Practices Act (FDCPA) (15 USC 1692 et. seq), the NYS Taxpayer’s Bill of Rights (NYS Tax Law at Article 41), and the Debt Collection Procedures Law (NYS General Business Law at Article 29-H).

* 1. **Conflict of Interest**

A potential conflict of interest may exist if the Contractor, Subcontractor, or any of its employees, consultants or business associates, has other business or a personal relationship with any assigned Tax Debtor. The Contractor must be aware that a potential conflict of interest may be identified at any point in the collection process. The Contractor will be responsible for establishing procedures to identify potential conflicts of interest. Once identified, the Contractor must immediately cease all collection activity involving the identified Tax Debtor. The Contractor must immediately notify the Department in writing and disclose the nature of the potential conflict of interest in the manner prescribed by the Department. The Department will have sole discretion in evaluating the nature of the identified conflict of interest and in making the final decision regarding its resolution.

* 1. **Site Visits**

Beginning with the network connectivity testing and throughout the Contract, Contractor staff may be required to travel to any Department facility deemed necessary. The duration of the visit(s) will be determined by the Department and may require several separate trips. All costs associated with these visits are the sole responsibility of the Contractor.

Additionally, Department staff may require a site visit(s) to the Contractor’s facilities. All cost associated with these visits are the sole responsibility of the Department.

* 1. **Training**

**Contractor-Provided Training**

The Contractor, as applicable, shall provide training for its staff on the Contractor’s system, fair debt collection practices and general debt collection practices.

**Department-Provided Training**

Prior to the commencement of the Active Collection Phase, all Contractor staff performing Collection Services must receive appropriate training on New York State Tax Law, procedures and policies. The Department will provide training to the Contractor’s management staff who will then be responsible for training the remaining Contractor staff performing Collection Services. The training of Contractor’s management staff will take place in the Albany, NY area, or will take place virtually, as determined by the Department. Each party has sole responsibility for the travel costs associated for its personnel. The Department will provide follow-up training material to reflect changes in law and Department policy; the Contractor will be responsible for the dissemination of such information to its personnel.

The Contractor and all staff, including Subcontractors, as applicable, hired by the Contractor to perform services (Staff) are required to complete the Department’s Annual Access and Disclosure Training as further described in **Table 5.1, Requirement 5.5**.

The Contractor will be responsible for the training of any new staff, including Subcontractors, performing Collection Services under the Contract after initial implementation.

* 1. **Restrictions on Use of Data**

The Contractor, and Subcontractor(s) if applicable, is prohibited from using any information obtained as a result of the Contract for any purpose other than the performance of the Department’s Contract. At Contract expiration or termination, all information pertaining to the Contract must be handled in the manner prescribed by the Department as set forth in **Section 1.4., Contract Phases and Table 4.1, Requirement 1.4, Disengagement Phase** **and Plan** in accordance with all applicable laws.After Contract expiration, Contractor, and Subcontractor(s) if applicable, is prohibited from using or maintaining in its possession any information obtained as a result of the Contract.

* 1. **Development Phase Review**

At the conclusion of the Development Phase, the Department will conduct a review of the Contractor’s ability to perform the Collection Services required in the Contract. The Contractor must cooperate fully with the Department in conducting this review and must supply documentation requested. The Department will require the Contractor to demonstrate that it has successfully transmitted, received, processed, and posted Department test data. The Department will determine, in its sole discretion, whether the Contractor’s processes and system will enable it to perform the Collection Services required by this RFP and as set forth in the Bidder’s proposal and the resultant Contract. As part of this review, the Department may require an on-site visit. In the event the Department is not satisfied that the Contractor can adequately perform as per the terms of the Contract, the Contract will be immediately terminated. The taking of any such action shall not give rise to any cause of action against the Department for any kind of damages, breach of contract, loss of profits, expenses, or other remuneration of any kind.

* 1. **Annual Performance Review**

The Department will conduct an annual review of the Contractor’s performance to determine if the Contractor is adequately performing the Collection Services required in the Contract. The Contractor must cooperate fully with the Department in conducting this review and must supply documentation as requested by the Department on which to conduct the review. As part of this review, the Department may require an on-site visit. Should the Department not be satisfied that the Contractor is adequately performing as per the terms of the Contract; the Contract may be terminated in accordance with **Article XIV, Termination or Suspension** of the **Preliminary Base Contract** (**Exhibit A**). The Department may also choose any alternative method of sanctioning the Contractor for poor performance as referenced in **Article IX, Performance Deficiencies and Remedies** of the **Preliminary Base Contract** (**Exhibit A**).

* 1. **Tax Debtor’s Complaints Against Contractor/Subcontractor**

The Contractor must document all complaints received by the Contractor, any Subcontractor, or the Department, concerning any actions taken with respect to work on Department Cases assigned to the Contractor.

Complaints received directly by the Contractor or any Subcontractor must be reported in writing to the Department within forty-eight (48) hours of receipt.

Upon receipt of a complaint from a Tax Debtor or the Department, the Contractor/Subcontractor must:

* immediately cease contacting the Tax Debtor involved; and
* within five (5) business days, supply the Department with a written account of the situation, including any remedial action taken and proposed to be taken with respect to the Case and/or the Contractor employee(s) involved.

The Department will review the complaint and the Contractor’s response and instruct the Contractor how to proceed. Should the Department find that the complaint has merit; the Department may proceed as outlined in **Article IX, Performance Deficiencies** **and Remedies** of the **Preliminary Base Contract** (**Exhibit A**).

* 1. **Right to Survey**

The Department reserves the right to reach out to Tax Debtors to monitor the Contractor’s performance under the Contract.

* 1. **Right to Review and Audit**

The Department, any other New York State governmental entity, and the Internal Revenue Service (IRS) reserve the right to review and audit the Contractor’s/Subcontractor’s activities at any time throughout the Contract period. This reservation of the right to review and audit is in addition to the security review as described in **Table 4.1,** **Requirement 3.4**, the **Development Phase Review** in **Section 6.9.** and the **Annual Performance Review** in **Section 6.10.** of this RFP.

* 1. **Audit Trail, Internal Controls, and Ability to Audit**

The Department and other control agencies within the State and Federal government are required to conduct periodic audits to evaluate the effectiveness of contractual services and controls. The Contractor, and all Subcontractors as applicable, must agree to provide access to information necessary to support an audit(s) of the collection process and any system(s) and controls utilized in the collection process. The Contractor is required to retain a level of information that will allow for verification of compliance with contractual provisions including, but not limited to:

* How a Case was worked (history of collection actions taken).
* Audit trails, access reports, and other information which can be used to evaluate the Contractor’s compliance with security and confidentiality requirements.
* Accurate and comprehensive records, both information systems and other records, pertaining to receipt and accountability for Tax Debtor payments, tax returns, and other information or documents received from or about the Tax Debtor.
* Audit logs or journals to demonstrate that Contractor data and systems are accessed in accordance with the security and confidentiality requirements set forth in the RFP. All audits must be in compliance with IRS Publication 1075. Security-relevant events must enable the detection of unauthorized access to FTI data. Auditing must be enabled to the greatest extent necessary to capture access, modification, deletion, and movement of FTI by each unique user.

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# 7. Financial Requirements

2. 1. **Contractor Fees Paid**

Twice a month, the Department will reconcile all payments received from Tax Debtors by all acceptable payment options. This reconciliation will apply to Assessments contained within the Cases placed with the Contractor. This reconciliation will also apply to returns associated with Assessments. This reconciled figure will be the net of all adjustments and payments subsequently dishonored. The Department will provide the Contractor with a mid-monthly and an end of the month payment reconciliation file via secure file exchange.

The Department will calculate the total fee due the Contractor each month. This calculation will be sent to the Contractor for review. If the Contractor agrees to the calculation, the Contractor must then submit an invoice to the Department in a manner prescribed by the Department. The Department will pay the Contractor in accordance with Article XI-A of the New York State Finance Law and as outlined in **Article VI, Fees and Payment** of the **Preliminary Base Contract** (**Exhibit A**).

In the event the Contractor disagrees with this calculation, the Contractor must immediately notify the Department in writing and substantiate its position. If, after considering the Contractor’s position, and agreement on the fee due cannot be reached, the parties must utilize the Dispute Resolution process noted in **Article X, Dispute Resolution** of the **Preliminary Base Contract** (**Exhibit A**).

Under no circumstance will the Contractor receive a fee for any payment received:

* Outside the Contractor placement beginning and end dates.
* For credits resulting from administrative resolution.
* To the extent the Liability is decreased by any Offset.
* After Contract expiration or termination.

2. 1. **Cost Proposal Requirements**

A percentage rate is to be proposed by the Bidder on **Attachment 21, Financial Response Form** with the ratethey will charge as a percentage of the money collected from the Collection Services. A Bidder’s failure to provide a complete pricing response may result in the Bidder’s proposal being deemed non-responsive. The Bidder must provide the pricing information only as requested on **Attachment 21** and **must not modify or change the Attachment.** Any pricing information or add-on costs that do not conform to the presentation allowed on **Attachment 21** cannot be evaluated, will be disregarded as extraneous, and cannot be charged to the Department after award of a Contract.The percentage rate on **Attachment 21** must be inclusive of all costs associated with the services. The Bidder must propose only one (1) percentage rate. There must be no additions, deletions, or omissions of percentage rate from the response form.

* 1. **Cost Increases**

The rate shall not be increased during the first two (2) years of the Contract term. Thereafter, the rate may be increased for each subsequent annual period of said term, including any renewals or extensions of this Contract, upon the anniversary of the Contract with no less than 60 days’ prior written request to the Department. Such increase shall be limited to the lesser of the Consumer Price Index for All Urban Consumers (“CPI-U”), U.S. City Average, All Items, as reported by the U.S. Department of Labor, Bureau of Labor Statistics for the preceding 12-month period or 5% over the prior year’s rate. Any increase granted shall be effective on the Contract anniversary date and calculated using the index number published four months preceding the anniversary date of the Contract. If at any time the above index is discontinued or becomes unavailable, the Department reserves the right to use a comparable index.

**NOTE:** All requested increases shall be subject to negotiation between the Department and the Contractor.

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# 8. Administrative Requirements



## Administrative Proposal Conditions

With the submission of a response to this RFP, the Bidder agrees to the Proposal conditions outlined in this section.

### Issuing Agency

This RFP is issued by the New York State Department of Taxation and Finance, which is responsible for all criteria stated herein and for evaluation of all proposals submitted.

### Solicitation

This RFP is a solicitation to bid, not an offer of a contract.

### Liability

The State of New York is not liable for any costs incurred by a Bidder in the preparation and production of any Proposal, or for any work performed prior to the execution of a formal contract, and the approval thereof by the NYS AG and OSC.

### Proposal Ownership

All Proposals and accompanying documentation become the property of the State of New York and will not be returned. The Department reserves the right to use any portions of the Bidder’s Proposal not specifically noted as proprietary.

### Proposal Security

Each Bidder’s Proposal will be held in strict confidence by Department staff and will not be disclosed except to the Office of the Attorney General and the Office of the State Comptroller as may be necessary to obtain approvals of those agencies for the final Agreement and except as required by law.

Public inspection of the Proposals is regulated by the Freedom of Information Law (Article 6 of the New York State Public Officers Law (“Public Officers Law”)). Proposals are presumptively available for public inspection. If this would be unacceptable to a Bidder, the Bidder should apply to the Department for trade secret protection for those portions of the Proposal which the Bidder believes would qualify for such exemption.

Section 74 of the Public Officers Law contains the code of ethics which sets forth that no officer or employee of a State agency should disclose confidential information that he acquires during the course of his official duties. This code controls the confidentiality of a Bidder’s Proposal unless the Department grants a request for records access in accordance with the Freedom of Information Law.

Bidders should be advised that the confidentiality of their Proposals is founded upon statute, as described above. A nondisclosure agreement, whether prescribed by the Department or the Bidder, would not be effective to alter the rights and responsibilities of either party under the Freedom of Information Law. A Bidder should not propose a nondisclosure agreement for Department employees, for that would be legally ineffective to alter any legal responsibility under the Freedom of Information Law or the code of ethics.

The provisions of the Freedom of Information Law will also govern the confidentiality of any and all products or services supplied by the successful Bidder.

### Timely Submission

All Bidders are solely responsible for timely delivery of their Proposal to the location set forth herein by the stated Proposal due date/time and are solely responsible for delays in receipt including, but not limited to, those due to third-party carriers.

### Proposal Effective Period

The Bidder’s Proposal must be firm and binding for a period of at least 180 days following the Proposal due date.

### Proposal Opening

Proposals will not be opened publicly. The Department reserves the right at any time to postpone or cancel a scheduled Proposal opening.

### Bidder Proposal Clarification

Prior to award, the Department reserves the right to seek clarifications, request Proposal revisions, or to request any information deemed necessary for proper evaluation of Proposals from all Bidders deemed to be eligible for Contract award. Failure of a Bidder to cooperate with the Department’s effort to clarify a Proposal may result in the Proposal being labeled as non-responsive and be given no further consideration.

Additionally, the Department reserves the right to use information submitted by the Bidder in response to the Department’s request to clarify information submitted in the Bidder’s Proposal in the course of evaluation and selection under this RFP.

### Proposal Evaluation and Selection

See **Section 10., Proposal Evaluation**,regarding Proposal selection and evaluation methodology. Submitted Proposals may be reviewed and evaluated by any personnel or agents of the Department, other than one associated with a competing Bidder.

### Contract Negotiations and Authorized Negotiators

During contract negotiations, the Department must have direct access to Bidder personnel who have full authority to make commitments on behalf of the Bidder. The Bidder must include, as part of its Proposal, any restrictions under which its primary negotiators will operate.

### Notification of Intent to Award

Upon completion of the evaluation process, the successful Bidder will be advised of selection by the Department through the issuance of a “Notification of Intent to Award” letter. Bidders who have not been selected by the Department in response to this RFP will be notified of such non-selection.

### Proposal Review and Contract Approval

Any Agreement resulting from this RFP will not be effective unless and until approved by the Office of the Attorney General and the Office of the State Comptroller.

### Debriefing Sessions

Bidders will be notified of non-selection or intent to award in writing and, within 15 calendar days of such notification, may request the opportunity for a debriefing session. Such sessions will be limited to discussions of evaluation results as they apply to the Bidder receiving the debriefing.

### Bid Protest Policy

The Department’s procedures for handling protests of bid awards are set forth in **Appendix B, Bid Protest Policy.**

### Reserved Rights

The Department reserves the right to:

1. Prior to the opening of Proposals, amend the RFP specifications to correct errors or oversights, or to change any of the scheduled dates, or to supply additional information, as it becomes available. Modifications to this RFP shall be made by issuance of amendments and/or addenda.
2. Prior to the opening of Proposals, direct Bidders to submit Proposal modifications addressing subsequent RFP amendments.
3. Withdraw the RFP, in whole or in part.
4. Eliminate any mandatory, non-material specification(s) with which no prospective Bidder can comply.
5. Waive any requirement(s) that is not material.
6. Waive any immaterial deviation or defect in a Proposal. A waiver of an immaterial deviation or defect shall in no way modify the RFP or excuse a Bidder from full compliance with the RFP requirements.
7. Evaluate, accept, and/or reject any and all Proposals, in whole or in part, and to waive technicalities, irregularities, and omissions if, in the Department’s sole judgment, the best interests of the Department/State will be served thereby. In the event compliant Proposals are not received, the Department reserves the right to consider late or non-conforming Proposals as offers.
8. Require the Bidder to demonstrate, to the satisfaction of the Department, any information presented as a part of their Proposal.
9. Require clarification at any time during the procurement process, and/or require correction of arithmetic or other apparent errors, for the purpose of assuring a full and complete understanding of a Bidder’s Proposal and/or to determine a Bidder’s compliance with the requirements of the solicitation.
10. Seek revisions of Proposals.
11. Correct any arithmetical errors or other apparent errors in any Proposal and, in the event that the fees or costs in two or more Proposals are not comparable, to make appropriate adjustments to render the fees and costs comparable.
12. Disqualify any Bidder whose conduct and/or Proposal fails to conform to the requirements of the solicitation.
13. Use information obtained through site visits, management interviews and the Department’s investigation of a Bidder’s qualifications, experience, ability or financial standing, and any material or information submitted by the Bidder in response to the Department’s request for clarifying information, in the course of evaluation and selection under this RFP.
14. Prior to the Proposal opening, determine a tie breaking mechanism for award of the Contract to serve the best interests of the Department/State.
15. Negotiate with the successful Bidder within the scope of the RFP to serve the best interests of the Department/State.
16. Proceed to the next highest ranked Bidder in the event that a Bidder who had achieved best value prior to contract award cannot satisfy the requirements as stated in this RFP.
17. If an Agreement is terminated within 12 months of making award, proceed, with the approval of the New York State Attorney General and the Office of the State Comptroller, to award a contract to the next highest ranked Bidder.
18. Utilize any and all ideas submitted in the Proposals received.
19. Make an award under the RFP, in whole or in part.
20. Rescind a contract award and begin negotiations with the next highest ranked Bidder if a signed contract substantially in accordance with **Exhibit A, Preliminary Base Contract** is not executed within 30 days of Notification of Intent to Award.

## Administrative Contract Conditions

With the submission of a response to this RFP, the Bidder agrees to all contract conditions outlined in this section except that Bidders may propose changes to **Exhibit A, Preliminary Base Contract**, as allowable **in Section 8.2.18., Bidder-Proposed Change(s) to Preliminary Base Contract Terms**.

### Appendix A

**Appendix A, Standard Clauses for New York State Contracts** will be incorporated, in its entirety, into any Agreement resulting from this RFP.

### Payments

All payments will be made in accordance with Article XI-A of the New York State Finance Law.

### Public Announcements

Public announcements or news releases relating to this RFP or the resulting Agreement shall not be made by any Bidder or its agent without the prior approval of the Department. All requests for public announcements should be directed to one of the designated contacts specified herein. Such request for approval shall not be considered until an Agreement, approved by both the NYS AG and the OSC, is in place.

### New York State Vendor File

Prior to being awarded a contract pursuant to this Solicitation, the Bidder and any designated authorized resellers who accept payment directly from the State, must be registered in the New York State Vendor File (Vendor File) administered by the Office of the State Comptroller (OSC). This is a central registry for all vendors who do business with New York State Agencies and the registration must be initiated by a State Agency. Following the initial registration, unique New York State ten-digit vendor identification numbers will be assigned to your company and to each of your authorized resellers (if any) for usage on all future transactions with New York State. Additionally, the Vendor File enables vendors to use the Vendor Self-Service application to manage all vendor information in one central location for all transactions related to the State of New York.

If the Bidder is already registered in the New York State Vendor File, list the ten-digit vendor ID number in the Cover Letter referenced in **Section 8.2.9 below**. Authorized resellers already registered should list the ten-digit vendor ID number along with the authorized reseller information.

If the Bidder is not currently registered in the Vendor File, complete the enclosed **Exhibit B, New York State Office of the State Comptroller Substitute Form W-9**, and submit it with your proposal. In addition, if authorized resellers are to be used, an OSC Substitute W-9 form should be completed and filed by each of the designated authorized resellers. The Department’s Procurement Services Unit will initiate the vendor registration process for the Bidder recommended for Contract Award and their authorized resellers. Once the process is initiated, registrants will receive an email from OSC that includes the unique ten-digit vendor identification number assigned to the company and instructions on how to enroll in the online Vendor Self-Service application.

### Contractor Requirements and Procedures for Participation by New York State-Certified Minority and Women-Owned Business Enterprises and Equal Employment Opportunities for Minority Group Members and Women

**New York State Law**

Pursuant to New York State Executive Law Article 15-A and Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations, the Department is required to promote opportunities for the maximum feasible participation of New York State-certified Minority- and Women-owned Business Enterprises (“MWBEs”) and the employment of minority group members and women in the performance of the Department’s contracts.

**Business Participation Opportunities for MWBEs**

For purposes of this solicitation, the Department of Taxation and Finance hereby establishes an overall goal of 0% for MWBE participation, 0% for New York State-certified Minority-owned Business Enterprise (“MBE”) participation and 0% for New York State-certified Women-owned Business Enterprise (“WBE”) participation (based on the current availability of MBEs and WBEs).

**Equal Employment Opportunity Requirements**

By submission of a bid or proposal in response to this solicitation, the respondent agrees with all of the terms and conditions of **Appendix A, Standard Clauses for NYS Contracts** including Clause 12, Equal Employment Opportunities for Minorities and Women. The respondent is required to ensure that it and any subcontractors awarded a subcontract for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work"), except where the Work is for the beneficial use of the respondent, undertake or continue programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, and rates of pay or other forms of compensation.  This requirement does not apply to: (i) work, goods, or services unrelated to the Contract; or (ii) employment outside New York State.

**Response Requirement:**

The respondent will be required to submit **Exhibit C,** **Minority and Women-Owned Business Enterprises - Equal Employment Opportunity Policy Statement**, to the Department with its bid or proposal.

The Contractor shall submit **Attachment 7, Staffing Plan** to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and Federal occupational categories. The Contractor shall complete **Attachment 7** and submit it as part of their bid or proposal or within a reasonable time, as directed by the Department.

If awarded a Contract, the respondent shall submit **Exhibit D,** **Workforce Utilization Report,** in such form as shall be required by the Department on a quarterly basis during the term of the Contract.

Pursuant to Executive Order #162, Contractor and Subcontractor are required to report the gross wages paid to each of their employees for the work performed by such employees on the contract on a quarterly basis.

Further, pursuant to Article 15 of the Executive Law (the “Human Rights Law”), all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor and sub-contractors will not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

**Please Note: Failure to comply with the foregoing requirements may result in a finding of non-responsiveness, non-responsibility and/or a breach of the Contract, leading to the withholding of funds, suspension or termination of the Contract or such other actions or enforcement proceedings as allowed by the Contract.**

### Participation Opportunities for New York State Certified Service-Disabled Veteran-Owned Business Enterprises

Article 17-B of the New York State Executive Law provides for more meaningful participation in public procurement by certified Service-Disabled Veteran-Owned Businesses (“SDVOBs”), thereby further integrating such businesses into New York State’s economy. The Department of Taxation and Finance recognizes the need to promote the employment of service-disabled veterans and to ensure that certified service-disabled veteran-owned businesses have opportunities for maximum feasible participation in the performance of the Department of Taxation and Finance contracts.

In recognition of the service and sacrifices made by service-disabled veterans and in recognition of their economic activity in doing business in New York State, Bidders/Contractors are strongly encouraged and expected to consider SDVOBs in the fulfillment of the requirements of the Contract. Such participation may be as subcontractors or suppliers, as protégés, or in other partnering or supporting roles.

For purposes of this procurement, the Department conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set specific goals for participation by SDVOBs as subcontractors, service providers, and suppliers to Contractor.  Nevertheless, the Bidder/Contractor is encouraged to make good faith efforts to promote and assist in the participation of SDVOBs on the Contract for the provision of services and materials. The directory of New York State Certified SDVOBs can be viewed at: <https://ogs.ny.gov/veterans/>.

The Bidder/Contractor is encouraged to contact the Office of General Services’ Division of Service-Disabled Veteran’s Business Development at 518-474-2015 or [VeteransDevelopment@ogs.ny.gov](mailto:VeteransDevelopment@ogs.ny.gov) to discuss methods of maximizing participation by SDVOBs on the Contract.

### Cooperation with Investigations

In the event that the Department determines it necessary to investigate relative to a possible or actual 1) crime or 2) breach of confidentiality or security, in connection with the performance of this Agreement, Contractor and its Subcontractor(s), as applicable, shall cooperate fully with the Department and any other state or federal oversight authorities. Upon written request of the State, the Contractor and its Subcontractor(s), as applicable, shall make their respective employees and all relevant records deemed necessary by the State, including personnel records and employee photographs, available to the State for inspection and review. At the State’s sole discretion, Contractor and Subcontractor representatives may be excluded from any interview where the State determines that such attendance may present a potential or actual conflict of interest or impede an interview. The State must be permitted by the Contractor or Subcontractor, as applicable, to conduct interviews and document reviews during normal business hours.

### Workers’ Compensation and Disability Benefits Certifications

Sections 57 and 220 of the New York State Workers’ Compensation Law (WCL) provide that the State shall not enter into any contract unless proof of workers’ compensation and disability benefits insurance coverage is produced. Prior to entering into a contract with the State, successful Bidder will be required to verify for the State, on forms authorized by the New York State Workers’ Compensation Board, the fact that they are properly insured or are otherwise in compliance with the insurance provisions of the WCL. The forms to be used to show compliance with the WCL are listed below. Any questions relating to either workers’ compensation or disability benefits coverage should be directed to the New York State Workers’ Compensation Board, Bureau of Compliance at (518) 486-6307. Failure to provide verification of either of these types of insurance coverage by the time a contract is ready to be executed will be grounds for disqualification of an otherwise successful proposal.

The successful Bidder must submit the following documentation upon DTF’s request after notification of selection for award:

1. **Proof of Workers’ Compensation Coverage**

Upon notification of award, the successful Bidder will be requested to submit ONE of the following forms as Workers’ Compensation documentation:

* + - 1. Form C-105.2 – *Certificate of NYS Workers’ Compensation Insurance* issued by private insurance carrier (or Form U-26.3 issued by the State Insurance Fund); or
      2. Form SI-12 – *Affidavit Certifying That Compensation Has Been Secured* (or Form SIG-105.2 – *Certificate of Participation in Workers’ Compensation Group Board-approved self-insurance*); or
      3. Form CE-200 – *Certificate of Attestation of Exemption from NYS Workers’ Compensation and/or Disability Benefits Coverage*.

1. **Proof of Disability Benefits Coverage**

Upon notification of award, the successful Bidder will be requested to submit ONE of the following forms as Disability documentation:

1. Form DB-120.1 – *Certificate of Insurance Coverage under the NYS Disability and Paid Family Leave Benefits Law*; or
2. Form DB-155 – *Compliance With Disability Benefits Law*; or
3. Form CE-200 – *Certificate of Attestation of Exemption from New York State Workers’ Compensation and/or Disability Benefits Coverage*.

Further information is available at the NYS Workers’ Compensation Board’s website, which can be accessed through this link: <http://www.wcb.ny.gov>.

Please note that although these forms are not required as part of the Proposal submissions, the State encourages Bidders to include them with their Proposal submissions to expedite contract execution if the Bidder is awarded the contract.

**Note: An ACORD form is not acceptable proof of New York State workers’ compensation or disability benefits insurance coverage.**

### Cover Letter

A cover letter transmitting the Proposal **must be signed by an official authorized to bind the Bidder to its provisions**.The cover letter **must include** an affirmation that the Proposal is binding for the required period indicated in **Section 8.1.7**. It should also include the following:

* The complete name and address of the bidding entity;
* The Federal or Taxpayer Identification Number of the entity; and
* The ten-digit Vendor File ID number (if available)

### Vendor Responsibility Questionnaire

Article XI §163(4)(d) of the State Finance Law states that “service contracts shall be awarded on the basis of best value to a responsive and responsible offerer.”

Upon identification of the Bidder with the highest score, the Bidder’s Vendor Responsibility will be analyzed to ensure that the Bidder is responsible.

In the event that a Bidder is found to be not responsible, the Bidder may be disqualified.

**Response Requirement:**

Bidders must complete a Vendor Responsibility Questionnaire. Bidders are invited to file the required Vendor Responsibility Questionnaire online via the OSC New York State VendRep system or may choose to complete and submit a paper questionnaire. To enroll and use the New York State VendRep system, see the VendRep system instructions available at: [www.osc.state.ny.us/vendrep](http://www.osc.state.ny.us/vendrep) or go directly to the VendRep system online at: [https://onlineservices.osc.state.ny.us](https://onlineservices.osc.state.ny.us/). For direct VendRep System user assistance, the OSC Help Desk may be reached at (866) 370-4672 or (518) 408-4672 or by email at itservicedesk@osc.ny.gov. Bidders opting to file a paper questionnaire can obtain the appropriate questionnaire from the VendRep website at [www.osc.state.ny.us/vendrep](http://www.osc.state.ny.us/vendrep) or may contact one of the Department’s designated contacts.

Bidders must complete **Attachment 8, Vendor Responsibility Response Form**. If a Vendor Responsibility Questionnaire has been filed online and has not been certified within the last six months, the Bidder must either update/recertify the online questionnaire or submit a new paper Vendor Responsibility Questionnaire.

Bidders filing paper questionnaires must submit a copy of the completed questionnaire with its proposal.

Upon notification of award, the successful Bidder may be required to update/recertify the online questionnaire.

### Consultant Disclosure Requirements Pursuant to Laws of 2006, Chapter 10

1. The procurement record for each new consulting services contract received by the Office of the State Comptroller for approval on or after July 17, 2006, must include a properly completed copy of **State Consultant Services – Contractor’s Planned Employment – Form A**from Contract start date through the end of the Contract term, attached hereto as **Exhibit E**. This form, which is a one-time report of planned employment data for the entire term of a consulting services contract on a prospective basis, must include the following information, by “employment category,” for all employees who will be providing services under the contract, whether employed by the Contractor or a Subcontractor:
2. The number of employees employed to provide consulting services under the contract;
3. The number of hours worked by such employees under the contract; and
4. The total compensation paid by the State to the State Contractor, for work by the employees.

The Contractor may be requested to assist in the completion of **Form A**.

1. In addition, for each year a consulting services contract is in effect, contracting agencies must require contractors to report annually regarding the above described employment information including work performed by Subcontractors. The Contractor must properly complete a copy of **Contractor’s Annual Employment Report – Form B**, attached hereto as **Exhibit F**, and provide it to the contracting agency, i.e., the New York State Department of Taxation and Finance; the Office of the State Comptroller (OSC) and the Department of Civil Service (CS). **Form B** captures historical information, detailing actual employment information for the most recently concluded State fiscal year (April 1 – March 31). **Form B** will be due no later than May 15 of each year.

**Form B** shall be provided to OSC and Civil Service as set forth in OSC Guide to Financial Operations at:

<http://www.osc.state.ny.us/agencies/guide/MyWebHelp/Content/XI/18/C.htm>

**Form B** shall be provided to DTF as follows:

By mail: New York State Department of Taxation and Finance

Office of Budget and Management Analysis

Procurement Services Unit

W. A. Harriman State Office Campus

Albany, NY 12227

By email: [BFS.Contracts@tax.ny.gov](mailto:BFS.Contracts@tax.ny.gov)

By fax: (518) 435-8413

For purposes of this section, the following terms have the specified meanings:

* “employment category” means the specific occupation(s), as listed in the O\*NET occupational classification system, which best describes the employees providing services under this contract; and

(Note: The O\*NET database is available through the US Department of Labor’s Employment and Training Administration, at <http://online.onetcenter.org> to find a list of occupations.)

* “consulting services contract” includes any contract entered into by a State agency for analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health and mental health services; accounting, auditing, paralegal, legal, or similar services.

### Designation of Prime Contact

This designation will last for the entire evaluation process and contract negotiations, and the Bidder must certify that this individual is authorized to respond on the behalf of the Bidder. Any change in this designation must be submitted in writing to the Department, which must also include a revised form.

**Response Requirement**

Each Bidder must complete and submit the **Attachment 9, Designation of Prime Contact.**

### Non-Collusive Bidding Certification

A bid shall not be considered for award nor shall any award be made where the conditions of the Non-Collusive Bidding Certification have not been complied with; provided, however, that if in any case the Bidder cannot make the foregoing certification, the Bidder shall so state and shall furnish with the bid a signed statement which sets forth in detail the reasons therefore. Where the above conditions have not been complied with, the bid shall not be considered for award nor shall any award be made unless the head of the purchasing unit of the State, public department or agency to which the bid is made, or thier designee, determines that such disclosure was not made for the purpose of restricting competition (Section 139-d of the State Finance Law).

**Response Requirement**

The Bidder is responsible for reading, signing and submitting the **Attachment 10, Non-Collusive Bidding Certification.**

### Procurement Lobbying

Pursuant to State Finance Law §§ 139-j and 139-k, this solicitation includes and imposes certain restrictions on communications between the Department and an Offerer/Bidder during the procurement process. An Offerer/Bidder is restricted from making contacts from the earliest notice of intent to solicit offers/bids through final award and approval of the Procurement Contract by the Department and, if applicable, the Office of the State Comptroller (“restricted period”) to other than designated staff unless it is a contract that is included among certain statutory exceptions set forth in State Finance Law § 139-j(3)(a). Designated staff, as of the date hereof, are identified in the Preface section of the Request for Proposals. DTF employees are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Offerer/Bidder pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for Contract award and in the event of two findings within a four-year period; the Offerer/Bidder is debarred from obtaining governmental Procurement Contracts. Information related to the Procurement Lobbying Law and the Department’s guidelines can be found on the Department’s Procurement website at: <http://www.tax.ny.gov/about/procure>.

Contacting individuals other than the designated contacts listed in the Preface section of this document during the restricted period may result in disqualification of the Bidder’s proposal – please refer to the Procurement Lobbying Law and the Department’s guidelines posted on the Department’s procurement website at: <http://www.tax.ny.gov/about/procure>.

1. **Offerer Disclosure of Prior Non-Responsibility Determinations**

New York State Finance Law § 139-k(2) obligates a Governmental Entity to obtain specific information regarding prior non-responsibility determinations with respect to State Finance Law § 139-j. This information must be collected in addition to the information that is separately obtained pursuant to State Finance Law § 163(9). In accordance with State Finance Law § 139-k, an Offerer must be asked to disclose whether there has been a finding of non-responsibility made within the previous four (4) years by any Governmental Entity due to: (1) a violation of State Finance Law § 139-j or (2) the intentional provision of false or incomplete information to a Governmental Entity. The terms “Offerer” and “Governmental Entity” are defined in State Finance Law § 139-k(1). State Finance Law § 139-j sets forth detailed requirements about the restrictions on Contacts during the procurement process. A violation of State Finance Law § 139-j includes, but is not limited to, an impermissible Contact during the restricted period (for example, contacting a person or entity other than the designated contact person, when such contact does not fall within one of the exemptions).

As part of its responsibility determination, State Finance Law § 139-k(3) mandates consideration of whether an Offerer fails to timely disclose accurate or complete information regarding the above non-responsibility determination. In accordance with law, no Procurement Contract shall be awarded to any Offerer that fails to timely disclose accurate or complete information under this Section, unless a finding is made that the award of the Procurement Contract to the Offerer is necessary to protect public property or public health or safety, and that the Offerer is the only source capable of supplying the required Article of Procurement within the necessary timeframe. See State Finance Law §§ 139-j(10)(b) and 139-k(3).

A Governmental Entity must include a disclosure request regarding prior non-responsibility determinations in accordance with State Finance Law § 139-k in its solicitation of proposals or bid documents or specifications or Contract documents, as applicable, for Procurement Contracts. The attached form is to be completed and submitted by the individual or entity seeking to enter into a Procurement Contract. It will be submitted to the Governmental Entity conducting the Governmental Procurement.

**Response Requirement**

Each Bidder must complete and submit **Attachment 11, Offerer Disclosure of Prior Non-Responsibility Determinations.**

1. **Offerer’s Certification of Compliance with State Finance Law 139-k(5)**

New York State Finance Law § 139-k(5) requires that every Procurement Contract Award subject to the provisions of State Finance Law § 139-k or § 139-j shall contain a certification by the Offerer that all information provided to the procuring Governmental Entity with respect to State Finance Law § 139-k is complete, true and accurate.

The Department reserves the right to terminate any Contract award as a result of this RFP in the event it is found that the certification filed by the Offerer/Bidder in accordance with New York State Finance Law § 139-k was intentionally false or intentionally incomplete.

**Response Requirement**

Each Bidder must complete and submit **Attachment 12, Offerer’s Certification of Compliance with State Finance Law 139-k(5).**

### Ethics Compliance

All Bidders/contractors and their employees must comply with Public Officers Law §§ 73 and 74 to the extent applicable, Chapter 1 of the Laws of 2005, the Procurement Lobbying Reform Act, and other State statutes, rules, regulations, and executive orders establishing ethical standards for the conduct of business with New York State. In signing the Proposal, the Bidder certifies full compliance with those provisions for any present or future dealings, transactions, sales, contracts, services, offers, relationships, etc., involving New York State and/or its employees. Failure to comply with those provisions may result in disqualification from the bidding process, termination of contracts, and/or other civil or criminal proceedings as required by law.

**Response Requirement**

Each Bidder must complete and submit **Attachment 15, Public Officers Law Form** and **Attachment 16, Public Officers Law – Post Employment Restrictions** which addresses business or professional activities by current or past state officers and employees and party officers. These forms shall be made part of the resultant Agreement.

### Sales and Compensating Use Tax Documentation

Section 5-a of the Tax Law, as amended, effective April 26, 2006, requires certain Contractors awarded state Contracts for commodities, services and technology valued at more than $100,000 to certify, to the Department, that they are registered to collect New York State and local sales and compensating use taxes. The law applies to Contracts where the total amount of such Contractors’ sales delivered into New York State are in excess of $300,000 for the four quarterly periods immediately preceding the quarterly period in which the certification is made, and with respect to any affiliates and Subcontractors whose sales delivered into New York State exceeded $300,000 for the four quarterly periods immediately preceding the quarterly period in which the certification is made.

This law also imposes upon certain Contractors the obligation to certify whether or not the Contractor, its affiliates, and its Subcontractors are required to register to collect state sales and compensating use taxes and Contractors must certify to the Department that each affiliate and Subcontractor exceeding the $300,000 sales threshold referenced above is registered with the Department to collect New York State and local sales and compensating use taxes. The law prohibits the State Comptroller, or other approving agency, from approving a Contract awarded to a Contractor meeting the registration requirements but who has not registered in accordance with the law.

**Response Requirement**

Pursuant to Tax Law § 5-a, the Contractor will be required to complete and sign, under penalty of perjury, **Exhibit G, Contractor Sales Tax Certification Forms.**

**Exhibit G** provides the Contractor Certification Forms and Instructions for completing the forms. Form ST-220-TD must be filed with and returned directly to the Department address provided on the form. Unless the information upon which the ST-220-TD is based changes, this form only needs to be completed and filed once with the Department. If the information changes for the Contractor, its affiliate(s), or its subcontractor(s), a new form ST-220-TD must be completed and filed with the Department. Completion of the form at the time of Proposal submission is not required; however, Form ST-220-TD must be filed and returned to the Department upon notification of Contract award.

Form ST-220-CA, certifying that the Contractor has filed an ST-220-TD, must be provided to the Department’s Office of Budget and Management Analysis **upon notification of contract award**. The successful Bidder should complete and return the certification form within two business days of request.

Failure to make either of these filings may render a Bidder non-responsive and non-responsible. Bidders shall take the necessary steps to provide properly certified forms within a timely manner to ensure compliance with the law.

Contractors may call the Department at (518) 485-2889 for any and all questions relating to Tax Law § 5-a and relating to a Contractor’s registration status with the Department. For additional information and frequently asked questions, please refer to the Department’s website: <http://www.tax.ny.gov>.

### Prime Contractors/Subcontractors

The successful Bidder shall act as Prime Contractor under the Agreement, and shall be held solely responsible for performance by the Bidder, its partners, officers, employees, subcontractors, and agents. The Bidder shall be responsible for payment of all Subcontractors and suppliers, including all third-party service providers contracted by or through the Bidder in performance of the Agreement.

Where services are supplied by or through the Contractor under the Agreement, it is mandatory for the Contractor to assume full integration responsibility for delivery, installation, maintenance, performance, and support services for such items, as applicable. The Contractor shall also be responsible for payment of any license fees, rents, or other monies due third parties for services or materials provided under this Agreement.

Proposed Subcontractors must be identified at the time of proposal submission and are subject to the approval of DTF (see **RFP Table 4.1, Requirement 1.3.1, Limitation in Subcontracting** for additional information).

**Response Requirement**

The Department requires a list of Subcontractors who will be utilized for the performance of services under any resultant Agreement as well as a description of the services to be subcontracted. This information must be provided on the **Attachment 6, Listing of Proposed Subcontractors.**

### Bidder-Proposed Change(s) to Preliminary Base Contract Terms

Proposals must conform to the terms and conditions set forth in this RFP and the **Preliminary Base Contract, Exhibit A.** Any Bidder-Proposed Change(s) to terms and conditions set forth in **Exhibit A,** **Preliminary Base Contract,** must be provided to the Department in the Bidder’s Administrative Proposal. Material deviations to the terms and conditions set forth in **Exhibit A** (including additional, inconsistent, conflicting, or alternative terms) may render the proposal non-responsive and may result in rejection.

**Response Requirement**

The Bidder must attach any Bidder-Proposed Change(s) to **Exhibit A, Preliminary Base Contract,** as follows.

Only those Bidder-Proposed Change(s) that meet all the following requirements will be considered as having been submitted as part of the Proposal:

* Each Bidder-Proposed Change (addition, counter-offer, deviation, or modification) must be specifically enumerated in writing; and
* The writing enumerating the Bidder-Proposed Change must identify the particular term the Bidder objects to or proposes to modify, and the reasons therefore.

The Department need not negotiate from or based on Bidder-supplied forms or agreements. Bidder-Proposed Change(s) submitted on standard, pre-printed forms (product literature, order forms, contracts), whether or not deemed “material,” which are attached or referenced with submissions which do not meet the above requirements will not be considered part of the Proposal or resulting Agreement, but rather will be deemed to have been included for informational or promotional purposes only.

Acceptance and/or processing of the Proposal will not constitute written acceptance of Bidder-Proposed Change(s) or a waiver of the Department’s right set forth in **Section** **8., Administrative Requirements**. Failure of the Bidder to object in its Proposal submission to any terms identified in **Exhibit A, Preliminary Base Contract**, will be deemed to constitute acceptance thereof by the Bidder.

### Request for Exemption from Disclosure

The Proposals are presumptively available for public inspection. If this would be unacceptable to a Bidder, the Bidder must apply to the Department for trade secret protection of its Proposal at the time of proposal submission.

In applying for trade secret protection, it is not acceptable to indiscriminately categorize the entire proposal as such. The Bidder must point out those sections of the proposal that it believes in good faith are trade secrets and explain the reasons therefore. The Bidder may wish to review with its legal counsel Restatement of Torts, Section 757, comment b, and the cases under the Federal Freedom of Information Act, 5 USC Section 522, as well as the New York State Freedom of Information Law (Public Offers Law at Article 6). The Department will review applications and grant trade secret protection, if appropriate.

**Response Requirement**

To obtain trade secret protections, the Bidder must submit with its Proposal, a letter specifically identifying the page number, line, or other appropriate designation of the information that is trade secret and explain in detail why such information is a trade secret and would be exempt from disclosure.

### Encouraging use of New York State Business in Contract Performance

New York State businesses have a substantial presence in State contracts and strongly contribute to the economies of the state and nation. In recognition of their economic activity and leadership in doing business in New York State, Bidders/proposers for this contract for commodities, services, or technology are strongly encouraged and expected to consider New York State businesses in the fulfillment of the requirements of the contract. Such partnering may be as Subcontractors, suppliers, protégés, or other supporting roles.

**Response Requirement**

Each Bidder must complete and submit **Attachment 17, Encouraging Use of New York State Businesses in Contract Performance.**

### Assurance of No Conflict of Interest

The Bidder offering to provide services pursuant to this RFP as a Contractor, or Subcontractor, attests that its performance of the services outlined in this RFP does not and will not create a conflict of interest with nor position the Bidder to breach any other contract currently in force with the State of New York.

**Response Requirement**

Each Bidder must complete and submit **Attachment 18, Vendor Assurance of No Conflict of Interest or Detrimental Effect.**

### Executive Order No. 177 Certification

In accordance with Executive Order No. 177, the Bidder must certify that it does not have institutional policies or practices that fail to address the harassment and discrimination of individuals on the basis of their age, race, creed, color, national origin, sex, sexual orientation, gender identity, disability, marital status, military status, or other protected status under the Human Rights Law.

Upon request to the Contractor, the Department may require this form also be executed and submitted by any Subcontractor working under this Agreement.

**Response Requirement**

The Bidder must complete and submit **Attachment 19, Certification of Non-Discrimination Practices.**

### Sexual Harassment Prevention Certification

State Finance Law §139-l requires bidders on state procurements to certify that they have a written policy addressing sexual harassment prevention in the workplace and provide annual sexual harassment training (that meets the Department of Labor’s model policy and training standards) to all its employees and that such policy, at a minimum, meets the requirements of section two hundred one-g of the labor law.

Upon request to the Contractor, the Department may require this form also be executed and submitted by any Subcontractor working under this Agreement.

**Response Requirement**

The Bidder must complete and submit **Attachment 20, Sexual Harassment Prevention Certification.**

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# Proposal Submission Requirements

The Bidder must provide a Proposal that clearly and precisely provides all required information. Emphasis should be placed on conformance with the RFP instructions, responsiveness to the RFP requirements, and clarity of the Bidder’s intent.

Proposals that do not comply with these instructions or do not meet the full intent of all of the requirements of this RFP may be subject to scoring reductions during the evaluation process or may be deemed non-responsive. The Department does not require, nor desire, any excessive promotional material which does not specifically address the response requirements of this RFP. To assist Bidders, the Department has provided **Attachment 3, Bidder’s Checklist**. A proposal that does not provide all the information requested may be subject to rejection.

**Faxes or electronically transmitted proposals will not be accepted.**



## Proposal Content and Organization

To facilitate the State’s evaluation process, the Bidder must organize its Proposal into three distinct volumes, as follows:

Volume One: Qualifying and Technical Proposal

Volume Two: Administrative Proposal

Volume Three: Financial Proposal

# Volume One Format

Volume One should contain a table of contents with page numbers and each section should be tabbed as follows:

1. Tab 1 – Executive Summary
2. Tab 2 – Qualifying Requirements
3. Tab 3 – Technical Requirements

# Volume Two Format

1. Tab 1 – Cover Letter (See **Section 8.2.9., Cover Letter**)

* Bidder-Proposed Change(s), if applicable (must conform to **Section 8.2.18., Bidder-Proposed Change(s) to Preliminary Base Contract Terms**)
* Request for exemption from Disclosure, if applicable (must conform to **Section 8.2.19., Request for Exemption from Disclosure**)

1. Tab 2 – Administrative Requirements Response Forms

# Volume Three Format

This volume must contain **Attachment 21, Financial Response Form.**

## Proposal Submission

The Bidder must submit two originals and two copies of **Volume One: Qualifying and Technical Proposal**, **Volume Two: Administrative Proposal,** and **Volume Three: Financial Proposal**. All volumes must be bound separately, be clearly identified, and should contain page numbers.

Proposals must be received by the date and time specified in the Schedule of Events.

For Administrative purposes only, it is desirable that the Bidder also provide electronic copies via physical media (CD/DVD/Flash Drive), as follows:

* One electronic copy of Volume One - Qualifying and Technical Proposal ONLY
* One electronic copy of the Qualifying and Technical, Administrative, and Financial Proposals with any proprietary information redacted. This will be used to facilitate DTF response to requests for information under the Freedom of Information Law.

The electronic copies should be encrypted and password protected. The password should be submitted via email to [BFS.Contracts@tax.ny.gov](mailto:BFS.Contracts@tax.ny.gov).

All proposals must be enclosed in sealed containers with the following visibly inscribed on the outside of all containers:

Attn: Director, Procurement Services

New York State Department of Taxation and Finance

Office of Budget and Management Analysis

Procurement Services Unit

W. A. Harriman State Office Building Campus

Albany, NY 12227

All proposals must have a label on the outside of the package or shipping container outlining the following information:

“PROPOSAL ENCLOSED”

RFP 20-101

Collection Services for Delinquent Tax Debt

[Proposal Due Date and time]

**Please note: Deliveries by delivery services (e.g. UPS, FedEx, etc.) and/or requiring a signature of receipt should be addressed to the Department’s W.A. Harriman Campus address; however, the delivery service provider must be instructed to deliver the Proposal documents to the following address:**

90 Cohoes Avenue

Green Island, NY 12183

Only under circumstances identified in **Section 8.1.16.G,** will the Department consider any Proposals received after the time and date specified in the Schedule of Events. In the event a package is not labeled properly as described in this section, the Department reserves the right to inspect the contents of the package(s) to determine the contents. The Bidder shall have no claim against the Department arising from such inspection and such inspection shall not affect the validity of the procurement. Notwithstanding the Department’s right to inspect the contents of the package(s), the Bidder assumes all risk of late delivery associated with the Proposal not being properly identified, packaged, or labeled in accordance with the foregoing requirements.

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# Proposal Evaluation

Pursuant to Article XI of the State Finance Law, the basis for contract award under this RFP will be “best value,” optimizing quality, cost, and efficiency among responsive and responsible Bidders.



## Proposal Clarification

The Department reserves the right to require a Bidder to provide clarification and validation of its Proposal through any means the Department deems necessary. Failure of a Bidder to cooperate with the Department’s efforts to clarify or validate Proposal information may result in the Proposal being labeled non-responsive and given no further consideration.

## Evaluation Process Overview

There will be three phases to the evaluation process. Proposals which pass Phase One of the evaluation will be further evaluated in Phase Two, followed by Phase Three.

# Phase One Evaluation

All timely submitted Proposals will be evaluated in Phase One. Proposals will be evaluated in the following areas:

1. **Proposal Screening**

Each Proposal will be screened for completeness and conformance with the Department requirements for Proposal submission as specified in this RFP. Proposals which do not meet the requirements may be labeled as non-responsive and may not be given further consideration.

1. **Qualifying Requirements (Pass/Fail)**

All proposals that pass the Proposal Screening will be evaluated to determine if the Bidder meets the qualifying requirements specified in **Section 3., Qualifying Requirements** and **Attachment 4, Bidder Attestation**. If all qualifying requirements are not met, the Bidder’s Proposal will be labeled non-responsive and will not be given further consideration.

All Proposals that pass this stage of the evaluation process will be further evaluated in Phase Two.

# Phase Two Evaluation

Bidders who pass Phase One of the evaluation will be further evaluated as follows:

1. **Technical Evaluation (70 points)**

Technical points will be allocated to the Bidder’s response to the Technical Requirements stated in **Section 4**.

1. **Financial Evaluation (30 Points)**

Financial Proposals will be scored concurrently and separately from the technical evaluations and by reviewers who will have no knowledge of the content of the technical Proposals.

# Phase Three Evaluation (Pass/Fail)

The Department will conduct an evaluation of the financial stability of the entity(ies) that submitted the highest ranked bid, as outlined in Technical Requirements **Table 4.3. Financial Stability Requirements**. In the event that the entity(ies) does not pass this evaluation, the Bidder will be disqualified and the Department will conduct a financial stability evaluation on the entity(ies) that submitted the next highest ranking bid.

## Final Ranking/Contract Award

A final score will be calculated by adding the technical score and the financial score. The Contract will be awarded to the Bidder whose proposal obtains the highest final score.

The table below summarizes the evaluation point distribution:

|  |  |
| --- | --- |
| **Evaluation Component** | **Points** |
| Technical Evaluation | 70 |
| Financial Evaluation | 30 |
| **TOTAL** | **100** |

In the event that more than one Bidder receives the same aggregate score, the Department will use the following tie breaking mechanisms, in the order listed, to determine final ranking:

* The Bidder’s Financial Score
* The Bidder’s Experience and Reference Score