



Legislation Text

File #: 1410-2021, **Version:** 1

Background: This legislation authorizes the City Auditor to waive the request for proposal requirements of Columbus City Code Chapter 329 and enter into a professional services contract with AED Advisers, LLC. (AED) in an amount up to \$115,000 for the purpose of providing advisement on the Division's compliance with federal tax information safeguarding requirements required through IRS Publication 1075. The contract is for a period of three (3) years beginning July 1, 2021 through June 30, 2024 subject to annual approval and appropriation from City Council.

In May 2020, the City Auditor's Office - Division of Income Tax, through the utilization of a Request for Proposals process (RFQ015616) received (4) responses for professional services related to the Division's compliance with IRS Publication 1075. In July 2020, the division established a contract with AED Advisers to perform a thorough evaluation of the division's current safeguarding policies and practices in anticipation of IRS on-site review that was conducted in March 2021.

Following the IRS on-site review, the Division is in need of additional professional services to assist with ongoing compliance requirements to complete the correction action plan from the 2021 IRS onsite review and complete ongoing compliance requirements that will assist the City with preparedness for the spring 2024 IRS audit. Additionally, the Division requires assistance during the implementation of the City's new revenue management system to ensure that federal tax information is properly safeguarded during the data conversion and transition processes.

Due to the Division's review of other vendors through the 2020 request for proposals process, AED's gained knowledge of Division operations, and AED's success in evaluation and preparation for the 2021 IRS review, the Division is requesting to waive the request for proposal requirements outlined in Columbus City Code Chapter 329.

Contract Compliance: The vendor contract compliance number is 33027 and is valid through 7-8-2022.

FISCAL IMPACT: Funding is available in the 2021 General Fund Budget.

Emergency Designation: Emergency action is requested to expedite authorization of this contract in order to facilitate and maintain uninterrupted services from the supplier.

Waiver of Request for Proposal Requirements: A waiver of the request for proposal requirements outlined in Columbus City Code Chapter 329 is being requested to contract with a firm that specializes in compliance with IRS Publication 1075 requirements, and has intricate knowledge of existing Division safeguarding practices.

To authorize the City Auditor to execute a professional services contract with AED Advisers, LLC. in an amount up to \$115,000.00 for the purpose of providing advisement on the Division's compliance with federal tax information safeguarding requirements as required in IRS Publication 1075; to authorize an expenditure up to \$115,000.00 from the General Fund; to waive the competitive bidding requirements of City Code Chapter 329; and to declare an emergency (\$115,000.00).

WHEREAS, the City Auditor desires to work with AED to provide advisement on the Division's compliance with federal tax information safeguarding requirements as required in IRS Publication 1075; and

WHEREAS, federal tax information is a critical audit resource to ensure city tax compliance and revenue optimization; and

WHEREAS, it is in the City's best interests to waive the competitive bidding requirements of City Code Chapter 329 because AED has intricate knowledge of Income Tax Division operations and IRS Publication 1075 requirements; and

WHEREAS, an emergency exists in the usual daily operations of the Division of Income Tax in that it is immediately necessary to authorize the City Auditor to execute a contract with AED Advisers for the continuation of professional services, for the immediate preservation of the public health, peace, property, safety and welfare; now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1: That this Council finds that it is in the best interest of the City to waive the competitive bidding provisions of Chapter 329 of City Code to enter into this contract.

SECTION 2. That the City Auditor is authorized to enter into contract with AED Advisers, LLC in an amount up to \$115,000 for the purpose of providing advisement on the Division's compliance with federal tax information safeguarding requirements as required in IRS Publication 1075.

SECTION 3. That for the purpose as stated in Section 2, the expenditure of \$115,000 or so much thereof as may be necessary, is hereby authorized in fund 1000 (General Fund), Dept. 22-02 (Income Tax), in Object Class 03 (Services) per the accounting codes in the attachment to this ordinance.

SECTION 4. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 6. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.