**DEPARTMENTAL INPUT**

**CONTRACT/PROJECT MEASURE ANALYSIS AND RECOMMENDATION**

- **New** ☑
- **OTR** ☐
- **Sole Source** ☐
- **Bid Waiver** ☐
- **Emergency** ☐
- Previous Contract/Project No.: N/A

**Requisition No./Project No.:** RQFN1800004

**TERM OF CONTRACT:** 3 YEAR(S) WITH 3 YEAR(S) OTR

**LIVING WAGE APPLIES:** ☑ YES ☐ NO

**Description:** The purpose of this new solicitation is for the processing, printing and mailing of 1099 IRS forms for the Finance Department.

**Issuing Department:** ISD

**Contact Person:** Alexis Castro

**Phone:** 305-375-1291

**Estimate Cost:** $108,000.00

**Funding Source:**
- GENERAL: $108,000.00
- FEDERAL: 
- OTHER: 

**ANALYSIS**

**Commodity Codes:** 966-12

**Contract/Project History of previous purchases three (3) years**

<table>
<thead>
<tr>
<th>Contractor:</th>
<th>EXISTING</th>
<th>2ND YEAR</th>
<th>3RD YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business Enterprise:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Contract Value:**
- $ |
- $ |
- $ |

**Comments:**

**Continued on another page(s):** ☑ YES ☐ NO

**RECOMMENDATIONS**

<table>
<thead>
<tr>
<th></th>
<th>Set-aside</th>
<th>Sub-contractor goal</th>
<th>Bid preference</th>
<th>Selection factor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SBE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Basis of recommendation:**

**Signed:** Alexis Castro

**Date sent to SBD:** 10/23/2018

**Date returned to DPM:**

Revised April 2005
SECTION 2
SPECIAL TERMS AND CONDITIONS

2.1 PURPOSE

The purpose of this solicitation is to establish a contract for the printing and mailing of IRS Forms 1099 for Miami-Dade County.

2.2 TERM OF CONTRACT

This contract shall commence on the first calendar day of the month succeeding approval of the contract by the Board of County Commissioners, or designee, unless otherwise stipulated in the Blanket Purchase Order issued by the Internal Services Department, Strategic Procurement Division. The contract shall expire on the last day of the last month of the five (5) year term.

2.3 METHOD OF AWARD

Award of this contract shall be made to the lowest priced, responsive, responsible Bidder in the aggregate who meets the qualifications set forth below. If a Bidder fails to submit an offer for all items, its offer for this contract may be rejected.

Qualifications

2.3.1 Bidder shall provide the contact information of a designated representative to provide the County with support and information concerning orders placed, including emergencies. Bidder shall provide the representative's name, phone number, and email address. The phone number provided must be available twenty four (24) hours a day, seven (7) days a week to provide support to the County.

2.3.2 Bidder shall submit two (2) current commercial business and/or governmental agency references on business/agency letterhead, signed to demonstrate that the Bidder is regularly engaged in the business of providing services as requested in this solicitation. The County shall be able to ascertain from these references to its satisfaction that the Bidder has sufficient experience providing the services requested.

2.4 PRICES

The prices resulting from this solicitation, shall remain fixed and firm for no less than twenty-four (24) months from the contract commencement date. It is the Awarded Bidder’s responsibility to request any price adjustment. The Awarded Bidder’s request for adjustment must be submitted to the County’s Internal Services Department, Strategic Procurement Division for review no less than 120 days prior to expiration of the then current contract year. The County may consider an adjustment to prices based on the Consumer Price Index (CPI) percentage change as calculated by the US Department of Commerce for all items, for all Urban Consumers in the Miami-Ft. Lauderdale area.

The County reserves the right to reject any upward price adjustments submitted by the Awarded Bidder or to negotiate lower pricing during the contract period based on market conditions or other factors that influence price. The County also reserves the right to apply any reduction in pricing based on the downward movement of the applicable index. Any agreed upon upward price adjustment shall not exceed 5%.
2.5 **METHOD OF PAYMENT**

In addition to the terms and conditions stated in Section 1.2.H - Prompt Payment Terms and 1.35 - Invoices, the County will pay the Awarded Bidder upon completion and acceptance of all work required in this contract and only for the actual quantities processed and mailed.

2.6 **DEFICIENCIES IN WORK**

Work shall be continually subject to oversight and approval by the County's Project Manager. In the event workmanship is found incomplete or otherwise unsatisfactory in the judgment of a designated County representative, the Awarded Bidder shall, upon notice, immediately correct any such discrepancies or deficiencies.

The Awarded Bidder shall promptly correct any and all work that fails to conform to the contract documents. All corrections shall be made within twenty-four (24) hours from the point when such non-conformances are reported to the Awarded Bidder by the County's Project Administrator, who may confirm all verbal reports in writing. The Awarded Bidder shall bear all costs of correcting such rejected work and related penalties assessed by IRS. If the Awarded Bidder fails to correct the work within the period specified, the County may, at its discretion, notify the Awarded Bidder, in writing, that the Awarded Bidder is subject to contractual default provisions if the corrections are not completed to the satisfaction of the County within twenty-four (24) hours from receipt of the notice. If the Awarded Bidder fails to correct the work within the period specified in the notice, the County shall place the Awarded Bidder in default, obtain the services of another Bidder to correct the deficiencies, and charge the incumbent Bidder for these costs; either through a deduction from the final payment owed to the Awarded Bidder or through invoicing.

2.7 **ADDITION OF SERVICES**

Although this solicitation and resultant contract identifies specific services to be provided, it is hereby agreed and understood that additional services may be added to this contract at the option of the County. The Awarded Bidder under this contract shall be invited to submit price quotes for the additional services. If the quotes are determined to be fair and reasonable, then the additional services shall be added to this contract by formal modification. If, in the sole opinion of the County the price quotes are not fair and reasonable, the County has the right to obtain the requested services through a separate solicitation.

2.8 **PAYMENT AND PERFORMANCE BONDS**

A. This project will require the submission of a Payment and Performance Bond.

B. The Bidder to whom a contingent award is made shall duly execute and deliver to the County a Payment and Performance Bond in an amount that represents **100% of the Bid price** offered by the Bidder within 7 calendar days of a Notice of Award. The Payment and Performance Bond Form supplied by the County shall be the only acceptable form. If the Bidder fails to deliver the Payment and Performance Bond within the time specified above, including any extensions granted by the County, the County shall declare the Awarded Bidder in default of the contractual terms and conditions. This may affect the Bidder's eligibility for award of future contracts. The following specifications shall apply to the bond required above:

1. All bonds shall be written through surety insurers authorized to do business in the State of Florida as surety, with the following qualifications as to management and financial strength according to the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey:
2. On contract amounts of $500,000 or less, the bond provisions of Section 287.0935, Florida Statutes (1985) shall be in effect and surety companies not otherwise qualifying with this paragraph may optionally qualify by:
   a) Providing evidence that the surety has twice the minimum surplus and capital required by the Florida Insurance Code at the time the project is issued;
   b) Certifying that the surety is otherwise in compliance with the Florida Insurance Code; and
   c) Providing a copy of the currently valid Certificate of Authority issued by the United States Department of the Treasury under ss. 31 U.S.C. 9304-9308.

C. Surety insurers shall be listed in the latest Circular 570 of the U.S. Department of the Treasury entitled "Acceptable Sureties on Federal Bonds", published annually. The bond amount shall not exceed the underwriting limitations as shown in this circular.

D. For project contracts in excess of $500,000 the provisions of Section B will be adhered to and the company must have been listed for at least three (3) consecutive years, or holding a valid Certificate of Authority of at least $1.5 million and on the Treasury List.

E. Surety Bonds guaranteed through U.S. Government Small Business Administration or Contractors Training and Development Inc. will also be acceptable.

F. In lieu of a Performance Bond, an irrevocable letter of credit or a cash bond in the form of a certified cashier's check made out to the Board of County Commissioners will be acceptable. All interest will accrue to Miami-Dade County during the life of the project and as long as the funds are being held by the County.

G. The attorney-in-fact or other officer who signs a performance bond for a surety company must file a certified copy of a power of attorney authorizing the officer to do so with the bond. The performance bond must be counter signed by the surety's registered Florida agent.
SECTION 3
SCOPE OF WORK/TECHNICAL SPECIFICATIONS

3.1 OVERVIEW

Miami-Dade County's Finance Department, per Internal Revenue Service (IRS) regulation, is required and responsible for issuing 1099 forms by January 31st. Annual due date for 1099 form issuance and mailing is published yearly in IRS's publication “General Instructions for Certain Information Returns” section. The Finance Department consolidates and verifies the data from various sources to create one unified file for Miami-Dade County. The file is utilized to produce the mandated 1099 forms as well as file with the IRS by the established due date, as set by Public Law 114-113, Division Q, Section 201 on behalf of the County.

1099 forms are issued to all reportable vendors who have received a combined payment equal to or greater than the minimum described for the specific 1099 form by the IRS.

The Finance Department is seeking the services from a bonded Bidder to provide the needed labor, skills, software and materials necessary to process, print and mail the 1099 forms on behalf of the County for each contracted year. Bidders must submit proof of bond when responding to solicitation.

The average 1099 quantities by type issued during the last three (3) calendar years are listed below.

<table>
<thead>
<tr>
<th>Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous (1099-MISC)</td>
<td>9,000</td>
</tr>
<tr>
<td>Interest (1099-INT)</td>
<td>2,000</td>
</tr>
<tr>
<td>Real Estate (1099-S)</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,050</strong></td>
</tr>
</tbody>
</table>

The County may be required to furnish other 1099 form types during the duration of this contract.

3.2 SCOPE OF WORK

The Awarded Bidder must provide services within the time constraints the County has to process, verify and send the data to the Awarded Bidder by mid-January of each year. Awarded Bidder must meet the IRS deadlines, as stated above, for producing and mailing 1099 forms. (Information Technology Department (ITD) transmits our file to IRS). Detailed timeline with corresponding dates will be confirmed by County in writing at the start of each year’s project. Official IRS 1099 form must be used to furnish statements to recipients or furnish an IRS accepted substitute statement. Substitute statements must comply with requirements set in IRS Publication 1179.

3.3 GOODS/SERVICES TO BE PROVIDED

The Awarded Bidder shall:

3.3.1 Have secure physical facilities and data security processes in place to handle processing and storing these documents containing confidential information.

3.3.2 Use an encrypted transfer method currently, supported by the County’s ITD, to send and receive print proofs.

3.3.3 Have capabilities to receive and process data file following IRS 750 format requirements, currently in use by the County, or in a format required by the County adhering to IRS standards throughout the duration of this contract.
3.3.4 Have capabilities to provide the 1099’s issued in secure electronic media (e.g. CD’s or secure site) within 2 weeks of 1099 form issuance:
   - Database with ability to search, access, and print exact copies of forms printed and mailed for duplicate printing as needed.
   - Access to PDF fillable IRS approved 1099 blank forms in order to facilitate manual print of forms as needed.

3.4 FORM AND PRINTING INFORMATION

3.4.1 The Awarded Bidder must provide proofs of completed 1099 documents during the testing process and after any change.

3.4.2 The Awarded Bidder must provide a final recap/summary which includes a count by 1099 form and related total dollars to the County for evaluation and written approval prior to final production and printing of 1099’s.

3.4.3 Proofs will be reviewed for data accuracy, formatting, page alignment, and general correctness according to document specifications.

3.4.4 Complete proofs shall consist of the 1099 forms and IRS instructions accompanying the forms.

3.4.5 The Awarded Bidder shall notify the County immediately of any printing delays within 24 hours of the incident.

3.5 PACKING AND MAILING

3.5.1 All documents must be mailed taking full advantage of all available discounts, including sorting, to obtain the most economical postal rates for consistently-sized first class mail by the date determined by the County.

3.5.2 The Awarded Bidder shall ensure each envelope is properly sealed to maintain the privacy of payees' confidential information.

3.5.3 The Awarded Bidder shall notify the County immediately of any mailing delays within 24 hours of the incident.

3.5.4 The Awarded Bidder will use current U.S Postal Service bar coding standards for the addresses provided to obtain maximum discounts for consistently-sized first class mail (zip code presorting, etc.). Appropriate postal discount bar coding must be printed above each payee’s address to be visible in the envelope window.

3.5.5 The Awarded Bidder shall have all 1099 Forms completed and inserted with a properly-sealed envelope and delivered to a U.S. Post Office no later than the date determined by the County.

3.6 DISPOSAL

The Awarded Bidder will properly dispose of County provided data at County’s request. The Awarded Bidder will provide the County with a certificate of destruction stating that the data has been properly disposed of.

3.7 PENALTIES

Time is of the essence in performing the contracted services; this is true generally, and particularly with
respect to mailing all Forms 1099 by a date to be determined and confirmed in writing at the start of each year’s project. If the Awarded Bidder fails to meet the agreed upon printing and mailing deadlines, it shall pay $1,500.00 per calendar day for each day late, plus the amount of any fines or penalties imposed by the IRS for late delivery of the 1099 Forms. This shall apply even if the deliverable(s) is only one day late. The County reserves the right to waive the reduction in cases where the Awarded Bidder’s failure to submit the deliverable(s) by the specified due date(s) are due to circumstances beyond the Awarded Bidder’s control and when the County has provided written approval to the Awarded Bidder to extend the due date(s).

3.8 ANTICIPATED TIMELINE

The following dates for the first year’s project timeline will be discussed and finalized between the County and Awarded Bidder. Below is an anticipated timeline, at high level, and is subject to change:

<table>
<thead>
<tr>
<th>Deliverables</th>
<th>Description</th>
<th>Anticipated Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Implementation and testing period (submit test file, receive test results, verify test results)</td>
<td>December 5 – 14, 2018</td>
</tr>
<tr>
<td>2</td>
<td>Final acceptance of the process by the County</td>
<td>December 14, 2018</td>
</tr>
<tr>
<td>3</td>
<td>Final file submission to the Awarded Bidder</td>
<td>No later than January 16, 2019</td>
</tr>
<tr>
<td>4</td>
<td>Validation report showing quantity and dollars by 1099 form type</td>
<td>No later than January 17, 2019</td>
</tr>
<tr>
<td>5</td>
<td>Provide proofs</td>
<td>No later than January 18, 2019</td>
</tr>
<tr>
<td>6</td>
<td>Authorization to print and mail</td>
<td>No later than January 24, 2019</td>
</tr>
<tr>
<td>7</td>
<td>Mailing of 1099’s to recipients</td>
<td>No later than January 31, 2019</td>
</tr>
</tbody>
</table>
SECTION 4
BID SUBMITTAL - PRICING

1. Pricing must be submitted as a flat, fixed price to include ALL expenses related to the processing, printing, and mailing of a 1099 form on a per unit basis, to be paid under the resultant contract.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Item Description</th>
<th>Estimated Quantity (Annually)</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Processing, Printing, and Mailing of 1099 Forms</td>
<td>11,050</td>
<td></td>
</tr>
</tbody>
</table>

Note: Quantities that increase beyond 10% of the estimated quantities, may be subject to negotiation.