12- R -1343
(Do Not Write Above This Line)

A RESOLUTION BY FINANCE/EXECUTIVE COMMITTEE

A Resolution authorizing the Mayor to execute a contractual agreement for FC-5899, Revenue Audit Services, on behalf of the Department of Finance Office of Revenue with PRA Government Services, LLC, D/B/A RDS, to provide full Revenue Audit Services which shall consist of all or any combination of the examination and Audit of financial records and related documents for various revenue generating activities; and for other purposes.

As Amended

ADOPTED BY
OCT 1 5 2012
COUNCIL

[] CONSENT REFER
[] REGULAR REPORT REFER
[] ADVERTISE & REFER
[] 1st ADOPT 2ND READ & REFER
[] PERSONAL PAPER REFER

Date Referred
Referred To:
Date Referred
Referred To:
Date Referred
Referred To:

First Reading
Committee
Date
Chair
Referred To

Committee
Fin. / Executive
Date
10-10-12
Chair
Felicia A. Moore
Action
Fav, Adv, Hold (see rev. side)
Other
as amended
Members
Kyadrean
Refer To

Committee
Date
Chair
Action
Fav, Adv, Hold (see rev. side)
Other
Members
Refer To

Committee
Date
Chair
Action
Fav, Adv, Hold (see rev. side
Other
Members
Refer To

Committee
Date
Chair
Action
Fav, Adv, Hold (see rev. side
Other
Members
Refer To

FINAL COUNCIL ACTION
[✓] 2nd [] 1st & 2nd [] 3rd
Readings
[✓] Consent [] V Vote [✓] RC Vote

CERTIFIED
CERTIFIED
OCT 1 5 2012
COUNCIL PRESIDENT PROTEM

CERTIFIED
OCT 1 5 2012
Rhonda Dauphin Johnson
MUNICIPAL CLERK

MAYOR'S ACTION
APPROVED
OCT 2 4 2012
WITHOUT SIGNATURE
BY OPERATION OF LAW

CITY COUNCIL
ATLANTA, GEORGIA

A RESOLUTION BY
FINANCE/EXECUTIVE COMMITTEE

12- R -1343

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACTUAL AGREEMENT FOR FC-5899, REVENUE AUDIT SERVICES, ON BEHALF OF THE DEPARTMENT OF FINANCE – OFFICE OF REVENUE WITH PRA GOVERNMENT SERVICES, LLC, D/B/A RDS, TO PROVIDE FULL REVENUE AUDIT SERVICES WHICH SHALL CONSIST OF ALL OR ANY COMBINATION OF THE EXAMINATION AND AUDIT OF FINANCIAL RECORDS AND RELATED DOCUMENTS FOR VARIOUS REVENUE GENERATING ACTIVITIES; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta (the "City") solicited Requests for Proposals for FC-5899 Revenue Audit Services on behalf of the Department of Finance Office of Revenue to provide full revenue audit services; and

WHEREAS, the revenue audit services, as described in the attached Exhibit A – Scope of Services, shall consist of all or any combination of the examination and audit of financial records and related documents; for various revenue generating activities including, but not limited to, cell tower leases, E-911 fees, wholesale alcohol taxes, utility franchise fees, tax by the drink excise taxes, hotel/motel fees, car rental taxes, and other revenue activities; and

WHEREAS, in accordance with the guidelines contained in the Procurement Code, the bid for FC-5899 was properly awarded to RDS; and

WHEREAS, upon recommendation of the City's Chief Financial Officer and the Chief Procurement Officer, the City desires to enter into an agreement for an initial term of two years with two (2) one-year renewal options at the sole discretion of the City (the "Agreement"); and

WHEREAS, the compensation for this agreement will be based on a rate not to exceed forty percent (40%) of the amount collected, including any penalties, accrued interest and late fees as applicable.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY RESOLVES, that the Mayor or his designee is authorized to enter into an Agreement with RDS to provide full audit services for FC-5899 Revenue Audit Services on behalf of the Department of Finance, in substantially the form attached as Exhibit B.

BE IT FURTHER RESOLVED, that the compensation for this agreement will be based on a rate not to exceed forty percent (40%) of the amount collected, including any penalties, accrued interest and late fees as applicable.

BE IT FURTHER RESOLVED, that the Chief Procurement Officer is directed to prepare an appropriate agreement for execution by the Mayor or his designee.

BE IT FURTHER RESOLVED, that the Agreement will not become binding on the City and the City will incur no obligation or liability under it until it has been approved as to form by the City Attorney, executed by the Mayor, attested to by the Municipal Clerk and delivered to RDS.

BE IT FURTHER RESOLVED, that the proceeds from funds will be deposited to various Fund Department Organization Accounts representing various type of City revenue.

BE IT FINALLY RESOLVED, that all resolutions and parts of resolutions in conflict herewith are waived to the extent of the conflict.

A true copy,

Deputy Municipal Clerk

ADOPTED as amended by the Atlanta City Council **October 15, 2012**
APPROVED as per City Charter Section 2-403 **October 24, 2012**

12-R-1595

EXHIBIT A

SCOPE OF SERVICES & ADDITIONAL COMPENSATION TERMS FC-5899, REVENUE DISCOVERY

1.0 REVENUE AUDIT OVERVIEW

1.1 Description

Revenue Audit is defined as businesses or individuals that have been subject to review of financial records and are deemed to have under-reported revenue to the City by virtue of non-compliance with State and City revenue laws. Revenue Audit services for the City of Atlanta will be performed on a contingency basis.

1.2 Period of Eligibility

City and Consultant agree period of eligibility for Revenue Audit shall include all years consistent with City Ordinances, Codes, Statutes of Limitations and Franchise Agreements. City and Consultant also agree period of eligibility includes revenue collections for the current year, 2012.

2.0 Audit Scope Description

Consultant shall provide Full Revenue Audit services which shall consist of all or any combination of: examination and audit of financial records and related documents; Consultant will conduct financial audits of selected accounts provided by the City. This will include the following revenue accounts and sources:

2.1 Cell Tower Lease Rental Fees

Monthly cell tower lease revenue will be paid by telecommunication companies subject to cell tower lease agreement terms. The City will provide to the Consultant the cell tower leases of all accounts that Consultant is to review for revenue discovery. The City will also provide to the Consultant all documents and reports pertaining to any previous reporting and payment of cell tower lease rental fees. Copies of these leases and reporting and payment information shall be provided to the Consultant. Consultant may request additional records and documentation from the City during the period of this Scope of Services, whereby the City will provide this information to the Consultant in a timely manner.

2.2 E-911 Fees

Monthly charges will be paid by telecommunication companies for landline, wireless, and VOIP. The City shall provide the leases, agreements and/or other documents which indicate the terms and conditions of fees to be paid to the City. The City will also provide to the Consultant all documents and reports pertaining to any previous reporting and payment of E-911 fees. Copies of these leases and/or agreements and reporting and payment information shall be provided to the

Consultant. Consultant may request additional records and documentation from the City during the period of this Scope of Services, whereby the City will provide this information to the Consultant in a timely manner.

2.3 Wholesale Alcohol Taxes

A monthly tax will be paid by Wholesale Alcohol distributors at the rate of .22 cents per liter. The City will provide enabling legislation authorizing the collection of the Wholesale Alcohol taxes to the Consultant. The City will also provide to the Consultant all documents, reports, and reporting and payment information pertaining to any previous reporting and payment of Wholesale Alcohol Taxes. Consultant may request additional records and documentation from the City during the period of this Scope of Services, whereby the City will provide this information to the Consultant in a timely manner.

2.4 Utility Franchise Fees

Franchise fees will be paid by utilities as required by City Ordinances. Utilities included in this scope include, but are not limited to, the following general categories:

- Cable TV
- Natural Gas
- Electric
- Telecommunications

2.5 Tax by the Drink Excise Tax

In addition to all other taxes imposed by law upon every purchase of distilled spirits by the drink in the City, a tax in the amount of three percent (3%) of the purchase price is levied. All taxes collected by any licensee or agent under this subdivision shall be due and payable to the City monthly on or before the 20th day of every month next succeeding each respective monthly period.

2.6 Hotel/Motel audits

The City assesses a tax of eight percent (8%) of the rent for every occupancy of a guestroom in a hotel in the city. Every operator maintaining a place of business in the City and renting guestrooms in the City shall collect the rent from the occupant and remit the tax to the City on a monthly basis.

2.7 Car Rental taxes

Car Rental Tax is an excise tax levied upon each rental charge collected by any rental motor vehicle concern when the charge is a taxable event for the purposes of the Georgia Sales and Use Tax. The Car Rental Tax is currently levied at three percent (3%) of the rental charge. The Car Rental Tax is imposed only at the time and place where the customer pays sales tax. The customer who pays a car rental charge is liable for the tax. The tax is paid by the customer to the Rental Motor Vehicle Concern. The Motor Vehicle Concern remits the tax to the City of Atlanta's Office of Revenue on a monthly basis.

2.8 Other Revenue

Other revenue audit may include business tax audits and will be determined at the City's sole discretion.

3.0 COMPENSATION

Revenue Audit Discovery compensation will be based on percentage of the amount of revenue collected. Compensation for these services, will be at the rate of **forty percent (40%) of the amount collected. This amount includes any penalties, accrued interest and late fees as applicable.**

Compensation will not include any additional revenue for future periods collected by the City, where the revenue collection of a taxpayer was not initiated under this Scope of Services.

The City will bear no additional expenses to contractor, sub-contractor, subsidiary or any other third party other than the contingency based on compensation as stated herein.

3.1 Payment of Compensation to Consultant

The Consultant shall prepare and submit monthly invoices to the City for payment of all charges in accordance with this Scope of Services. Information included on all invoices shall be supplied to the City on a standard form provided by the Consultant. Invoices shall be submitted to the City on the 5th day of each month, for the prior month, or the next business day following the fifth day.

3.2 Payment Terms

The City shall endeavor to pay all undisputed charges thirty (30) days from receipt of a properly rendered and delivered invoice.

3.3 Reduction of Taxpayer Payments Due to City

Should the City choose to collect less than what is legally collectible from the taxpayer, the Consultant shall be entitled to payment from the City based on the principal amount collected to be payable to the City.

3.4 Reconciliation of Collected Funds

City and Consultant shall establish a clear reconciliation process that identifies funds collected through Consultant actions and maintains integrity of those funds. City and Consultant will establish reconciliation processes.

4.0 PROJECT LEAD PERSONNEL

4.1 Customer Service Support

The Consultant will identify an individual to serve as their Customer Service Representative. The Office of Revenue is responsible for delinquent collections personnel in the Office of Revenue

4.2 Training

The City will identify and provide an individual as the City's representative responsible for providing any necessary training and review of the City's policies and procedures for the Consultant's team. Consultant will be responsible for informing this individual of any additional review sessions that will need to be conducted. These review sessions will be conducted at City offices.

4.3 Reporting

The City will identify and provide individual responsible for providing IT support to the Business License Information System (BLIS) and Oracle Financial System. This individual will be responsible for generating and forwarding reports required or requested, including the Payment Report and Exception Report for the City's and Consultant's teams.

4.4 Personnel Changes

In the event of any changes in key personnel assigned to this project, the City and Consultant agree to provide prompt written notice and effective date of those changes.

5.0 BUSINESS PROCESSES

5.1 Process Review

Upon commencement of the Contract the City and Consultant shall review the approach to confirm that both parties are in full agreement with methods, procedures and protocols that are to be followed.

City will timely approve all correspondence intended for distribution to businesses for payment to the City.

5.2 Chartering Session

After the City and the Consultant jointly confirm and document that both parties are in full agreement with the proposed work plan and approach, a "Chartering Session" will be conducted

by the Consultant's team and City's staff. The assembled group will review the project to achieve a common understanding of the goals and objectives of the project and the work plan that will be deployed under this Scope of Services.

In instances where the City has established systems and procedures that cannot be changed and the Consultant's activities intersect with the City's, the Consultant may adapt its program to eliminate or at least minimize any impact on the City's normal operations.

6.0 Payment Procedures

Payment procedures shall be consistent with the Agreement. Taxpayer payments will be received by the City's Office of Revenue and processed consistent with the City's existing systems for Fund Accounting.

7.0 CONSULTANT ACTIVITIES

7.1 Customer Service Calls

"Customer Service" is defined as professional activities for businesses, citizens and constituents, designed to enhance the level of satisfaction with the City of Atlanta. Consultant shall ensure all taxpayer and customer assistance calls received by the Consultant are managed by the Consultant's team. Calls will be documented by name of caller, time and date or another unique log system for the calls. To the best ability of the Consultant's team, call data will be available in a format with ability for export onto other software programs and databases.

7.2 Information Management

Consultant shall support the City to maintain records in accordance with all applicable laws and guidelines for municipal accounting, and shall support the City to produce and deliver any and all reasonable financial information and reports as requested by the City.

Consultant shall support the City in compliance with all requirements regarding audits in compliance with all applicable local and State laws and procedures.

7.3 Consultant Identification

The contractor will be identified as authorized representatives of the City of Atlanta Revenue Audit Project. For the purpose of such identification, the City of Atlanta will provide badges, picture identification and/or any other necessary documents which will represent the personnel as being duly authorized by the City of Atlanta to perform their audit duties.

8.0 COMMUNICATIONS

8.1 Taxpayer Communications Program

Consultant will establish a documentation and taxpayer/customer communication program. This program will include letters of authorization; process explanations to the taxpayer; explanations of the taxpayer's obligations and rights; general information packages; frequently asked questions (FAQs), forms and instructions for completion, and program contact information.

Consultant will provide information to the City and its taxpayers in hard copy and in PDF format. Copying and reporting costs charged to the taxpayers/customer or the general public will be charged at the City's standard rates for public records requests. The City will be able to post these documents on its website for convenient download by the taxpayers/companies contacted and affected by this Scope of Services.

8.2 Customer Response

Consultant will implement a standard of response within 24 hours for all inquiries (next business day for weekend/holiday inquiries). Consultant will provide a dedicated phone number for the City of Atlanta Project.

8.3 Regular Meetings

Consultant will establish and execute monthly meetings with designated City staff to report on the Consultant's activities and progress.

9.0 REPORTS

9.1 Designated Reports

Reports shall include sufficient information to facilitate reconciliation with consultant activities, records and reports.

1. City will provide Consultant a Monthly Billing Report categorized City will provide Consultant a Monthly Exception Report
2. City will provide Consultant a Monthly Adjustment Report
3. City will provide Consultant a Monthly Payment Report
4. Consultant will provide City a Monthly Invoice
5. Consultant will provide City all original tax/fee forms
6. Consultant will provide City a monthly financial report of scope activity
7. Consultant will provide City a Monthly Scope of Services Activity Listing of business/individual names, physical location, start date, contact person, and contact telephone number(s).
8. Consultant will provide City a weekly report to support timely reconciliation of invoices.

9.2 Frequency of Reports

City and Consultant reports shall be due on the 15th of the month following the preceding month's activity unless otherwise stated in this Scope of Services. These reports shall be reconciled to the available financial deposit records.

On or before July 1st of every year, Consultant shall assist the City's Office of Revenue to prepare and deliver to the City an annual report of revenue audits completed for the prior fiscal year, in accordance with applicable standards.

10.0 ENFORCEMENT

The City agrees to perform enforcement to the best of their abilities to enforce the collection of revenues due to the City under this Scope of Services.

11.0 LEGAL ACTION

All legal actions taken will be the responsibility of the City in compliance with all applicable laws.

12.0 ADDITIONAL SERVICES

Subject to Section 5.3 Change Documents and upon written mutual agreement by both parties, and the availability of resources, Consultant shall provide to the City such additional scope of services as may be needed.

RCS# 2350
10/15/12
2:17 PM

Atlanta City Council

CONSENT I

CONSENT AGENDA SECTION I
10/15/2012
ADOPT

YEAS:	14
NAYS:	0
ABSTENTIONS:	0
NOT VOTING:	0
EXCUSED:	0
ABSENT	2

Y Smith	Y Archibong	Y Moore	Y Bond
Y Hall	Y Wan	Y Martin	B Watson
Y Young	Y Shook	Y Bottoms	Y Willis
Y Winslow	Y Adrean	Y Sheperd	B Mitchell

CONSENT I

		10-15-12
ITEMS ADOPTED ON CONSENT	**ITEMS ADOPDED ON CONSENT**	**ITEMS ADVERSED ON CONSENT**
1. 12-O-1267	35. 12-R-1348	49. 12-R-1383
2. 12-O-1400	36. 12-R-1349	50. 12-R-1384
3. 12-O-1281	37. 12-R-1351	51. 12-R-1385

LARGE

ATTACHMENT(S)

DOCUMENT(S),

MANNUAL(S)

OR

MAP(S)

NOT COPIED