

Allegheny County Department of Human Services Request for Proposals

Independent Assessment of Financial Operations

RFP Posting: Monday, August 12, 2019

Deadline for Questions: 3 p.m. Eastern Time on Friday, August 30, 2019

Submission Deadline: 3 p.m. Eastern Time on Friday, September 6, 2019

Estimated Award Decision/Notification: October 2019

Allegheny County Department of Human Services One Smithfield Street Pittsburgh, PA 15222

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Acronyms and Definitions

Unless the context indicates otherwise, the following capitalized words are defined as follows for purposes of this RFP:

- 1. <u>Agreement</u>: A contract negotiated between Allegheny County and the Successful Proposer to provide the Contract Services
- 2. <u>Allegheny County</u>: A home rule county and political subdivision of the Commonwealth of Pennsylvania
- 3. <u>Contract Services</u>: The specific services which the Successful Proposer agrees to provide to the County in response to this RFP as more particularly described in the Scope of Services in the Agreement
- 4. <u>DHS</u>: [Allegheny County] Department of Human Services
- 5. <u>Proposal</u>: A completed Response Form, with specified attachments, submitted in response to this RFP
- 6. <u>Proposer</u>: The individual, non-profit organization, or for-profit organization or business submitting a Proposal in response to this RFP
- 7. <u>Response Form</u>: The Word document in which Proposers respond to requested information about this RFP
- 8. <u>RFP</u>: Request for Proposals
- 9. <u>Successful Proposer</u>: The Proposer(s) selected by the County to provide the Contract Services

The RFP at a Glance

Purpose

Allegheny County, on behalf of its Department of Human Services (DHS), is seeking Proposals from qualified Proposers to: 1) assess the processes, staffing structure and technology driving our financial operations; 2) provide recommendations that DHS can use to continue to improve its financial operations; and 3) provide support to DHS in implementing those recommendations (the "Project"). In general, the Project will encompass improvements of our:

- Financial processes and controls
- Reporting and metrics designed to inform and alert executive leadership about trends, patterns and unanticipated events
- Integration with other operations, such as contracting compliance and human resources, and the human services programs that DHS delivers
- Integration with County offices responsible for financial oversight (the Allegheny County Office of Budget and Finance, County Council, County Controller and County Treasurer)
- Processes that optimize funding to support service delivery
- Use of technology to streamline work, increase accuracy and optimize decisions
- Level of innovation in our operations and management practices

Award Details

DHS will recommend the selection one Successful Proposer for the award of an Agreement having a term of approximately 10-12 months. The Agreement will begin in the Fall of 2019. The compensation to be paid to the Successful Proposer for services performed or provided in connection with the Project will be paid based upon phases of the Project completed. The estimated amounts to be paid during each phase of the Project is as follows:

Phase 1 (initial assessment/scoping): up to \$30,000 Phase 2 (evaluation and recommendations): up to \$120,000 Phase 3 (implementation support): up to \$150,000

DHS and the Successful Proposer will mutually determine if/when the Project shall proceed from one phase to the next phase based upon the Successful Proposer's satisfactory performance in the prior phase of the Project.

Who can apply

Anyone is eligible to submit a Proposal in response to this RFP. This includes non-profit organizations, for-profit organizations, businesses and individuals. Proposers do not need to have

an existing contract with Allegheny County to apply, but Proposers must meet all of Allegheny County's contractual requirements (see Section 6: Contract Requirements for Successful Proposers) and have the capability to provide the Contract Services.

What's important to us

The Successful Proposer must deploy an experienced team for the Project, ensuring consistency. This team must understand government and combine a well-rounded cross-functional perspective with experience in accounting and fiscal management, financial technology and organizational management.

What we don't want

We are not seeking an IT solution.

We are not seeking answers drawn only from within (e.g., as the result of a few workshops with current staff). DHS is expecting the successful Proposer to learn what exists, consider ways to improve upon that, make clear recommendations and provide expertise to support DHS in implementing those changes.

We are not seeking an extensive process map of DHS procedures and processes.

Timeline

Deadline for Proposers to submit questions about this RFP is 3 p.m. Eastern Time on Friday, August 30, 2019. Proposals must be submitted by 3 p.m. Eastern Time on Friday, September 6, 2019. We expect to notify Proposers of the County's decision to award an Agreement in October 2019.

Who we are

On behalf of Allegheny County, DHS is the issuing office for this RFP.

DHS is the largest department of Allegheny County government and provides publicly-funded services to more than 200,000 people annually, in areas including child welfare, behavioral health, aging, intellectual disability, homelessness and community services. It is nationally recognized for:

- Integrated programming—making it easier for individuals and families to receive the services they need
- Braiding funding to best support our service delivery
- Data-driven decision-making—providing crucial information to staff and leaders in developing programs and tracking performance
- Inventiveness and innovation—including applying analytics to human services so staff have the information they need to help people and make good decisions

People who work at DHS care about improving the health and well-being of people in the region, and they have the chance to do this in an environment where results, collegiality and inclusion are highly valued.

More information about DHS is available at <u>http://www.alleghenycounty.us/human-services/index.aspx</u>

Section 1: Why We Are Issuing this RFP

About DHS and its Financial Operation

DHS works to deliver the social services that people need, when they need them by:

- Providing services *directly* to individuals and families in need. (For example, our child welfare case workers investigate and support families who are at risk of neglecting their children)
- Paying for services *that community agencies* deliver to our clients. (For example, we contract with 30 organizations to provide housing for people who are homeless. Housing is one example of the many services we provide, and these 30 are among the hundreds of "provider" organizations with whom we contract.)
- *Making information available* to people so they can resolve issues, obtain resources, and have access to their own (client) information.

DHS applies its nearly \$1 billion budget to hundreds of different services that help the County's most vulnerable children, youth, and adults. This money comes from over 70 funding streams — mostly state and federal, but also County tax dollars and foundation grants.

As a department of County government, DHS is interconnected with the budget and finance operations in the Executive branch of County Government (County Office of Budget and Finance), the elected Executive Branch offices within County Government (the County Controller and County Treasurer), and the Legislative Branch of County Government (County Council). (For more information about Allegheny County's budget and human services funding/expenses, see the Comprehensive Fiscal Plans <u>CFP</u> (Operating, Capital, and Grants) ; and the Comprehensive Annual Financial Report: <u>CAFR</u>)

DHS's functions fall into two main sets:

- **Program offices** that deliver the services directly (or through contracted agencies) to individuals and families in Allegheny County. These offices include:
 - Office of Integrated Program Services, which oversees:

- Office of Behavioral Health
- Office of Children, Youth and Families
- Office of Intellectual Disabilities
- Area Agency on Aging
- o Office of Community Service
- **Support offices** that provide the functions that enable program office staff and DHS contractors to work effectively and meet DHS's mission. These offices include:
 - Office of Community Relations
 - Office of Analytics, Technology and Planning (ATP), the office where IT, analytics, strategic planning and DHS's administrative functions sit, including:
 - Budget and reporting
 - Compliance and financial monitoring
 - Payables
 - Contracting
 - Human resources and training
 - Facilities management

DHS's Executive Office, led by the the director of DHS, includes a small team of staff critical to implementing DHS's strategic goals, including Equity and Inclusion.

The need for an assessment

The organization of DHS has changed significantly since Allegheny County initially created the department through a merger of seven separate departments. Over the years, we have:

- Seen an increase in public funding for mental health and drug and alcohol services (taken together, these are called "behavioral health"). Some of this funding is for people who are on Medicaid insurance (paid by state and federal tax dollars); the balance is for people who do not have insurance (this funding comes from state and County tax dollars). DHS uses algorithms and other tools to determine which funding source to bill; it must continually take many other factors into account to optimize funding and serve as many people as possible.
- Seen changes in: how much the state and federal governments reimburse counties for services; whether someone is considered "eligible" for us to be reimbursed; and the percentage of County funding required to "match" what the state or federal funding sources will make available for human services (there are dozens of different match rates, which DHS continually takes into account as it determines which funding sources to bill for which program).
- Expanded the locations where people can reach us for help as well as the types of services we deliver. This allows us to help thousands of additional individuals and

families, but it also has added to the complexity of monitoring spending and program results and integrating funding sources to pay for the new services.

- Increased the number of organizations in our network (non-profit agencies located in the communities where our clients live/grow up and work). These organizations often have leaner administrative offices and less experience with government contracting, which requires more work for DHS fiscal and other staff.
- Successfully shifted from placing children in group homes to placements with relatives, which is less destabilizing for the children but requires accounting of hundreds of payments to foster parents each month.

Given these and other changes, DHS's financial operation has become much more complex. We have invested in technology to streamline the work and improve accuracy, but we realize it is time for an independent assessment of DHS's total financial operations.

Section 2: What We Are Looking For

To serve as many people as possible (and to act as good stewards of taxpayer dollars), DHS continually seeks to improve service quality and its financial management. It is seeking a Successful Proposer with deep experience in financial management and technology to provide:

- 1. An independent assessment of DHS's budget and finance operation.
- 2. Recommendations for changes to budget and finance operations, including a plan for internal assessment and audit, to maintain effectiveness.
- 3. Implementation support to DHS in making the recommended changes.

DHS envisions that the Project will be conducted in three phases:

Phase 1

- Clarifying with DHS leaders their goals for financial management and raising the possibility of additional and/or different aims.
- Identifying key business processes and their links to financial management, reporting and planning.
- Documenting current financial processes by meeting with DHS staff, confirming transactions, identifying key points of control, etc.

Phase 2

- Evaluating DHS's financial system, providing an assessment of the effectiveness of each business process's design and comparing against industry standards and DHS's goals for integrating information and streamlining business processes. This includes identification of strengths, gaps/operational inefficiencies and areas of risk, as well as assessment of instruments in handling financial demands.

- Recommending changes that achieve the following goals (and others articulated during initial meetings with DHS leaders), in order of urgency/priority and with estimated costs:
 - Ensure appropriate internal controls and reduce risk
 - Reduce duplication
 - Reduce costs, including through effective use of technology
 - Increase management visibility on financial information
 - Optimize revenues
 - Integrate processes
 - Support program offices appropriately

Phase 3

- Providing technical support to DHS in implementing the Phase 2 recommendations

Process

DHS wants a Successful Proposer who will apply a process that the Successful Proposer has had demonstrated success using in other engagements. We expect that this will include several principles:

- Conferring with people who are doing the primary financial work and the people impacted by the financial processes. This includes leaders and other staff in DHS's office for administration/analytics/technology/planning, DHS's director and program office leaders, and the County's budget and finance office.
- Verifying information/checking to confirm that DHS staff's understanding of processes reflects how they are being implemented
- Providing frequent updates to DHS leaders on this project and notifying them quickly if the Successful Proposer should encounter any barriers or confusion.

DHS Support

DHS will provide the following support to the Successful Proposer during the Project:

- A single point of contact for the Successful Proposer to rely upon for access and information.
- Access to systems and documents needed to conduct the assessment.
- Access to individuals who are key informants/stakeholders and who can contribute ideas, context and information.
- Access to individuals, including DHS and other leaders, who will be implementing the recommendations

What is in scope

The Project, conducted in the three phases described above, will review the following areas:

Accounting operations:

- Cash receipts, allocations, receivables, revenues, expenditures and account reconciliation
- Interfund transactions and reconciliations

Business processes:

- Budget preparation and monitoring
- Integration among accounting, reporting and budgeting
- Grant monitoring, compliance and reporting
- Controls supporting budgeting, operations and reporting
- Forecasting and trend analytics; financial planning and analysis
- Commitments and encumbrances
- Compliance and financial monitoring

Intra-department processes:

- Integration among program, fiscal and compliance staff to support quality service, timely information and accurate payments to providers
- Sharing critical information, clarifying roles and responsibilities, and minimizing duplication across the department's provider-facing offices, including fiscal, compliance and program

What is not in scope

The assessment will not encompass contracting processes.

About DHS's fiscal operations

Main functions

Financial management/fiscal functions are part of the Office of Analytics, Technology and Planning (as are contracting, human resources and facilities management). The financial management section is responsible for:

- Budgeting (with DHS program offices and with budget offices in the County and state)
- Budget analysis and forecasting
- Accounting
- Payments to service providers and other vendors
- Financial controls
- Financial reporting

Other key staff

Each of the program offices (for example, the Office of Children, Youth and Families) has operational staff who are the liaisons to the providers who deliver services and financial management. They work with leaders to craft recommended budgets and with financial management (and contracting) to ensure clear contracts, confirm contracted service providers' bills, and track spending vs. budget.

Technology:

The applications DHS uses for fiscal operations include:

- JD Edwards the official financial book of record for Allegheny County
- ReportsNow analytics platform used to produce reports from data within JD Edwards
- Power Plan (budget office software) used for budgeting and tracking budget vs. actuals
- OnBase document management solution used to store contracts, invoices and other documentation
- Enterprise Fiscal manages batch invoice payments
- MPER our provider repository used to track metadata, service data and budget data related to service providers; accepts provider claims for program-funded contracts
- KIDS accepts provider claims for services to children, youth and families
- CIPS accepts provider claims for Aging and Behavioral Health services
- ActionTracker –used internally for contract and legal agreement approval workflows

Section 3: Proposal Requirements and Evaluation Criteria

Proposals will be evaluated based upon the evaluation criteria described in detail below.

Proposers must address their qualifications in their Proposal by responding to the specificallyrequested items or questions in the Response Form. Proposers should download and type their responses directly into the Response Form available on the Active Solicitations webpage at www.alleghenycounty.us/dhs/solicitations.

The maximum score that a Proposal can receive is 100 points, as outlined in the following sections.

Organizational Experience (40 pts)

- Demonstrated success performing assessments and supporting implementation of recommendations for similarly complex organizations that wish to understand and improve their financial capabilities (15 pts)

- Unique qualifications to perform this assessment for DHS (5 pts)
- An appropriate roster of personnel to complete the assessment (15 pts)
- A plan to keep communication clear and strong with DHS throughout the engagement (5 pts)

Project Description and Plan (45 pts)

- A detailed project plan, including the ways in which you will refine the questions that the assessment will answer; how you will organize and deploy your team; the process that you will use to document, assess and make recommendations; and an understanding of your requirements for DHS in order for this project to be successful. (25 pts)
- A plan to provide implementation support (10 points)
- A detailed, ten-month project timeline including specific deliverables (10 pts)

Budget (15 pts)

- A budget that reflects a realistic estimate of the costs associated with the project and that clearly explains all line items

Section 4: How to Submit a Proposal

4.1 Submission Process

- a. Proposers should take time to review and understand the RFP in its entirety including:
 - The background (see Section 1: Why We Are Issuing this RFP)
 - The narrative (see Section 2: What We Are Looking For)
 - The requirements (see Section 3: Proposal Requirements and Evaluation Criteria)
 - The evaluation process (see Section 5: How We Will Evaluate Your Proposal)
- b. Proposers must use the Response Form to develop your Proposal. Type your responses to each requested item directly into the Response Form. It is available at our Active Solicitations website with the RFP announcement at www.alleghenycounty.us/dhs/solicitations.
- c. Proposers must submit a complete Proposal, which includes the following attachments that are available on our Active Solicitations website:
 - Response Form
 - MWDBE documents
 - Allegheny County Vendor Creation Form
 - Audited financial reports for the last three years
 - W-9
- d. Proposers should not send any attachments other than those listed above and on the Response Form.
- e. If you do not have audited financial reports for the last three years, you may submit other financial documentation that attest to the financial health of your organization. Tax

returns are the preferred alternative. Please note that providing financial documentation is a requirement of contracting through Allegheny County.

- f. Make sure to complete each section of the Response Form and to stay within any word counts or page limits that may be specified in the Response Form.
- g. Proposals must be submitted electronically to <u>DHSProposals@alleghenycounty.us</u> no later than 3:00 p.m. Eastern Time on Friday, September 6, 2019 to be considered for review.
- h. Please make sure to get your Proposal in before the deadline! If your Proposal is late, it will be rejected and will not be presented to the Evaluation Committee for review and scoring, as described in Section 5 below.
- i. You will receive an email when your Proposal is received. If you do not receive this notification within 48 hours of submitting your Proposal, please contact <u>DHSProposals@alleghenycounty.us</u>.

4.2 How to Contact DHS about this RFP

- a. All inquiries and questions must be submitted via email to <u>DHSProposals@alleghenycounty.us</u>.
- b. All information about the RFP, including answers to questions, changes and clarifications will be posted at our Active Solicitations website at www.alleghenycounty.us/dhs/solicitations.
- c. Please be sure to check this website regularly for answers to questions, additional information or changes to the RFP or the RFP process.

4.3 Other Information

- a. The issuance of this RFP does not obligate the County to enter into an Agreement with any Proposers. The County reserves the right to reject any and all Proposals.
- b. Any Agreement originating from this RFP is subject to all of the Terms and Conditions specified in Section 6: Contract Requirements for Successful Proposers.
- c. Proposers are responsible for all costs related to the preparation and submission of a Proposal.
- d. Proposals become the property of the County and may become part of any subsequent Agreement between the Proposer and the County.
- e. Successful Proposal(s) will be posted online in the DHS Solicitations Archive after an Agreement has been fully executed by the County and the Successful Proposer(s).

4.4 Pennsylvania's Right-to-Know Law

Proposers should be aware that all documents and materials submitted in response to this RFP may be subject to requests for access to public records made pursuant to Pennsylvania's Right-To-Know Law (RTKL). Under the RTKL, records in the possession of a public agency like the County are presumed to be public records and the County may have to make documents and materials submitted by the Proposer available to a requestor after an award of an Agreement is made.

If the Proposer includes any information within its Proposal that the Proposer asserts is either a "trade secret" or "confidential proprietary information," as those terms are defined under the RTKL, the Proposer must include with its Proposal a written statement signed by an authorized representative of the Proposer identifying those portions or parts of its Proposal that the Proposer believes constitute a "trade secret" or "confidential proprietary information" and provide contact information to enable DHS to contact the Proposer in the event that the County receives a Right-To-Know request for the Proposal. The Proposer shall have five (5) business days from date of receipt of any notification from the County to provide a written statement signed by an authorized representative of the Proposer explaining why the Proposal or any portion thereof is exempt from disclosure as a trade secret, confidential proprietary information or other legal reason. The County shall consider this statement in either granting or denying a request for public access to the Proposal or any portion thereof. The County will notify the Proposer of its decision whether to grant or deny the request either in whole or in part.

Section 5: How We Will Evaluate Your Proposal

Proposals will be evaluated by an Evaluation Committee convened by DHS. The Evaluation Committee will assign scores based on the evaluation criteria in Section 3: Proposal Requirements and Evaluation Criteria using the scale listed in Section 5.1 b.

5.1 Evaluation Model

The evaluation process will consist of the following steps:

- a. DHS will form an Evaluation Committee
- b. All Evaluation Committee members will individually review and score each Proposal. Each Evaluation Committee member will award points for each response on a Proposer's Response Form according to their expertise and best judgment of how the Proposal submitted by that Proposer meets the evaluation criteria in Section 3 using the following scale:
 - 0-Not addressed in Proposal
 - 1-Poor
 - 2 Below expectations
 - 3 Meets expectations
 - 4 Exceeds expectations
 - 5 Outstanding
- c. DHS will tally the average scores of the Evaluation Committee and report a list of average scores to the Committee. The Committee will meet, consider the scores, and arrive at a consensus on which Proposer(s) can best provide the Contract Services as described in the RFP. The Committee will recommend to the Director of DHS either that

a reduced number of Proposals be shortlisted for more extensive review or that the County enter into an Agreement with the Successful Proposer(s).

- d. DHS, on behalf of the County, shall have the exclusive discretion to shortlist a reduced number of Proposals for more extensive review. In this case, DHS may request that shortlisted Proposers make a formal oral presentation to the Evaluation Committee. Each committee member will individually score the oral presentation using the following criteria and the scale outlined in 5.1b. The maximum score that an oral presentation can receive is 15 points:
 - Presentation demonstrates Proposer's ability to implement the proposed program effectively (5 points)
 - Proposer's answers to Evaluation Committee's questions (5 points)
 - Proposer's presentation is thoughtful and professional (5 points)
- e. DHS will tally the average scores of the Evaluation Committee and report a list of average scores to the Committee. The Committee will meet, consider the scores, and arrive at a consensus on which Proposer(s) can best provide the Contract Services as described in the RFP.
- f. The Committee will submit their recommendation for award of an Agreement to the Director of DHS for approval. The Director will in turn submit a request to the County Manager for approval for the County to enter into an Agreement with the Successful Proposer.
- g. At any time during the review process, DHS may contact a Proposer to discuss any areas of the Proposal needing clarification or further explanation.
- h. As part of determining Proposers' eligibility to enter into a contract with Allegheny County, all Proposers' financial audits or other documentation will be reviewed by DHS fiscal analysts to ensure Proposers' financial stability.
- i. The County is under no obligation to award or enter into an Agreement with a Proposer as a result of this RFP. The County reserves the right to reject any and all Proposals.
- j. All Proposers will be notified of their status following the final determination of which Proposer(s) will be awarded Agreements.
- k. Proposers not awarded an Agreement who are interested in receiving feedback regarding their submission may request a phone call at <u>DHSProposals@alleghenycounty.us</u>.

5.2 Other Requirements

For a Proposal to be eligible for evaluation, it must be:

- a. Received by the due date/time
- b. Properly formatted and include responses to all requested information
- c. Complete with all required forms and attachments

Proposals which do not meet the above requirements will be automatically rejected and will not be presented to the Evaluation Committee.

Section 6: Contract Requirements for Successful Proposers

To enter into an Agreement with the County, Proposers must be willing to comply with all contract requirements listed below and all standard terms and conditions contained in a County contract for provision of services to DHS and its offices. Additional details about contracting with Allegheny County are provided in the <u>DHS Contract Specifications Manual</u>, available at <u>www.alleghenycounty.us/dhs/solicitations</u>.

6.1 Minority, Women or Disadvantaged Business Enterprise (MWDBE) Requirements

Allegheny County has MWDBE goals of 13% participation for Minority Business Enterprises and 2% participation for Women Enterprises and expects that Successful Proposers will make a "good faith effort" in assisting the County in meeting these goals.

- a. All Proposals must include either of the following:
 - If the Proposer is able to meet the MWBDE contract goals, a completed MWDBE Participation Statement and MWDBE Contact Information form is required. You must also attach the MWDBE certifications of the firms you intend to use with the Participation Statement.
 - If the Proposer requests a waiver from participating in the MWDBE contract goals, a completed MWDBE Participation Statement, MWDBE Contact Information form and MWDBE Waiver Request are required.
- b. MWDBE forms and resources can be found at <u>www.alleghenycounty.us/dhs/solicitations</u>:
 - MWDBE Forms
 - o <u>MWDBE Participation Statement</u>
 - o MWDBE Waiver Request
 - o MWDBE Contact Information form
 - MWDBE Resources
 - o MWDBE Contract Specifications Manual
 - o MWDBE Response Checklist
 - o Guide for completing the MWDBE Participation Statement
 - o Sample Diversity Policy
 - o MWDBE Presentation for Proposers
- c. For more information about MWDBEs, visit the <u>Allegheny County MWDBE website</u>.

6.2 HIPAA Compliance

DHS is a covered entity under the Health Information Portability and Accountability Act (HIPAA). Therefore, a Successful Proposer must comply with all HIPAA requirements.

6.3 Cyber Security

- a. Successful Proposers must meet the minimum computer specifications which begin on page 14 of the <u>DHS Contract Specifications Manual</u>, available at <u>www.alleghenycounty.us/dhs/solicitations</u>.
- b. All electronic devices must have sufficient security software and settings to minimize the risk of an information breach.
- c. Successful Proposers must also have policies in place to ensure that electronic devices are physically secure when not in use (e.g., locked in a vehicle trunk, password protected).

6.4 Equal Employment Opportunity and Non-Discrimination Requirements

By submitting a Proposal, a Proposer agrees to not discriminate against any employee, applicant for employment, independent contractor, client or any other person on the basis of race, color, religion, national origin or ancestry, sex, gender identity or expression, sexual orientation, disability, marital status, familial status, age (40 or over), or use of a guide or support animal because of blindness, deafness or physical disability.

6.5 New Provider Requirements

If awarded an Agreement, Successful Proposers who do not have current Allegheny County contracts will be required to complete the <u>DHS New Provider Application</u>, available at <u>http://www.alleghenycounty.us/Human-Services/Resources/Doing-Business/Prospective-Providers.aspx</u>. While not required as part of your Proposal, Proposers may wish to review the requirements of this application.