

Third Party Media Research Solution
Request for Proposal 2032H9-21-R-00010



Background and Summary

The mission of the Internal Revenue Service (IRS) is to provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all. As stated in its Strategic Plan¹, the IRS must take advantage of technology to improve decision making, and to integrate technologies that enable more efficient mission delivery. Furthermore, the IRS, Small Business/Self-Employed (SB/SE) plays a key role in shaping and executing the IRS's strategic direction. Part of the strategic direction is to address the underreporting and underpayment tax gaps while focusing on organizational agility, efficiency, and capability to achieve operational improvements.

The purpose of Pilot IRS is to provide an incremental and modular approach to identifying, testing, and deploying solutions that support our mission, regardless of whether that solution, technology, or firm currently resides within the IRS or the federal government. Inherently, this process will represent some risk to the IRS, as the technologies may not currently be fully aligned to its mission; however, the IRS recognizes that risk is inherent to the operations of any organization and acknowledges that it must sometimes accept risk to further its mission.

To achieve that purpose, Pilot IRS has established an approach where solicitations/calls and proposals/bids will be simple for firms to create and the IRS to evaluate, and decisions will be made in a streamlined and accelerated timeline.

In this version of Pilot IRS, the maximum dollar amount for each contract issued under the solicitation will be \$150,000.00 dollars, across all funded phases within a given contract.

It is important to note that future versions of Pilot IRS may include different maximum dollar amounts (higher or lower), for either phases, portfolios, or individual transactions. Rough scopes of work and funding ceilings for each phase will be established at the beginning of the Pilot IRS process, with the understanding that additional clarity will be established at the end of each preceding phase. In other words, the specifics of the work/cost for Phase 2 will be established as part of the work completed in Phase 1. Depending on results and mission priorities, the IRS will decide to fund all, some, or none of the projects at each phase; it is important to note that there is no guarantee for funding for planned/future phases.

Throughout the process, the IRS will post information regarding the outcomes, technologies and firms that have received funding; lessons learned; and potential IRS applications. This information will be publicly available and will not include any intellectual property or proprietary information. Any solutions/technologies that complete an entire series of funding under Pilot IRS will be competed fully if additional effort or future deployment is desired by IRS.

¹ Full text of the IRS Strategic Plan can be found at <https://www.irs.gov/about-irs/irs-strategic-plan>.

Pilot IRS Introduction and Goals

Introduction:

The federal government struggles at times with identifying ways to test, purchase, and deploy innovative technology solutions. A large function of this is how long it takes to not only purchase the actual solution, but also test it, provide feedback, and ultimately decide how (and whether) to deploy the solution. In other words, this is not simply a 'how quickly can we buy it' question, but also a 'how do we test it and decide whether or not to fund it for deployment' question. There are also times when the federal government prescribes a specific approach to a solution, and then asks who can do it best, and for the lowest price. This can limit innovation and is often not the best approach when looking for emerging technologies and how their inclusion can benefit the government and the American taxpayers.

Goals:

Pilot IRS has three goals: to 1) promote innovative responses to challenges; 2) broadly communicate areas of interest in the innovative solutions and technologies arena; and 3) create a streamlined progression from concept to prototype, testing, and limited deployment that allows for incremental funding decisions for promising solutions and technologies.

Goal 1 - Promote Innovative Responses to IRS Challenges

Pilot IRS is predicated on the concept that a major hurdle to doing business with the federal government is a perceived (or otherwise) lack of pertinent information and a lack of direct and near-term feedback on technologies and proposals. To promote innovative responses to the challenges that the government faces, Pilot IRS will focus on providing information throughout the process regarding its requirements (to include direct engagement with various end-users) and providing direct feedback on proposals in a matter of weeks rather than months.

Goal 2 - Broadly Communicate Challenges and Technologies that Interest IRS

Prior to any funding decisions, Pilot IRS will broadly communicate the challenges it is facing, as well as any initial thoughts on promising solutions/technologies/approaches. Because of its mission, the federal government cannot share all the information about how it addresses these challenges, but it can share more about its efforts so firms can make more informed decisions about whether and how to pursue business with the federal government. Throughout the entire process, the IRS will post information regarding the outcomes, lessons learned, and potential applications. This information will be publicly available and will not include any intellectual property or proprietary information.

Goal 3 - Streamlined Progression from Concept to Prototype, Testing, and Limited Deployment

A frequent problem within the federal government occurs, ironically, when a pilot technology/solution has been particularly successful within an agency. Federal procurement rules preclude (with some exceptions) identifying a particular technology or firm for funding based on a previous, separate contractual arrangement, regardless of how successful it may have been. By identifying streamlined submission/evaluation procedures and a structured progression from concept to prototype, testing, and limited deployment using phases, Pilot IRS seeks to avoid many of these issues.

The specific approach/process for each solution and its respective phases will vary, but in general, each phase will build on the previous one, and funding amounts and durations will increase as phases progress. Most solutions will include an initial brief written proposal with some proposals being selected for an oral presentation. Rough scopes of work and funding

ceilings for all phases will be proposed during the initial response, with the understanding that additional clarity will be established at the end of each preceding phase. In other words, the specifics of the requirements/cost for Phase 2 will be established as part of the work completed in Phase 1. Depending on results and mission priorities, the government will decide to fund all, some, or none of the project at each phase.

For those who are familiar with traditional government procurements, Pilot IRS will appear substantively different from how the government normally buys technology.

To be fair, it is.

This type of approach is more often used in research and development environments, but there are existing regulations that allow federal agencies to buy commercial items in a manner similar with how the private sector would. Pilot IRS will aggressively pursue a streamlined and cost-effective approach to testing and deploying technology solutions that will have an immediate impact on the government's mission.

Thank you for your interest, and welcome aboard.

Solution Challenge (SC) Eight – Third Party Media Research Solution

The Department of Treasury, Internal Revenue Service (IRS) Small Business/Self-Employed (SB/SE) helps small businesses and self-employed taxpayers understand and meet their tax obligations, while applying the tax law with integrity and fairness. SB/SE traditional efforts to locate taxpayers are no longer adequate. Using enhanced research methods to access public facing digital media records, may assist the IRS in generating better enforcement results, enhance case issue identification and case triage and may also reduce the need for physical geographic presence for field activities to improve the case work environment.

Innovative solutions that can be used to recognize, collect, and archive content from public facing media platforms help expedite IRS case resolution for existing tax compliance cases. This solution should be a third-party digital media search and reporting solution that captures information from public facing digital media records that can be used in taxpayer compliance and tax administration cases. The third-party media research solution that would meet SB/SE needs without posing a security and public policy risk.

The goal is to provide a more efficient way of identifying resources and assisting with the collection of known tax deficiencies, leading to increased collection of revenue involving unfiled tax returns and other tax liabilities. The focus for the IRS will be collecting income taxes owed to the federal government that were previously thought to be uncollectable through discovery of possible funds and assets using third-party data.

IRS will consider any reasonable approach or solution. No approach is preferred over another. There are no specific solutions or approaches that are being requested; rather, any approach that is focused on the goals of the solicitation will be considered. The four goals are:

- 1) The solution should be user friendly, offer customer service support, be Section 508 compliant, support at least 25,000 concurrent users, and offer updates and patches to support evolving technology.
- 2) Search results should be comprehensive, simply formatted, and easily translatable. Solutions should collect, organize, and archive individuals or entities publicly available

media content (e.g., publicly available cached pages, publicly posted communications, images, and videos.) current information and access to historical data. Solution tracks, and records searches, retains a records audit trail, and retains all records for a specific retention period.

- 3) Comprehensive reporting; real time, customizable reports, such as new products, current sales, and new locations.
- 4) Security measures necessary to protect the confidentiality of taxpayers' returns and return information, as provided under Internal Revenue Code Section 6103. Meets current National Institute of Standards and Technology (NIST)/Federal Information Processing Standards (FIPS) security requirements. Secure access to publicly available information without posing a security and public policy perception risk.

All Contract participants shall sign a non-disclosure and non-compete agreement to restrict use and protect confidential and proprietary information (see Attachment B).

Phases, Funding Levels and Deadlines:

IRS will consider any reasonable approach or solution. No approach is preferred over another. When responding, please make sure to address the four objectives.

Phases – There will be two (2) phases as set forth below. It is important to note that the amounts/durations set forth below are Not to Exceed (NTE) amounts/durations. Additionally, the specific efforts and amounts for subsequent phases will be defined at the end of the current phase. In other words, the proposed duration and amount for Phase 2 will be part of the deliverables due at the end of Phase 1.

Phase 1 – Proof of Concept/Initial Testing (NTE \$50K / 30 days)

=> Phase 1 will consist of a demonstration of the ability to provide a solution.

Phase 1 will consist of proof of concept and will also include initial testing and limited user feedback on the solution, as well as discussions around and demonstrations of the solution. Initial user feedback may be obtained from users from different IRS offices.

=> If selected, a contract action for Phase 1 funding will be provided no more than 30 calendar days after selection. Selections and funding for Phase 2 will be made within 5 calendar days from the end of Phase 1. Specific deliverables for Phase 1 funding will be based upon the proposed solution, but a standard deliverable for all Phase 1 will be a Phase 2 proposal.

Phase 2 – Testing (NTE \$100K / 90 days)

=> Phase 2 will focus on additional testing with an expanded user base. The expanded users may include front line Abusive Tax Avoidance Transactions (ATAT), Office of Fraud Enforcement (OFE) or other enforcement personnel. This user base can go up to 75 users and use case types different from Phase 1.

Specifics of the Phase 2 efforts, duration, and amount will be required at the end of Phase 1.

=> As Phase 2 will occur over a longer duration, part of the Phase 2 proposal will focus on

appropriate increments/funding amounts (i.e., 90 days, \$100,000.00) based on the proposed solution, which will be tied directly to option periods. Additionally, the IRS reserves the right to expand the solution to other systems/use cases within the IRS, as well as scale the solution to other Treasury Bureaus or Federal Agencies. Decisions on whether to continue funding within Phase 2 (i.e., exercise individual option periods) will be based on the success of the proposed solution relative to the goals.

Deadlines – Proposals are due **08/20/2021 @ 09:00AM EST**. No late submissions will be accepted or considered or evaluated. IRS expects to provide approximately \$50K in FY21 funding across all solutions for Phase 1 (in other words, we expect to see 2 or 3 Phase 1 awards). Proposals are due to Rebecca.h.katz@irs.gov and Brian.j.Carter@irs.gov .

=> Responses will be evaluated as follows, vendors shall submit a written proposal (no more than 5 pages in length) and address the goals stated as well as how the vendor will address the requirements in the Statement of Objectives that is attached to the solicitation.

Proposals will be evaluated in terms of technical aspects and price, relative to how they address the goals. Technical and price proposals must be submitted as two separate documents/volumes. Acceptable formats are PDF, Word, and Excel. The 5-page proposal limit applies only to the Technical portion of the proposal. Price proposals must include pricing for all contract phases/periods identified within this solicitation and do not count against the 5-page limit. However, a detailed breakdown of the price elements is not required. Past performance will be evaluated by the Government; references are not required.

=> Based on these written submissions, IRS will select responses for Stage 2, oral presentation/technical demonstration (virtual/over the phone, lasting 30 minutes), during which the IRS will ask questions and the respondent will present a funding level and duration, along with the general technical approach. It is important to note that although these questions will be similar in concept, they will be dependent on the information provided; in other words, there will not be a 'standard' list of questions. If selected for Stage 2, presentations are anticipated to take place within 10 business days after the solicitation closing date. Award/funding decisions will be made after the completion of Stage 2.

Evaluation of Responses and Basis for Award:

The primary objectives of this requirement are:

- 1) Solution should be user friendly, offer customer service support, be Section 508 compliant, support at least 25,000 concurrent users, and offer updates and patches to support evolving technology.
- 2) Search results should be comprehensive, simply formatted, and easily translatable. Solutions should collect, organize, and archive individuals or entities publicly available media content (e.g., publicly available cached pages, posted communications, images, and videos.) current information and access to historical data. Solution tracks, and records searches, retains a records audit trail, and retains all records for a specific retention period.
- 3) Comprehensive reporting; real time, customizable reports, such as new products, current sales, and new locations.

- 4) Security measures necessary to protect the confidentiality of taxpayers' returns and return information, as provided under Internal Revenue Code Section 6103. Meets current National Institute of Standards and Technology (NIST)/Federal Information Processing Standards (FIPS) security requirements. Secure access to publicly available information without posing a security and public policy perception risk.

The Government intends to make more than (1) Firm-Fixed-Price award resulting from this solicitation to the contractor(s) whose offer represents the best value to the Government. Comparative evaluations in accordance with Federal Acquisition Regulation (FAR) 13.106-2(b)(3) will be used to determine the best value based on: Technical (capability of the solution to meet the primary goals), Past Performance, and Price. For price evaluation purposes, the total evaluated price will include the base period and all option periods. Evaluation of option periods does not obligate the Government to exercise the option(s).

Some government procurements will include longer/greater maximum page limits, or adjectival ratings for a series of technical evaluation factors. Pilot IRS uses different, existing authorities in FAR Subparts 12.6 and 13.5 that govern federal procurement. Selections will be made based on realistic solutions that offer the greatest potential return on investment, at the lowest potential cost with appropriate consideration given to the Technical, Past Performance, and Price.

NAICS and PSC:

Although this solicitation aims to limit unnecessary terms and conditions, there are some which are part of virtually every federal procurement. Northern American Industry Classification System (NAICS) Code: 519130 – Internet Publishing and Broadcasting and Web Search Portals. Product Service Code (PSC) is: R612 - Support – Administrative: Information Retrieval.

Internet Protocol IPv6:

The contractor shall ensure all IT products and services are IPv6 compliant as specified by the National Institute of Standards and Technology (NIST) developed “A Profile for IPv6 in the U.S. Government – Version 1.0 (USGv6)”. This NIST Special Publication 500-267(NIST SP500-267) is available at <http://w3.antd.nist.gov/usgv6/index.html>.

Section 508 Standards:

Each information and communication technology (ICT) product or service furnished under this contract shall comply with the Information and Communication Technology Accessibility Standards (36 CFR, Appendix C to Part 1194). The appropriate Section 508 clause(s) will be incorporated via a contract modification based on the proposed solution.

System for Award Management (SAM):

Successful vendors not already registered in SAM will be required to register prior to award. All awardees shall be registered in SAM prior to award. If contractors are not registered in SAM, they will not be eligible for award. Information regarding SAM registration is available at <https://sam.gov>.

Reimbursement for Proposal Generation Costs:

The Government will not pay for any direct or indirect costs associated with generating responses to this solicitation/call, including travel costs associated with oral / in-person pitches.

Compliance:

If a response does not adequately address this requirement or includes elaborate responses or extensive marketing materials that aren't relevant, the IRS will stop reviewing it and will NOT

consider it for award.

Intellectual Property:

Currently, the IRS does not intend to request retention of any intellectual property resulting from or providing the basis for work under this requirement, except for the ability to continue using the solutions resulting from government funding. Notwithstanding, intellectual property terms are negotiable, and the IRS intends to use the results of this effort as broadly as they can, to include working with other Treasury bureaus and Federal Agencies to use the solution.

Press Releases:

All press releases must be approved by IRS prior to release. IRS will do its best to provide reviews within 2 business days.

Prohibition on Multiple Proposals:

An Offeror shall submit a maximum of one (1) fully compliant proposal in response to the solicitation. Recognizing that the IRS is encouraging innovative solutions, the IRS will only consider one solution per offeror. If an Offeror submits more than one proposal, all proposals will be returned without evaluation since the IRS would have no basis upon which to determine which of the proposals the Offeror desired to have evaluated.

Standard Terms and Conditions:

See Clauses/Provisions attachment. Clauses and Provisions are available publicly at www.acquisition.gov.

Note: Offerors shall submit a completed copy of the following clauses and provisions with their response to this solicitation, this submission of provisions and clauses do not count towards the 5-page limit. If these are NOT received the proposal will NOT be considered for award:

Clauses:

- IR1052.232-9001 Electronic Invoicing and Payment Requirements for the Invoice Processing Platform (IPP) (Jul 2019)

Provisions:

- 52.204-24 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment (Oct 2020)
- 52.209-11 Representation by Corporations Regarding Delinquent Tax Liability or a Felony Conviction under any Federal Law (Oct 2020)
- 52.212-3 Offeror Representations and Certifications- Commercial Items (Feb 2021)
- IR1052.209-9002 Notice and Consent to Disclose and Use of Taxpayer Return Information (May 2018)

Attachments:

- Attachment A – Statement of Objectives (SOO)
- Attachment B – NDA
- Attachment C – Clauses & Provisions