



MANATEE COUNTY FLORIDA

November 4, 2009

TO: All Proposers

SUBJECT:

Request For Proposal (RFP) #09-3129FL
Debt Collection Service

ADDENDUM #1

The following items are issued to add to, modify and clarify the Request For Proposal document. Proposals are to be submitted on the specified time and date due, in conformance with the additions and revision listed herein.

1. Responses are provided to the following questions:

a. Can a contractor use legal activities (i.e. wage garnishments, bank and auto levies) to collect on these delinquent accounts?

No. Any and all legal activity is conducted in-house by the Manatee County Attorney's Office.

b. If contractor can use legal activities, must it seek permission before doing so?

See Response 1.a.

c. Can the contractor add the collection fees to the principal amount owed or must the fees be subtracted from the principal remitted to the County?

All amounts collected by the collection agency are to be remitted and a separate invoice is sent to Manatee County for payment of the agreed fee.

d. Do any of these accounts already have judgments in place? If so, what percentage?

No judgments are in place.

Financial Management Department – Purchasing Division
1112 Manatee Avenue West, Bradenton, FL 34205
PHONE: 941.749.3042 FAX: 941.749.3034
www.myanatee.org

- e. Would the County be open to selecting multiple vendors according to specialty?

No.

- f. For example, will the County consider selecting a primary collection agency to pursue newer debt and a post-secondary collection agency that specializes in managing severely delinquent and/or distressed debt accounts?

No.

- g. Would the County be open to a contractor proposing to pursue only the higher balance and or severely aged accounts using legal activities?

No.

- h. Please provide an estimated amount of new delinquent accounts to be forwarded to the contractor monthly or annually.

Manatee County is unable to estimate the amount of new delinquent accounts that will be submitted. In Section E of the RFP, Scope of Services, page 14 it states "there are approximately 7,000 utility bills totaling \$1,400,000 and 9,000 ambulance service bills totaling \$3,500,000 that the County has put into the Collections or Bad Address account and are referred to a Debt Collections Service".

- i. Is there currently a contractor performing these services for the County? If so, who is and what is their contingency rate?

The current agreement for Debt Collection Services is with Merchants Association Collection Division, Inc., dba MAF Collection Services. The County pays to the Contractor a rate of 18% on all monies collected.

- j. Please provide an estimate of debtors who reside in-state versus out-of-state.

This data is not collected by the Utilities Department.

- k. What is the phone number to be used for Overnight and/or Express delivery of the proposal?

Frank Lambertson, (941)749-3042.

- l. Please describe the weight given pricing in the evaluation of the proposals.

See Section C, page 12, paragraph C.02, no weight has been assigned to the Evaluation Factors.

- m. The proposal stated that you will send credit checks by request. Could you give us an idea of the volume and frequency of these requests?

Manatee County is not currently utilizing this service but is requesting pricing should the service be needed.

- n. What is the average age of accounts at placement?

The age of the accounts can vary depending on the type of account. Debt collection services would be from different Departments throughout the County. In the Utilities Department, accounts are placed for water, sewer, and solid waste services and for ambulance services.

- o. If we are awarded the business, how often would we receive a placement of accounts and what is the estimated number of accounts in each placement?

Placement of Utilities Department accounts are done both weekly and monthly.

- p. Has a collection agency handled your accounts previously?

Yes.

- q. If so, why is the contract being renewed?

The initial term and all options of the current agreement will expire by February 28, 2010.

- r. What was the average recovery percentage of the last collection agency?

The average recovery percentage varies based on account type, age, and amount. There is no accurate average recovery percentage of the last collection agency that we are able to provide.

- s. What is the total amount of Receivables that will be submitted?

Manatee County is unable to anticipate the total amount of receivables that will be submitted. In Section E, Scope of Services, there are approximately 7,000 utility bills totaling \$1,400,000 and 9,000 ambulance service bills totaling \$3,500,000 that the County has put into the Collections or Bad Address account and are referred to a Debt Collections Service.

- t. Are the account currently, or in the past have been, assigned to a private collection firm?

Yes.

- u. When does the current contract expire?

February 28, 2010.

- v. Who is the current collection firm?

See Response item 1.i.

- w. What has their collection volume (in dollars) been?

We do not have a total of what the collection volume in dollars due to multiple departments using the collection services.

- x. Has the County been satisfied (or dissatisfied) with the past performance?

Not a relative question in this acquisition process.

- y. Will the winning bidder (proposer) have access to the previous collection efforts made either by any outside firm or by the City (County) as to delinquent accounts to be placed with a new vendor?

No.

- z. How was the previous collection firm paid and at what rate?

See item 1.i.

- aa. If a private contractor has not previously been engaged, has the County previously undertaken its own collection efforts for the delinquent accounts to be placed under this RFP? If so, over what period of time were the accounts the subject of collection activity and what collection activities were employed?

No.

- bb. Describe the debt collection software system used by the County for managing the accounts, including name of vendor, software version deployed and whether support and development services are provided by that vendor. If the software was developed on a proprietary basis for Manatee County, so indicate along with the date installed and last enhanced.

Software systems used by each County Department will be different. The Utilities Department's customer information system currently used is Banner. The customer information system is in the process of beginning upgraded to Customer Suite by Ventyx. The delinquency module of the software will continue to be used for collections in-house.

- cc. What are the County's criteria for determining which delinquent accounts will be placed for collection?

The criteria will be different for each County Department. The Utilities Department's current criteria is to refer the account to a debt collection service company when all in-house efforts have been exhausted. The age of the delinquency will vary.

- dd. What types of utility bills would be placed for collection?

The majority of the utility bills that are placed for collection are inactive accounts. Occasionally utility bills for active accounts that are uncollectible in-house are referred to the debt collection service company.

- ee. Paragraph E.02(f) states that the collection efforts will continue for a period of "not less than one year" Is the term of the agreement one year? Are there any extension provided in the agreement?

The initial term of the agreement will be for three (3) years with two (2) one (1) year option extension periods.

- ff. The same paragraph states that the tem is one year "unless otherwise notified" Under what terms would the County notify the contractor to cease collection efforts?

See Attachment "A" Sample Agreement for termination terms.

- gg. Could a bidder obtain a copy of the County's form of agreement before submitting a bid (proposal).

See Attachment "A" Sample Agreement (not negotiable)

- hh. Does the City (County) have and will it provide to the winning bidder (selected proposer) in electronic: Unique identified number for each obligor for each delinquent account type?

Yes.

- ii. Amount due from all obligors to an identified date categorized to show: principal, interest, penalties, fees, cost of collections and total?

Amount due only.

- jj. For delinquent utility bills?

For delinquent utility bills, Utilities provide customer account number, status, last due date, total balance, and customer name, service address, last payment date, mailing address and phone number.

- kk. For delinquent ambulance service:

For delinquent ambulance service, the third party billing company provides this information to the debt collection service company. The following is provided:

Record type 1 is composed of demographics which include:

account number
account balance
patient name
patient address

patient phone
date of birth
age
ss#
sex
patient type
discharge date
diagnosis codes
referring drs if applies
responsible party name/address/phone/ss#
Insurance information (first/second/third)
Insurance payment amounts
Insurance rejection date
Patient employer name/address/phone
Responsible employer name/address/phone

Record type 2 transaction records-

Patient account number
Batch #
Transaction date
Doctor name
Location name
Dept name
Procedure code/modifiers/description/quantity
Amount
Transaction type (charge/pmt/debit/credit adjt)

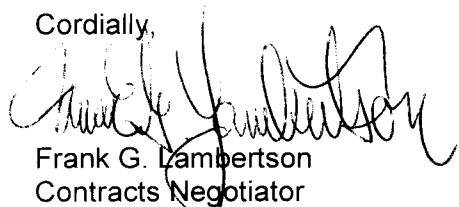
Record type 9 include totals-

Client Number
Total patient records in file
Total dollar amount in file

No additional questions will be considered after the issuance of this Addendum.

Proposals are to be prepared as instructed in this Request For Proposals and shall be received at Manatee County Purchasing Office, 1112 Manatee Avenue West, Bradenton, Florida, FL 34205 until **4:00 P.M., Tuesday, November 24, 2009.**

Cordially,



Frank G. Lambertson
Contracts Negotiator

Attachment:
Sample Agreement for Debt
Collection Services

SAMPLE AGREEMENT FOR DEBT COLLECTION SERVICES

THIS AGREEMENT is made and entered into by and between the **COUNTY OF MANATEE**, a political subdivision of the State of Florida, hereinafter referred to as the "County," with offices located at 1112 Manatee Avenue West, Bradenton, Florida, 34205-7804, and _____, hereinafter referred to as "the Contractor", duly authorized to conduct business in the State of Florida, with offices located at _____.

WHEREAS, the County has determined that it is necessary, expedient and in the best interest of the County to retain, obtain or employ the Contractor to render and perform professional debt collection services in the manner set forth in this Agreement; and

WHEREAS, the County caused a public announcement to be made, distributed and published, requesting proposals (RFP #09-3129FL), for the selection of a provider of professional debt collection services in the manner set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations contained herein, the parties hereto agree as follows:

ARTICLE 1: SCOPE OF SERVICE. The Contractor covenants and represents to the County that Contractor shall provide services as described in Attachment A, hereinafter referred to as the "Scope of Services".

ARTICLE 2: CONTRACT DOCUMENTS. The Contractor shall comply with the following attachments which are attached and made part of this Agreement:

- Attachment "A" --- Scope of Services
- Attachment "B" --- Compensation & Payments
- Attachment "C" --- Special Conditions
- Attachment "D" --- Insurance Certificate

In the event of a conflict between the terms and conditions provided in the Articles in this part of the Agreement and any attachment or exhibit, the Provisions contained within these Articles shall prevail unless the term or provision in the attachment or exhibit specifically states that it shall prevail.

ARTICLE 3: LIMITATION OF COSTS AND PAYMENTS. Contractor shall be paid by County an amount in accordance with Attachment B for the provision of the Scope of Services. Contractor has been advised that no agent or employee of the County may authorize an increase in the above amounts as evidenced by the initials of Contractor's representative in the margin. Any increase in total compensation must be authorized in writing by the Board of County Commissioners.

ARTICLE 4: CONTRACT TERM. A. Unless renewed or terminated as provided in this Agreement, this Agreement shall be for a period of three (3) years, commencing upon execution.

B. Renewals or extensions of this Agreement, if any, shall be specified in Attachment C, Special Conditions.

ARTICLE 5: TERMINATION. A. This Agreement may be terminated by either party for any reason or for no reason by giving to the other party no less than thirty (30) days written notice of intent to terminate. County may terminate this Agreement immediately by delivery of written notice to Contractor upon determining that Contractor has failed to comply with the terms of this Agreement. If Contractor fails to comply with the terms of this Agreement, the County Administrator may, upon written notification to Contractor withhold payment until Contractor complies with the conditions or terms. The notice shall specify the manner in which the Contractor has failed to comply with this Agreement.

B. Upon expiration or termination of this Agreement for any reason, the Contractor shall prepare all final reports and documents required by the terms of the Agreement up to the date of termination. Contractor's final request for payment and other documents required shall be submitted to County within fifteen (15) calendar days after termination of this Agreement. County shall not be responsible for any charges, claims or demands not received within the fifteen (15) day period.

ARTICLE 6: NOTICES. All notices or written communications required or permitted hereunder shall be deemed to have been given when received if hand delivered or when deposited in the U.S. mail, postage paid and addressed as follows:

To Contractor:

To County:

Manatee County
Utilities Department
Attn: Director
4410 66th Street West
Bradenton, Florida 34210

Notice of termination or withholding of payment shall be served by certified or registered mail, return receipt requested or by hand delivery.

ARTICLE 7: GENERAL CONDITIONS.

A: MAINTENANCE OF RECORDS; AUDITS

i. Contractor shall maintain records, accounts, property records, and personnel records in accordance with generally accepted accounting principles, as deemed necessary by County to assure proper accounting of funds and compliance with the provisions of this Agreement.

ii. Contractor shall provide County all necessary information, records and contracts required by this Agreement as requested by County for monitoring and evaluating services.

Contractor's information shall be made available to County for audit, inspection or copying during normal business hours and as often as County may deem necessary, except for client records protected by client confidentiality rules or regulations established by State or Federal law. In Cases where client confidentiality applies, Contractor shall provide requested records in a fashion which maintains confidentiality. County shall have the right to obtain and inspect any audit pertaining to the performance of this Agreement or Contractor made by any local, State or Federal agency. Contractor shall retain all of its records and supporting documents related to this Agreement in accordance with all applicable laws, rules and regulations; in the absence of any other requirement, such records and supporting documents will be retained by Contractor for at least three (3) years after the termination of this Agreement.

B: COMPLIANCE WITH LAWS; NON-DISCRIMINATION. The performance of this Agreement shall be in compliance with all applicable laws, orders and codes of Federal, State, and local governments and the Americans with Disabilities Act. Additionally Contractor covenants and agrees that no person shall on the grounds of race, creed, color, handicap, national origin, sex, age, political affiliation or beliefs be excluded from participation in, be denied the benefits of employment by agency, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available by the County.

C: LICENSES. Contractor shall obtain any licenses required to provide the Scope of Services and maintain full compliance with any licensure requirements. Copies of reports provided to or by any licensing or regulatory agency shall be forwarded to the County within ten days after receipt by Contractor.

D: CONTRACTUAL LIABILITY. The relationship of the Contractor to the County shall be that of an independent Contractor. Nothing herein contained shall be construed as vesting or delegating to the Contractor or any of the officers, employees, personnel, agents, or subContractors of the Contractor any rights, interest or status as an employee of the County. The County shall not be liable to any person, firm or corporation that is employed by, contracts with or provides goods or services to the Contractor in connection with the Program or for debts or claims accruing to such parties. Contractor shall promptly pay, discharge or promptly take such action as may be necessary and reasonable to settle such

debts or claims.

E: SUBCONTRACTORS. Contractor agrees that the Scope of services shall be provided by employees of the Contractor and not by Subcontractors. Nothing herein shall preclude employment of personnel through lease or similar arrangement with the approval of County's representative, or

contracts or leases for materials, supplies, facilities and other support services for Contractor's Scope of Services.

F: NON-ASSIGNABILITY. Contractor may not assign, transfer, or encumber this Agreement or any right or interest in this Agreement without prior written consent of the County.

G: CONTRACTOR'S REPRESENTATIVES. Within thirty (30) days from the date of execution of this Agreement by both parties, Contractor shall provide the County with a list of representatives authorized to act on behalf of the Contractor.

ARTICLE 8: INDEMNIFICATION. Contractor shall indemnify, keep and save harmless the County, its agents, officials and employees, against all injuries, deaths, losses, damages, claims, patent claims, suits, liabilities, judgements, costs and expenses, which may accrue against the County arising out of the performance of or failure to perform the Program required by this Agreement or the terms of this Agreement, whether or not it shall be alleged or determined that the act was caused through negligence or omission of the Contractor or its employees, or of the subContractors or its employees, if any. Contractor shall pay all charges of attorneys and all costs and other expenses incurred in connection therewith, and if any judgement shall be rendered against the County in any such action, the Contractor shall, at its own expense, satisfy and discharge the same. Contractor expressly understands and agrees that any performance bond or insurance protection required by this Agreement, or otherwise provided by Agency, shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County as herein provided.

The indemnity hereunder shall continue until such time as any and all claims arising out of Agency's performance or failure to perform under this Agreement have been finally settled, regardless of when such claims are made.

In the event that any action, suit or proceeding is brought against the County upon any liability arising out of this Agreement, County at once shall give notice thereof in writing to Contractor at the above listed address. Upon receipt of notice, Contractor, at its own expense, may defend against such action and take all such steps as may be necessary or proper to prevent a judgement against the County. Nothing in this Agreement shall be deemed to affect County's right to provide its own defense and to recover from Contractor, attorneys fees and expenses associated with such representation; or the rights, privileges

and immunities of the County as set forth in Florida Statute 768.28.

ARTICLE 9: INSURANCE. Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall, at the Contractor's sole expense, procure, maintain and keep in force amounts and types of insurance conforming to the nature and type represented by the Certificates of Insurance attached hereto as Attachment D. Commercial general liability insurance shall be carried in an amount not less than \$500,000 aggregate. Upon due notice from County, Contractor shall procure additional insurance as may reasonably be requested by the County to protect the County from liability. Until such time as the insurance is no longer required, the Contractor shall provide the County with renewal or replacement certificates of insurance not less than 15 days prior to the expiration or replacement of the insurance for which a previous certificate has been provided. In the event a renewal or replacement certificate is not available Contractor shall, not less than 15 days prior to expiration of any existing policy, provide County with evidence of a binder proving continuation of coverage and a new certificate as reasonably soon as possible.

Manatee County, a political subdivision of the State of Florida, shall be named as an additional insured on the certificate of insurance evidencing commercial general liability coverage. Further, Manatee County will be provided with copies of all underlying additional insured endorsements. County shall be under no obligation to pay agency for any services provided or for any costs associated with Contractor's Program for any period of time not covered by the insured required under this Agreement.

ARTICLE 10: COUNTY'S CONTRACT ADMINISTRATOR. Jim Seuffert, Director, of the County's Financial Management Department or other employee as may be designated in writing by the County's Administrator shall serve as County's Contract Administrator and is authorized to interpret this Contract and designate such additional employees as may be required to monitor Contractor's performance, provide technical assistance, and assume other administrative duties associated with the implementation of this Agreement. Disputes over any provision not satisfactorily resolved with the Contract Administrator shall be referred to the Purchasing Manager or his designee.

ARTICLE 11: AMENDMENTS. This Agreement may not be modified, amended or extended orally. This Agreement may be amended only by written agreement executed by the governing bodies of both parties.

ARTICLE 12: SEVERABILITY. In the event that any paragraph of this Agreement is adjudged by a court of competent jurisdiction to be invalid, such adjudication shall not affect or nullify the remaining paragraphs hereof, but shall be confined solely to the paragraphs involved in such decision.

ARTICLE 13: HEADINGS. All articles and descriptive headings of paragraphs in this Agreement are inserted for convenience only and shall not affect the construction or

interpretation hereof.

ARTICLE 14: AUTHORITY TO EXECUTE. Each of the parties hereto covenants to the other party that it has lawful authority to enter into this Agreement and has authorized the execution of this Agreement by the party's authorized representative.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, in duplicate, by their authorized representatives.

CONTRACTORS NAME

By: _____

Print Name: _____

Title: _____

Date: _____

MANATEE COUNTY GOVERNMENT

By: _____ for the County

Print Name: _____

Title: _____

Date: _____

Attachment "A"

Scope of Services

A.01 GENERAL REQUIREMENTS

The Contractor will perform all services specified in this Proposal in accordance with generally accepted professional standards. The Contractor will perform all services as expeditiously as is consistent with professional skill and care and the orderly progress of the work. All work of any kind, will conform to and be in compliance with applicable codes, laws, ordinances, regulations and restrictions. The following generally describes the "Scope of Services" that will be the successful Contractor's responsibility.

- a. The County will assign delinquent accounts to the Contractor for collection. The Contractor will acknowledge receipt of all forwarded accounts within twenty four (24) hours of receipt of forwarded accounts and will use all legal means to effect collection of such accounts.
- b. The County will forward to the Contractor the delinquent account information, credit check request, or any other debt collection information, in report format, via mail or electronic batch file. The Contractor will forward information to the County using the same agreed upon transaction method.
- c. The Contractor shall receive for services performed under standard collection procedures a negotiated percentage of all monies collected upon assigned balance due accounts while in the possession of the Contractor.
- d. The County will reserve the right and authority to withdraw accounts upon discovery of invoicing disputes, legal restrictions to collect and declaration of hardship.
- e. The Contractor shall comply with all provisions of Federal Public law 95-109 title "Fair Debt Collection Practice Act" as amended, with Florida Statute 559 and with all other federal, state or local laws, rules and regulations that may apply.
- f. The Contractor shall continue debt collection procedures on all uncollected accounts for a period of not less than one (1) calendar year unless otherwise notified by the County to discontinue the debt collection effort.
- g. The Contractor will submit to the County its policy on your firm's debt collection procedures. The policy will include, but is not limited to, the acceptance of checks, the acceptance of checks which are returned from a bank as unpaid and insufficient funds, accounts closed, skip tracing and credit checks.

- h. The Contractor shall have a primary contact person and other "key" personnel designated as contacts for the County's Account Manager. The personnel will be available from 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding Holidays.
- i. The Contractor shall provide credit check services for the County. A one-time fee will be established for processing the credit checks and the Contractor will be required to complete the credit check within 72 hours of receipt of the request.
- j. The Contractor shall provide records management, on a monthly basis, including but not limited to:
 - 1. Account status of all delinquent accounts that the County assigned to your firm documenting the debt collection activity on the accounts.
 - 2. Summary report indicating the accounts that had either part or full payment to either the County or the Contractor.
 - 3. An invoice to the County for commission due for monies collected from delinquent accounts and other Credit activities performed for the County.
 - 4. Summary of reports of requested credit checks.
 - 5. Summary of accounts reported to the Credit Bureau and subsequently released.
- k. The record management reports and time schedules of report transmittals shall be distributed to designated contacts by the referring County departments.
- l. The Contractor shall maintain and keep all reports and records necessary to comply with any Federal, State, or Local law.
- m. The Contractor shall provide web access to the County through a secure website to detailed collection activity by account.
- n. The Contractor shall provide a toll-free number to respond to inquiries concerning collection activity.

Attachment "B"

Compensation & Payments

1. The County shall pay to the Contractor a contingency fee rate of _____ on all monies collected.

2. The County shall make payment to the Contractor within forty five (45) days after receipt of an invoice and a final actuarial report for the fiscal year that have been approved by the Contract Administrator.

Attachment "C" **Special Conditions**

1. This Agreement may be renewed by the mutual agreement of the parties for two (2) additional one (1) year periods. Such renewal shall be in writing, executed by the County's Board of County Commissioners, and the Contractor's officers.

Attachment "D"
Insurance Certificate