



Department of Purchasing & Contract Compliance

Cecil S. Moore, CPPO, CPPB, CPSM, C.P.M., A.P.P
Director

Fulton County, GA

July 1, 2011

Re: 11RFP05242011C-MT, Financial Collections Services

Dear Proposers:

Attached is one (1) copy of **Addendum 2**, hereby made a part of the above referenced **11RFP05242011C-MT, Financial Collections Services**.

Except as provided herein, all terms and conditions in the **RFP** referenced above remain unchanged and in full force and effect.

Sincerely,

Charles Leonard, CPPB, CAPA

Charles Leonard, CPPB, CAPA

Winner 2000 - 2009 Achievement of Excellence in
Procurement Award • National Purchasing Institute



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This Addendum forms a part of the contract documents and **modifies** the original RFP documents as noted below:

Responses to Questions Received

2. Section 3.4, Section 4, bullets 6 and 7. Does Fulton County want agencies to provide details for these requirements on each project described, or are these general questions that pertain to the agency's overall experience?

Section 3.4 is a request for general information on the technical proposal. Section 4 information is requesting Relevant Project Experience and should include on that information listed in the bullets for each project.

4. Contract Information

a. Why is the contract out to bid at this time?
b. With how many agencies does Fulton County intend to contract to obtain the services described in the RFP?

a. The contract is being bid now because there is a need for collection services in several departments.

b. We have not decided on a specific number at this time. We are assessing the amount of receivables outstanding and we will make that determination after the assessment based on our needs

5. Portfolio Information

c. What internal collection activities are conducted by Fulton County prior to placement with a third-party collection agency? *Currently, several Departments have started mailing out a letter for prospective fines. At this point all the collection activity has been conducted at the department level.*

d. What is the age of accounts at placement for debt collection services? *Once the account receivables are centralized within Finance under a centralized AR department I would suggest either 120 or 180 days. Based on the information that we have received from the departments some receivables may go back to the early 2000's.*

e. Please provide anticipated monthly volumes in number of accounts and dollar value), segregated by type of account (e.g., Health & Human Services fees, court fines, special assessments, etc.) and age of account at placement (e.g., primary placement, secondary placement, etc.). *We have requested this information from each department and will make it available upon receipt.*

f. Please provide the current liquidation (recovery) rate, if available, segregated by type of account (e.g., Health & Human Services fees, court fines, special assessments, etc.) and age of account at placement (e.g., primary placement, secondary placement, etc.). *This information is currently not available. We will forward it once it is assembled.*

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6. Scope of Services Information

a. Will Fulton County provide the selected agency with suit authorization?

Yes. However prior authorization will be required from the county

b. Will the selected agency be permitted to report accounts placed by Fulton County to the credit bureaus?

Yes this is covered in section 3.3 item #2.

c. For how long will accounts be placed with the selected agency?

No decision has been made on a time period for accounts placed.

Additional Questions Received

- 1) Does the County want the Contractor to add the collection fees to the principal amount by the debtor or subtract the collection fee from the principal amount owed? If the former, please cite the statute that allows this.

The fee structure is listed in the RFP. The county does not want to add collection fees to the principal.

- 2) Please describe the ability of the Contractor to accept partial settlement payments from debtors.

This is covered in the Scope of Services section item #19. Ant settlement of the principal must be agreed upon by the county and the debt collector and will be handled on a case by case basis.

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

Yes

- 4) If the Contractor can use legal activities, must it seek permission before doing so?

Yes

- 5) Would the County be open to selecting multiple Contractors according to specialty? 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?

The plan is to select multiple vendors who will allow Departments to have flexibility in the type of vendor services needed

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- 6) Would the County be open to a Contractor proposing to pursue only the higher balance and or severely aged accounts using legal activities?

No, we would not be opposed to a contractor selecting certain types of balances for collection. Those decisions would need to be discussed prior to the beginning of the collection process.

- 7) Please provide an estimated account balance of the initial debt amount to be forwarded to the Contractor initially broken out by debt or department type.

This information is currently being compiled and will be submitted upon completion.

- 8) Please provide an estimated amount of new delinquent accounts to be forwarded to the Contractor annually broken out by debt or department type.

This information is currently being compiled and will be submitted upon completion.

- 9) Is there currently a Contractor performing these services for the County? If so, who is it and what is their contingency rate?

No there is not a contractor currently providing these services

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

Information is not available currently. It will be supplied after award of the contract.

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

404-612-5823 (Direct), 404-612-5800 (Receptionist) Preferred number

Additional Questions Received

Q: YOU MENTIONED THE DEBT TYPE, HOW MUCH VOLUME?

A: ABOUT 4-5 MILLION

Q: IS THE COLLECTION PERCENTAGE BASED ON GROSS OR NET?

A: GROSS

Q: IS THIS HEAD TO HEAD COMPETITION?

A: NOT A HEAD TO HEAD, MULTIPLE VENDORS WILL BE SELECTED BASED ON THE USER DEPARTMENT NEEDS. THE BEST ONE TO REPRESENT THAT DEPARTMENT

Q: WHAT HAS BEEN DONE SO FAR?

A: WE ARE WORKING ON GETTING AN IN HOUSE COLLECTION AGENCY

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Q: WILL VENDORS BE CALLING ON BEHALF OF FULTON COUNTY?

A: YET TO BE DETERMINED

Q: TIER COLLECTION RATE? AGE OF THE DEBT?

A: THIS QUESTION WILL HAVE TO BE IN WRITING. I DO NOT KNOW

Q: WHO WILL THE VENDOR BE REPORTING TO? THE SOLICITATION ON PAGE 2.21 SAYS ARTS COUNCIL

A: THAT IS INCORRECT. FINANCE

Q: THE INSURANCE IS DUE WHEN THE VENDOR HAS THE CONTRACT?

A: THE INSURANCE CERTIFICATE SHOULD BE SUBMITTED WITH YOU RESPONSE

Q: COMMISSION FEES? ARE THEY AN ADD ON?

A: NO

Additional Questions Received

1. Will this be a competitive contract? In another words, if multiple vendors are awarded the contract will there be performance measures used as matrixes to determine rankings?

a. This is not a competitive contract with performance measures established to determine a reaching order after the award of the contract. We hope to select multiple vendors who will provide departments with various options based on each department's specific need.

2. If so, what will those matrixes be?

a. N/A

3. Please define by portfolio or debt type the receivables (accounts and dollars) by age.

a. We have limited County-wide information on this; however, we do have some information from Department Directors (attached). In addition, we do not have any intentions at this time of including Health billing and collections in the centralized structure or using an outside collections agency for collection of their receivables (a lot of them are grant related).

4. How will the debt to be collected be referred (electronically, manual files, etc)?

a. The debt will be referred both manually and electronic where available.

5. Who will take payments? Is a lockbox needed if vendor takes payments?

a. We will probably use a lockbox or designate a bank account to be used. The decision will be made after award.

6. If so, who manages and owes lockbox?

a. The Fulton County Finance Department will open, manage, and own the lockbox.

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- 7. In figuring the tiered commission rates, are we to determine age of debt at placement or at time of collection?**
a. The commission should be computed on the age of debt at placement.
- 8. Do any of the debts have warrants issued on them?**
a. Each department will have to answer this question. We will make this information available at the time of the award.
- 9. For court debt, is payment a guilty plea (if unadjudicated)? If so, does that debtor need to attest to the plea?**
a. Each department will have to answer this question. We will make this information available at the time of the award.
- 10. How long can we keep referred accounts?**
a. This has not been determined at this time. Not sure how the County Manager's Office intends to handle the collections relationship prior to the establishment of the centralized AR unit. These parameters for the centralized AR unit have not been mapped out yet (probably late 4th quarter).
- 11. What will be the means of communicated account recalls?**
a. Not sure how the County Manager's Office intends to handle the collections relationship prior to the establishment of the centralized AR unit. These parameters for the centralized AR unit have not been mapped out yet (probably late 4th quarter).

ACKNOWLEDGEMENT OF ADDENDUM NO. 2

The undersigned proposer acknowledges receipt of this addendum by returning one (1) copy of this form with the proposal package to the Department of Purchasing & Contract Compliance, Fulton County Public Safety Building, 130 Peachtree Street, Suite 1168, Atlanta, Georgia 30303 by the RFP due date and time **July 14, 2011, 11:00 A.M., EST.**

This is to acknowledge receipt of Addendum No. 2, _____ day of _____, 2011.

Legal Name of Bidder

Signature of Authorized Representative

Title