

## Collection Agency RFP 19-10 Q&A:

1. Why has this bid been released at this time? **The City currently does not utilize collection agency services. We are looking for a contractor to help collecting unpaid and delinquent receivables.**
2. Are bidders permitted to deviate in any way from any manner of quoting fees you may be expecting? For example, if there is a pricing page in the RFP, can bidders submit an alternate fee structure? If there is no pricing page in the RFP, do you have any preference for how bidders should quote fees or can bidders create their own pricing categories? **Alternate fee structure is permitted as long as it includes all fee elements for services.**
3. Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable. **N/A. See #1 above.**
4. Has the current contract gone full term? **N/A. See #1 above.**
5. Have all options to extend the current contract been exercised? **N/A. See #1 above.**
6. Who is the incumbent, and how long has the incumbent been providing the requested services? **N/A. See #1 above.**
7. To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award? **Location is not a factor in proposal evaluation.**
8. How are fees currently being billed by any incumbent(s), by category, and at what rates? **N/A. See #1 above.**
9. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)? **N/A. See #1 above.**
10. To how many vendors are you seeking to award a contract? **The contract will be awarded to one vendor.**
11. To what extent are these accounts owed by private consumers versus commercial businesses? **Approximately half of the accounts are private consumers and half are commercial businesses.**
12. Will accounts be primary placements, not having been serviced by any other outside collection agency, and/or will you also be referring secondary placements? If so, should bidders provide proposed fees for secondary placements also? **The accounts are primary placements.**
13. What collection attempts are performed or will be performed internally prior to placement? **The City sends three reminder letters when an account is past due at 30, 60 and 90 days respectively.**
14. What is the total dollar value of accounts available for placement now by category, including any backlog? **The accounts ready for placement total approximately \$206,000, which includes about \$6,200 NSF checks related, \$52,000 civil citations, \$39,700 false**

alarms, \$105,000 jail booking fees and the remaining miscellaneous receivables.

15. What is the total number of accounts available for placement now by category, including any backlog? **Currently there are approximately 600 delinquent bills, including about 40 for NSF checks, 70 civil citations, 135 false alarms, 350 jail booking fees and the remaining miscellaneous bills.**
16. What is the average balance of accounts by category? **Average bill for NSF check is \$140, civil citation \$700, false alarm \$210 and jail booking fee \$280.**
17. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category? **The accounts subject to placement are dated from early 2017 to the end of 2018. Going forward, the City expects to place delinquent accounts older than 120 days with a collection agency.**
18. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category? **We place accounts on an as-needed basis. We plan to place delinquent accounts older than 120 days.**
19. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category? **We place accounts on an as-needed basis. We plan to place delinquent accounts older than 120 days.**
20. What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement? **N/A. See #1 above.**
21. What billing servicer do you utilize? **The City does not use outside billing services.**
22. Have all cases been fully adjudicated by the time of placement? **The City will not place this type of receivables with an outside agency.**
23. If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up? **N/A. See #1 above.**
24. What is your case management/accounting software system of record? **The City uses PeopleSoft for accounts receivables.**
25. Who is your electronic payment/credit card processing vendor? **JP Morgan is the credit card service provider.**
26. What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs? **Once the procurement process is completed, staff will contact the selected contractor for further discussion. The proposer is welcome to include innovative methods with proven success in their proposal.**
27. How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred? **The City currently has no method in place**

to systematically determinate the death of a responsible party.

28. How do your current processes and/or vendor relationship(s) handle the death of a responsible party? **The City requires proof of a responsible party's death in order to cancel their outstanding receivables.**
29. Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future? **See above. The City is open to suggestions in this regard.**
30. Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims? **The City currently does not search and file probated claims and we are open to suggestions in this regard.**
31. Please confirm how many vendors you currently utilize? **See #1 above.**
32. Please confirm how many vendors you will be looking to source for this RFP for services listed? **See #10 above.**
33. What is the average current **monthly** volume each vendor will receive for each service/type of business? **N/A**
34. What is the average age the accounts when it will be placed with the vendor for collections? **See #17 above.**
35. What actions are done to the account prior to it being sent to a collection agency vendor ( i.e. number of phone calls made and letters sent to the debtor )? **See #13 above.**
36. Would you like agency to submit a rate to perform legal collection? Is there a minimum balance or criteria account should have to qualify for legal? **We do not use legal collection.**
37. Will vendor possessing a California place of business receive an advantage in scoring of the RFP. Will vendor having references in the state of California receive an advantage in scoring of the RFP? **See #7 above.**
38. Can you please share your current agencies performance including the annual historical collection/liquidation percentages by service/ type. Can you supply collection reports of performance by service/type? **See #1 above.**
39. Can you please provide the current contingency fee rate your vendors receive by service/type? **See #1 above.**
40. Are you looking for one blended fee for all service types or a fee for each service type/fine? **The City is open to other fee structures as long as it covers all service elements.**
41. Why are you putting this RFP out for bid? Are you happy with your current agencies performance and rate structure? **See #1 above.**

42. If you do not currently outsource to a vendor, can you provide your internal historical annual performance/ liquidation/collection numbers? **The City does not track internal collection data.**
43. Would the collection fines (that are linked to a property) follow the owner of the fine or the property? **Property related fines follow the property.**
44. How long will vendor be allowed to keep the account? **The vendor is allowed to keep the account until collected. However, the City reserve the right to call back accounts as needed.**