
DEBT COLLECTION SERVICES FOR BREVARD COUNTY CLERK OF COURT
RFP# P-3-19-03
December 5, 2018
ADDENDUM 3

TO ALL PROSPECTIVE BIDDERS

This is an Addendum to and shall be considered as part of the original request for proposal package for the above-mentioned RFP. Please included acknowledgement of Addenda issued and received in Tab 4 of proposal submittal.

Please see attached clarifications to questions received from Clerk of the Circuit and County Court.

PROPOSAL OPENING DATE AND TIME:

The proposal opening date and time remains December 20, 2018 @ 2:00 PM.

All other terms and conditions remain unchanged.

Sincerely,



Leslie Rothering
Brevard County Central Services Department
Interim Director

Cc: file
Brevard County Clerk of Court

END OF ADDENDUM NO. 3



Clerk of the Circuit and County Court Brevard County, Florida

400 South Street, Suite 1-B, Titusville FL 32780-7683

PO Box 219, Titusville, FL 32781-0219

Phone: 321-637-5413 Fax: 321-264-5228

SCOTT ELLIS, CLERK

**BREVARD COUNTY CLERK OF COURT
REQUEST FOR PROPOSAL FOR DEBT COLLECTION SERVICES
ADDENDUM 1
QUESTION AND ANSWER SUMMARY
PREPARED BY: ANDREA BUTLER
DECEMBER 4, 2018**

TO ALL PROSPECTIVE BIDDERS:

This is an addendum to and shall be considered as part of the original proposal package for the above-mentioned proposal. Please submit this sheet with your proposal submittal as acknowledgement of the addendum. Some duplicate questions were posed by different vendors. In those instances, the question and answer is only addressed once in the document.

QUESTIONS:

- Q. Reference Section RFP Cover Page, page 1: Regarding the Pre-Proposal Conference, will the County allow vendors to participate via a teleconference option? If yes, please provide the call-in number and passcode.**
- A. WebEx conference call in number is (510) 338-9438, access code is 629 161 059.
- Q. Reference Section A, page 1: With which collection agency(ies) are you currently contracted?**
- A. Linebarger, Goggan, Blair, and Sampson, LLP, and Municipal Services Bureau.
- Q. Reference Section A, page 1: What is the fee rate under the current contract?**
- A. The current contracts' collection agencies charge a 25% contingency fee.
- Q. Reference Section A, pg. 1: What dollar amount has each current contractor retained in fees during each of the past three fiscal years of the current contract?**

A. The Brevard County Clerk of Courts does not have this information. The contingency fee is added by our current collection agencies to the amount of the debt placed with them by Brevard County. Our current agencies keep their contingency fee and send us our amount separately. They do not remit the entire amount collected to us and then have their contingency fee paid back to them by us.

Q. Reference Section A, page 1: “The Clerk typically turns over accounts for collection after delinquent for a period of ninety (90) days...”. What is the average age of the accounts you will refer for collections?

A. Please see the statistics provided at the end of this document.

Q. Reference Section A, page 1: What is the age of the oldest accounts you will refer for collections?

A. 20 years.

Q. Reference Section A, Section 1.0.19, page 3: Is litigation included in the scope of the services provided by the Contractor by the Agreement?

A. No. This reference suggests that the Contractor refer any debt it deems collectible through litigation to the Clerk for review and, if determined appropriate, litigation will be initiated by the Clerk’s attorneys.

Q. Reference Section A, Section 1.0.16, pages 3 and 26: Section A, Page 11, Section 1.0.16, and Sample Contract for Services Section 1(p) on Page 26 states “The Contractor shall initiate Credit Agency notifications for any accounts as previously approved by the Clerk.” In 2016, the Attorneys General of 32 states entered into compliance agreements with all three major consumer credit reporting agencies (“credit bureaus”), which prohibit reporting any debt that did not arise from a contract or agreement to pay. All private collection agencies are required to comply with this change, and the credit bureaus will not accept reporting of court-imposed traffic or criminal obligations. We will adhere to the requirements outlined in the RFP and Sample Contract as permitted by law, but in general court debt cannot be credit reported. Is this acceptable?

A. Yes. This provision of the RFP is contingent on any credit reporting law changes. At this point in time, the Clerk does not report debt to the credit bureaus via their collection agencies.

Q. Reference Section A, 1.2, page. 4: What is your target date for issuing notice of contract award?

A. March 4, 2019.

Q. Reference Section A, 1.2, page 4: Last day to submit questions for clarification is Thurs., Dec. 13, while proposals are due Thurs., Dec. 20. We typically ship proposals two days in advance of the due date to minimize the risk of late delivery due to weather delays. So we would need to ship our proposal on Tues., Dec. 18, only three days after the deadline for questions. Assuming that the County answers all questions by Fri., Dec. 14, that would leave only one business day for us to adjust our proposal. QUESTION: By what date will the County publish answers to vendor's questions?

A. An initial answer to questions received will be submitted by an Addendum on December 5, 2018. Any additional questions will be answered by an Addendum submitted by December 17, 2018.

Q. Reference RFP Section A, 1.0.24, page 4: Please clarify whether this section applies only to insufficient funds as it relates to checks or whether the Clerk intends this section to apply also to debit and credit card.

A. The Clerk's Office bears no responsibility for collection of insufficient funds.

Q. Reference RFP Section A, Section 1.0.4, and Sample Contract for Services Section 1(d), pages 9 and 25: Does interest accrue on Clerk accounts under existing law? If so, does the Clerk desire that interest should continue to accrue while accounts are in collection?

A. The clerk does not currently accrue interest on Clerk accounts under existing law; however, if the Clerk's business practices change to accrue and collect interest under existing law, the interest would continue to accrue while accounts are in collection.

Q. Reference RFP Section A, Tab 3 Work Plan 4.3.3, page 13: Just to confirm, is the one-page implementation timeline (specified in 4.3.3) included in the 10-page limit for the Work Plan (specified in 4.3.1) or is the one-page implementation timeline in addition to the 10-page Work Plan?

A. The one page implementation timeline is included in the 10 page limit for the Work Plan.

Q. Reference RFP Section A, Section 3.8.3, and Sample Contract for Services Section 16, pages 15 and 29-30: These sections both deal with the Clerk's termination for cause and notice requirements. Section 3.8.3 provides a 10-day cure period, while Section 16 provides a 30-day cure period. Please clarify whether the cure period is 10 or 30 days.

A. Section 3.8.3 provides the Contractor up to ten (10) calendar days to recify any performance problems communicated by the Clerk to the Contractor. Section 3.8.4 allows the Clerk to cancel the contract without cause with a minimum thirty (30) days written notice to the Contractor. The Sample Contract will be amended to coincide with these sections of the RFP.

Q. Reference RFP Section B, page 18: "We currently place approximately \$130,000 per week."

a) How many cases does that represent?

b) Does the \$130,000 represent the total volume distributed among all contractors? Or does it represent the amount distributed to each contractor?

c) If possible, could you please break out # and \$ amount of monthly placements by debt type?

A. Please see the statistics provided at the end of this document. Note that the information provided in these figures is based on a review of the past year's records.

Q. Reference Section B, page 18: "All accounts currently placed with the exception of those accounts on a payment arrangement will be transferred based on an alphabetical distribution between the agencies with each agency receiving an approximate amount of total delinquent debt" QUESTION: a) What approximate dollar amount and number of cases are now being worked by the incumbent contractors and not in payment arrangements?

A. Please see the statistics provided at the end of this document.

Q. Reference Section 27, page 32: Sample Contract for Services Section 27 states that Contractor's total aggregate liability shall not exceed "one hundred thousand dollars (\$200,000). Please clarify whether the Contractor's liability is capped at \$100,000 or \$200,000.

A. The sum to be included will be based on Section 768.28, Florida Statutes, and the rate in effect at the time the contracts are signed. The current rate is \$200,000.00

Q. Reference Section F, page 24: - Proposal Checklist, #5, says, "Financial Statements and Proof of Financial Capacity (Section 2.0.3). Section 2.0.3 says, "The awarded Contractor must have sufficient financial capacity, working capital, and other financial resources to perform the contract." Section 4.6 limits "Tab 6 - Financial Stability" to five pages and makes no mention of financial statements. Are financial statements required? If yes, do they count toward the five-page limit?

A. Financial statements are preferred and do not count toward the five page limit.

Q. Reference Section C 1.0.1: I wanted to confirm that supplying a professional liability policy with the certificate language showing a three year tail (aka, extended reporting period) provision in the policy form is what you were requesting.

A. Yes.

Q. Please provide all statistical collection reports sent to you by your current vendors during the last 12 months.

A. Not applicable.

Q. How many collection vendors do you contemplate hiring under this RFP? If multiple vendors, how will data referred for collections be segregated and sent to each vendor?

A. We anticipate hiring two collection vendors under this RFP. Outstanding debt will be divided between two vendors 50/50. Part of this debt will have been worked previously by the debt collection vendors we now have and by debt collection vendors we have used in the past (depending on the age of the debt.) As new debt meets the age criteria for submission to a collection agency, it will be referred on a 50/50 basis as well.

Q. What is the start date (the first day data is referred to a vendor for collection) for contracts awarded under this RFP? When will a data exchange and test process begin?

A. The anticipated start date for contracts awarded under this RFP is April 10, 2019. Data exchange for testing is anticipated to begin March 11, 2019.

Q. Do any of your collection vendors report to credit bureaus? How often do they report?

A. No, our current collection vendors do not report to credit bureaus at this time. This provision of the RFP is contingent on any credit reporting law changes. At this point in time, the Clerk does not report debt to the credit bureaus via their collection agencies.

Q. Do you or your collection vendors receive complaints from members of the public relating to credit bureau reporting? How many in 2016 and 2017?

A. Not applicable.

Q. Do you currently administer an amnesty program? If yes, how often? What are the policies and procedures for the program?

A. The Clerk does not currently administer an amnesty program. When statewide programs such as Operation Greenlight or similar programs, whether statewide or at the discretion of our clerk, are administered, policies and procedures will be communicated to collection vendors in advance of the program.

Q. Do your current vendors make payment agreements on behalf of the Courts? What are the terms of your payment agreements and who is eligible to enter into such payment agreements?

A. Yes, our current vendors make payment agreements with debtors. The terms of the payment agreements are determined by the vendor; however, statutory guidelines regarding reinstatement requirements related to any active suspension will apply where driver's license reinstatement is concerned.

Q. Please provide the total amount of collection fees received or retained by each collection vendor in 2016, 2017 and 2018.

A. The Brevard County Clerk of Courts does not have this information. The contingency fee is added by our current collection agencies to the amount of the debt placed with them by Brevard County. Our current agencies keep their contingency fee and send us our amount separately. They do not remit the entire amount collected to us and then have their contingency fee paid back to them by us.

Q. Please provide an aging report of your delinquent portfolio by dollars and violation year.

	2015	2016	2017	2018
Pioneer	\$43,009,408.22	\$ N/A	\$ N/A	\$ N/A
MSB	\$ N/A	\$38,375,416.02	\$4,217,750.81	\$3,555,034.01
Linebarger	\$35,718,490.03	\$4,096,067.35	\$4,727,133.67	\$3,623,814.11

Q. Please provide dollar amount collected by each collection vendor.

Vendor	2016	2017
Linebarger	\$674,129.13	\$496,322.43

Vendor	2016	2017
MSB	\$2,630,804.69	\$470,484.68

Q. Please provide the percentage recovery rate by each collection vendor.

Vendor	2016	2017
Linebarger	17.97%	14.64%

Vendor	2016	2017
MSB	16.52%	12.54%

Q. Please provide your total liquidation rate defined by non-cash/resolved by Court.

2016	2017
\$	\$
\$	\$

\$	\$
\$	\$
\$	\$

A. We are uncertain as to the meaning of your question.

Q. Who are the previous vendor(s)?

A. Linebarger, Goggan, Blair, and Sampson, LLP, and Municipal Services Bureau.

Q. What is the Court's level of satisfaction with the previous vendor(s)'s services?

A. This RFP is not being sought due to a decreased level of satisfaction with existing agencies, but instead as a result of the upcoming expiration of the current contracts.

Q. What area of improvements would the Court like to see moving forward with the next vendor(s) selected?

A. Please refer to the RFP's Contract Scope and Statement of Work for vendor requirements. When submitting a response to the RFP, include any enhanced improvements your agency would like considered in the evaluation process.

Q. On page 3 (1.0.16) and on page 4 (1.0.21.5) there are references to the Court requesting credit reporting. The credit bureaus do not allow these accounts to be reported based on the National Consumer Assistance Plan. In particular they do not allow any account to be reported that, "does not arise from a mutual agreement to pay". This is further clarified as any account arising from a fee or fine. Given this information, will the requirements listed above be stricken from the RFP?

A. This provision of the RFP is contingent on any credit reporting law changes. At this point in time, the Clerk does not report debt to the credit bureaus via their collection agencies.

Q. Please provide the percentage of assigned accounts that were litigated by the previous vendor(s)?

A. Not applicable. The previous and current vendors have not initiated litigation.

Q. Does the Court accept any payments after an account is referred to the collection agency or must all payments be made solely with the vendor?

A. Yes. The Clerk accepts cash over the counter payments for accounts referred to the collection agency. The Clerk remits a check to the collection agency the following business day. The collection agency then applies the payment and remits the clerk's portion of the

payment, less the collection agency's contingency fee, back to the clerk on the daily electronic payment file.

Q. Will accounts assigned to the previous vendor be assigned to the new vendor or will they be retained by the previous agency?

A. The Clerk will recall all accounts from current vendors with the exception of those that are on active payment plans.

Q. How many accounts (on average) are assigned each month to the awarded vendor?

A. Please refer to the above question and answer titled Reference RFP Section B, page 18: "We currently place approximately \$130,000 per week." c) If possible, could you please break out # and \$ amount of monthly placements by debt type?

Q. What is the success rate of the previous vendors on accounts referred?

A. Please refer to the above question and answer titled Please provide the percentage recovery rate by each collection vendor.. Please note we anticipate or expect a 100% return as a result of this procurement.

Q. Will the County accept a standard pagination system or is the Bates numbering system mandatory?

A. Proposals shall use the Bates numbering system.

PENDING ACCOUNT STATISTICS - By Account Description									
Account Description	# Referrals	# Cases	# Pmt Plans	Amount Submitted	Average Debt Age			Average Amount	
					Years	Months	Days		
ALL PENDING ACCOUNTS	244,015	198,284	5,089	\$ 81,860,512.70	7	5	14	\$ 335.47	
ANIMAL ENFORCEMENT FINES	5,455	5,455	25	\$ 1,160,499.52	2	4	16	\$ 212.74	
CIVIL FILING & SERVICE FEES	1,592	1,576	31	\$ 630,581.17	1	5	15	\$ 396.09	
CRIMINAL FINES & COURT COSTS	123,651	123,651	3,143	\$ 64,075,435.22	7	5	14	\$ 518.20	
JUROR CONTEMPT FINES	112	112	-	\$ 7,795.00	6	6	16	\$ 69.60	
PARKING FINES	4,202	4,202	6	\$ 179,480.86	3	4	14	\$ 42.71	
PUBLIC DEFENDER FEES & LIENS	49,199	43,698	1,532	\$ 6,365,893.98	7	5	14	\$ 129.39	
TRAFFIC FINES	53,094	53,094	322	\$ 8,223,786.44	6	5	13	\$ 154.89	
OTHER	6,710	6,710	30	\$ 1,217,040.51	7	5	13	\$ 181.38	

Period: 11/26/2017 - 11/24/2018		Weekly Averages		
Collection Agency	# Weeks	# Referrals	# Cases	Amount
ALL REFERRALS	52	343	307	\$ 154,631.64
LINEBARGER AGENCY	52	168	150	\$ 78,114.27
MSB NAVIENT	52	175	157	\$ 76,517.37