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16 Aug 06  
Addendum # 1

**RFQ # 7002098: Debt Collection Services (MPA # 238)**

**Submission Deadline: 31 Aug 06 @ 2:00 PM EDT (1400L)**

- **Twenty-One vendor questions / State responses are posted for review.**
- **Interested parties are reminded of the pre-proposal conference scheduled for 21 Aug 06 @ 2:30 PM (Eastern Daylight Time). See page one of the solicitation for further information.**

A handwritten signature in black ink, appearing to read "Jerome D. Moynihan", is positioned above the printed name and title.

Jerome D. Moynihan, C.P.M., CPPO  
Administrator of Purchasing Systems

**Debt Collection Svcs. (MPA # 238)      QUESTIONS / ANSWERS**

1. Does the State want 6 percentage rates quoted plus additional statements or percentages for accounts handled via litigation as listed below?

All State Agencies except Higher Education

Level 1

Level 2

Level 3

Higher Education

Level 1

Level 2

Level 3

Accounts handled via litigation efforts

All State Agencies except Higher Education

Higher Education

*The state wants 12 percentage rates quoted; 6 rates for bad checks and 6 rates for delinquent accounts. With respect to litigation efforts, the state wants 4 percentage rates quoted; 2 for in-state litigation and 2 for out-of-state litigation.*

2. The RFP states that the 'debtor shall be assessed any all banking fees associated with issuing a subsequently dishonored check' as well as that the 'debtor shall be assessed any and all filing fees and court costs incurred by the collection firm associated with civil litigation'. Do these fees need to be referenced to the State prior to placement on the debtor's account? If balance in full is collected on the account, does the Agency retain the amount that would be associated with these incurred charges?

*These fees need not be referenced to the State prior to placement on the debtor's account. If "Agency" means the debt collection agency, then yes the Agency would retain the court costs, filing fees and dishonored check fees incurred if the balance in full is collected.*

3. Is it correct that Section 5.1 of the RFP states that the Department of Corrections would require billing services in addition to the collection of fees? If so, how would that information be shared with the Agency so that the appropriate billing could be generated? Is there a specific format the State would require? Are all receivables billed by the Agency, collected by the Agency (current billings included)? Is this the only department that will require the billing service?

*It is correct that the Department of Corrections (DOC) requires billing services and the subsequent collection and accounting of the billed amounts. State law sets out "billing rates" for inmates on probation, parole and or other types of supervised release from prison. DOC will provide to the Agency inmate information to allow billing and collection to take place. Yes, all receivables are billed and collected the Agency for this particular DOC program. At this point in*

*time DOC is the only department that will require the billing service. However, there may be other departments that require this service in the future.*

4. Attachment 6 gives a profile of the accounts receivable. I do not see the DOJ listed. Is there a listing of accounts receivable for the Department of Judiciary as well?

*There is no listing of accounts receivable for the Department of Judiciary. The Judicial Department may or may not participate in this contract. The State Controller listed the Judiciary in the RFP to disclose this circumstance.*

5. Section 6.5 states 'for debtor return telephone calls in operation twenty four (24hours) per day for six (6) days per week. Does this mean the State wants staffing 24 hours a day for 6 days a week or is a message & recording process okay for out of hours?

*A message and recording process is okay for out of hours.*

6. Section 6.9.3 states that hard copies of documentation may be sent to the Agency. Will those files be duplicates of originals maintained by the State? Do the physical files need to be returned or is shredding okay? If they need to be sent back to the State is there a State shipping service to be used or should potential costs be taken into account when providing fees?

*The hard copies of documents related to DOT receivables sent to the Agency will be duplicates of originals maintained by the State. When an account is collected in full or closed the hard copy documents can be shredded.*

7. Section 6 states what items the various Departments will send to the Agency, although none of the statements indicate phone#, can each of the Departments also provide last known phone numbers for the debtors upon placement?

*Some departments may be able to provide the last known telephone number of the debtor some departments may not.*

8. Based on terminology through the RFP, does the State intend to potentially place accounts through 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> placements with the same Agency?

*Yes, the state intends to place accounts in level I, II and III with the same Agency.*

9. Who is responsible for the cost of gathering folks for the training of the State's employees on the Agency's operating software?

*The Agency is responsible for the "cost of gathering folks" for training on the Agency's proprietary software.*

10. Are payments made by the debtors to be sent directly to the Agency or to the State?

*Payments made by the debtors are to sent directly to the Agency.*

11. Are accounts that have had no payments pulled at the 6 month mark or the 1 year mark (section 7.15 & 7.15.1)?

*For departments other than higher education, accounts that have had no payments can be pulled at the 6 month mark at the discretion of the referring department. For higher education accounts that have had no payments can be pulled at the 1year mark.*

12. How many vendors are currently providing these services for the State and who are they?

*OSI Collection Services, Inc. 1256 Park Street, Stoughton, MA and Municipal Collection, Agency, 100 Fountain Street, Providence, RI.*

13. Did the prior contract go the full initial term and 4 renewals?

*Yes.*

14. Will accounts currently placed with those agencies be moved to the newly awarded agencies as a 1 time placement after the contract award?

*Yes.*

15. What fee % is the State paying? If different for the various levels (1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>), please list fee% for each. The same for Higher Education separate from all other State Departments.

	Level I	Level II	Level III	Litigation	
				In-State	Out-of-State
<i>OSI</i>	<i>14.9%</i>	<i>20.9%</i>	<i>23%</i>	<i>24%</i>	<i>24%</i>
<i>MCA</i>	<i>15%</i>	<i>15%</i>	<i>15%</i>	<i>20%</i>	<i>35%</i>

16. What is the average monthly placement count for each receivable being placed?