

***First Judicial District of Pennsylvania's ("FJD")
Request for Proposal ("RFP")***

For

Debt Collection Services

Dated March 2, 2016

VENDOR'S QUESTIONS AND ANSWERS ("Q&A")

<http://courts.phila.gov>

Q1. Please confirm the due date for this procurement is 4/7/2016.

Yes.

Q2. What is the date by which you will answer these questions?

ASAP.

Q3. Why is the contract out to bid at this time?

Current private collection agencies have opted to terminate their services.

Q4. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

At this point in the process the District chooses not to release this information.

Q5. Can you please provide greater details on how proposals will be evaluated and how the selected vendor(s) will be chosen?

The proposals will be evaluated upon review of the vendors' experience and success in collecting similar debts as well as other factors contained in the individual bids.

Q6. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?

Below is a listing of aged assessments pertaining to first and second phases of the assignment of outstanding assessments.

Phase I-Previously Referred

Date Range	Plan Balance	# of Payment Plans
001-365 days	\$136,028.00	347
366-730 days	\$187,384.00	71
731-1096 days	\$ 1,508,643.00	690

1097-1462 days	\$ 63,000.00	27
1463-1824 days	\$ 7,459,168.00	6,423
More than 1824 days	\$131,586,937.00	83,586

Phase II-Active Delinquent

731-1096 days	\$22,196,872.00	16,843
1097-1462 days	\$18,215,317.00	16,794
1463-1824 days	\$ 9,054,393.00	8,556
More than 1824 days	\$43,790,498.00	41,229

Q7. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?

The District plans to have three phases for assigning outstanding debt to the successful Vendor/s. The first phase, would cover the delinquent accounts that were previously referred to a Vendor, which comprises approximately 91,000 delinquent plans with an associated balance due in excess of \$141,000,000.00. Second phase, will see the assignment of approximately 83,400 delinquent plans with an associated balance due of approximately \$93,257,000.00. The third phase, will be a reoccurring monthly delinquent file that will consist of approximately 2,000 plans monthly with an average file value of \$1,770,000.00.

**The District has decided to re-evaluate its assignment of delinquent debt and has now included more phases and notes the lower monetary value of debt noted in the published RFP represented the overdue or arrears amount.

Q8. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?

Refer to the answer for question #7 listed above.

Q9. 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?

Refer to the answer for question #7 listed above.

Q10. Does the District intend to submit all court cases through this contract or only cases from the Common Pleas court?

Only CPCMS – Criminal.

Q11. Can you provide a copy of the standard contract with terms and conditions?

The selected vendor will be provided with a draft contract during the contract negotiation phase.

Q12. What are the anticipated monthly placement volumes (number of accounts/\$ value of accounts)?

Refer to the answer for question #7 listed above.

Q13. Please provide a breakdown of the anticipated placements by portfolio type: fines, fees, restitution, etc.

Phase 1 as noted in the answer to question #7

Fines/Fees/Costs=\$109,965,816.00

Restitution=\$31,034,184.00

Phase 2 as noted in the answer to question #7

Fines/Fees/Costs=\$70,566,045

Restitution=\$22,691,035.00

Q14. What fees were paid or earned by your existing vendors during the previous calendar or fiscal year?

Refer to the answer for question #4 listed above.

Q15. Section F, 2, a. i. We do not have a corporate seal. Will a Certificate of Corporate Authority meet this requirement?

Yes.

Q16. Section F, c. Will a surety be required with this proposal?

A surety will not be required at this time; however, the FJD reserves the right to require a surety at a later time.

Q17. Section F, e. Can we propose using M/W/DBEs that have been certified by other states, or must the M/W/DBEs be certified by the Commonwealth of Pennsylvania and/or the City of Philadelphia?

Yes. The FJD requests a detailed explanation supporting the alternative state certification.

Q18. Is it the Court's intention to select multiple vendors?

No. Our intent is to select one vendor.

Q19. Who was the previous vendor?

GC Services

Harris & Harris

Q20. What was their success rate on these accounts?

Refer to the answer for question #4 listed above.

Q21. What was the money collected by the previous vendor in 2015? Would you please break that down to money paid to the Court and money retained by the vendor?

Refer to the answer for question #4 listed above.

Q22. *Will the previous vendor retain any accounts they were working on or will they be assigned to the selected vendor?*

Refer to the answer for question #7 listed above.

Q23. *What are the insurance requirements for the selected vendor?*

The FJD is self-insured through the City of Philadelphia. The insurance requirements will be presented to the selected vendor during the contract phase. Please also refer to provision D within the RFP.

Q24. *What types of cases will be assigned (traffic, criminal, filing fees, etc.)?*

Criminal fees, fines and costs.

Q25. *Is a surety bond required to send a proposal (mentioned on page 4, letter c.)?*

See Q16.

Q26. *Will addendum be listed only on the website or will they come via email as well to vendors who have emailed the Court?*

They will be sent to Vendor's who have emailed the District as well as appearing on the Districts web-site.

Q27. *Does the FJD intend to continue using two collection agencies for these services, or would they consider using just one agency for these services?*

Our intent is to select one vendor.

Q28. *How will the selected agency receive updates from the FJD when a defendant has called the Court to give updated information?*

Updated files will be provided weekly through CPCMS.

Q29. *How would the FJD like to receive updated information from the selected agency?*

Weekly or other periodic period as determined from time to time via electronically.

Q30. *What is FJD's preference for applying payments to accounts when defendant has multiple accounts? This question applies to situations when he/she has not specified how the payment should be applied.*

All payments applied to the amount owed on the Account – by payment plan number. The FJD will distribute it among various cases and categories within the Payment Plan.

Q31. *We understand that accounts will be at least two years old. What is the average age of the accounts that will be placed with the selected agency or agencies?*

The average age of the accounts range from 731 days to 11,000 days.

- Q32. How often would the FJD staff like to meet with the selected vendor to review performance and other operational issues?**
Quarterly or as otherwise necessary.
- Q33. How often will FJD place accounts with selected agency or agencies?**
After initial placements – monthly.
- Q34. How many vendors are you planning to select under this procurement?**
Our intent is to select one vendor.
- Q35. Does FJD intend to refer the approximately \$65 Million Dollars in overdue payment plans to selected vendors as a one-time placement at the beginning of the project or does FJD intend to manage this referral differently? If differently, please describe.**
The FJD plans to refer all outstanding debt which is in delinquent status for 2 years or more.
- Q36. It's our understanding that FJD plans to refer all accounts which are delinquent and for which no payment has been received for two (2) years or more. Can FJD please provide details as to its delinquent account collection process prior to this referral?**
The FJD uses thirty (30), sixty (60), and ninety (90) day dunning notices, and also schedules payment plans conferences.
- Q37. What is the current participation rate of existing collection vendors for the M/W/DSBE subcontracting program?**
None.
- Q38. If we were to utilize a diverse M/W/DSBE as a subvendor, can we only utilize those certified by the City of Philadelphia's Minority Business Enterprise Council (MBEC), or can we use M/W/DSBE's who are not certified by MBEC?**
Not required.
- Q39. What is the required payment apply sequence that will need to be adhered to? Is equally posting a payment over each debt and bucket acceptable?**
Each payment received by Vendor will be applied to the Payment Plan by the District when the Vendor forwards the payment to the District. The Vendor shall deduct from each payment received their contractual percentage of the payment as the Vendor's fee before the Vendor submits the payment to the District.
- Q40. What is the reconciliation process for this project?**
Vendor will remit company check totaling the amount of receipted payments it received from defendant's outstanding assessments. Vendor will send to the FJD a financial report that list defendants name, Payment Plan number or Docket number, date of payment, date payment received, and date payment sent to the Court. It will list how much was

received for each defendant and the method of payment i.e. check, money order, credit card. District will reserve the right to request changes to reconciliation reports on an as needed basis.

Q41. *What information will be provided on the debtor? SSN, telephone, address?*

See attached file format.

Q42. *What areas, processes and/or results are you looking to improve or enhance under this new contract?*

The District is looking to increase its compliance rate while lowering its outstanding assessments amounts.

Q43. *Please confirm that the vendor, for the purposes of this RFP, shall only consider subcontractors those contractors who may be used specifically for work conducted for FJD and that the vendor does not need to consider as a subcontractor those contractors used for the entire agency (such as office machine repair contractors, mailing service, skip trace providers, etc.).*

While the District may not consider them subcontractors, it would like to be informed of any sub-contractor that effectuates data contained on the districts database. So the mailing service and skip trace providers would be included but not the office machine repair contractor.

Q44. *After the initial placement, will vendors receive further placements based on their competitive performance on the contract?*

Our intent is to select one vendor.

Q45. *What are the roles of the individuals that make up the evaluation committee?*

The selection committee will be comprised of various department heads from Procurement, Office of Judicial Records, Legal Services, Office of Court Compliance and various positions within Court Administration.

Q46. *Do you require the documentation below upon submission or contract award? (h. Prohibition on Foreign Corporations: No contract will be awarded to a Vendor who is a foreign nation corporation or is operating under a fictitious or assumed name, unless the Vendor has compiled or has agreed to comply with the regulations governing proper registration under the laws of the State of Pennsylvania and the FJD. If the Vendor is incorporated in some state other than the State of Pennsylvania, the Vendor shall provide documentation to establish that the corporation is registered to conduct business in Pennsylvania).*

Please provide this documentation upon bid submission.

Q47. *On average, how much does your current vendor collect on a monthly basis?*

Refer to the answer for question #4 listed above.

- Q48. *How frequently do you anticipate placing accounts with the vendor (daily, weekly, monthly, etc.)?***
Refer to the answer for question #7 listed above.
- Q49. *On average, how many accounts (including dollar amount) do you anticipate placing with the successful vendor on a monthly basis?***
Refer to the answer for question #7 listed above.
- Q50. *How are balances updated on the vendor's system? Do you provide a daily update of the entire inventory?***
Balances are updated as payments are processed or if otherwise adjusted by the court. A weekly update if provided to Vendor through a CPCMS updated file.
- Q51. *What are the current vendor's historical recovery percentages (liquidity) on accounts over the last three years?***
Refer to the answer for question #4 listed above.
- Q52. *What are the dollar amounts/contingency fees paid to your current vendors over the last three years (please include by account type if applicable)?***
Refer to the answer for question #4 listed above.
- Q53. *Why is the current project out for bid?***
No active collection agency.
- Q54. *How many vendors are you currently using for this project?***
Currently the District is using none. Previously it has used two.
- Q55. *How many vendors do you plan to award contracts for this RFP?***
Our intent is to select one vendor.
- Q56. *Can you describe what happens to the accounts prior to sending them to a third party agency?***
FJD collects on accounts. If delinquent for 2 or more years, referred to private collection agency.
- Q57. *What is the average balance of accounts by category?***
Refer to the answer for question # 13 listed above.
- Q58. *What current contingency fees or other fees are currently being billed by any incumbent(s), by category?***
25% - as allowed by statute.

Q59. What is the average age of accounts at placement (at time of award and/or on a going-forward basis) by category?

Refer to the answer for question #6 listed above.

Q60. What estimated or actual dollars were paid last year to any incumbent(s)?

Refer to the answer for question #4 listed above.

Q61. What is the monthly number of accounts expected to be placed with the vendor(s) by category?

Refer to the answer for question #7 listed above.

Q62. What is the monthly dollar value of accounts expected to be placed with the vendor(s) by category?

Refer to the answers to questions 6 & 7 listed above.

Q63. What has been the historical liquidation rate provided by incumbent(s)? What is your expected rate of return for this contract?

The District understands the complexity on collecting this type of debt and offers no barometer for collections at this time.

Q64. Will agencies be allowed to keep accounts longer that are on a payment plan?

By statute (42 Pa. C. S. § 9730.1), the accounts must be returned after 48 months. However, the District reserves the right to ask for the return of any case before expiration of the 48 month period.

Q65. What is your number one measurement when working with agencies? Gross liquidations, net back, compliance, etc.?

The District's number one measurement is compliance followed by collection rate.

Q66. Is any skip work done on accounts before they are sent to agencies? If so, are you passing skip-located cell phones to the agencies?

No skip work is done by the District. New address information is sought within CPCMS.

Q67. Do you use an auto dialer for any phone calls?

Yes.

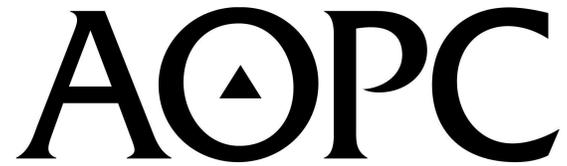
Q68. Would FJD consider Mutual Indemnification (in reference to E. Criteria for Selection.f.x.)?

The FJD's standard contract provisions will be discussed with the selected vendor during contract negotiation.

Q69. Is a bond required for this bid? If so, what is the amount (in reference to 2. Conditions of Bidding and Instructions.c.)?

See Q16.

~~END~~



**Electronic Collection Referrals (CPCMS)
Placement File**
(Project: DE0021)

File Specifications & Data Dictionary
Vendor Version
Version 1.2

Created By: Maruf Singer
Team: AOPC – Data Hub Team
Last Updated: 9/21/2011 2:07 PM

AOPC
Electronic Collection Referrals (CPCMS)

Requirements Overview

AOPC Project ID:	DE0021
AOPC Task ID:	
Created By:	Maruf Singer
Date Created:	7/25/2011 4:30 PM
Last Updated By:	Maruf Singer
Date Last Updated:	9/21/2011 2:07 PM
Application/Process Name:	Electronic Collection Referrals (CPCMS)
Business Description:	In certain circumstances, the Courts refer cases to private collection agencies to facilitate a collection process towards costs/finest and restitution that the Court has been unsuccessful in collecting. The Electronic Collection Referrals process assists in automating the referral of cases to collection agencies.

Revision History

Date:	Description:	Author:
07/25/2011	Creation of document.	Maruf Singer
09/12/2011	Updated FTP site reference to go to the Secure FTP Server. Added notes to business rules section.	Maruf Singer

AOPC
Electronic Collection Referrals (CPCMS)

Technical Requirements

Requirement(s):	The collection agency will need to have entered into a signed contract with the county and have the ability to access the AOPC's FTP server (http://common.pacourts.us)
File Structure:	All files provided to the collection agency are in Pipe-Delimited (" ") format (ASCII) as TXT files. Layouts are provided below.
Collections Process:	The normal process for Collections is as follows: <ol style="list-style-type: none"> (1) Batch file is approved for referral to collections by the court, and the payment plan status is updated. (2) Collections process runs, creates and writes the files to FTP folder for Collection Agency to pick up.
Business Rules:	<p>Placement File: (contains information about the case/payment plan being referred, adjustments and those being returned from collections)</p> <ul style="list-style-type: none"> • Case has a payment plan status of ("Referred") • A row is inserted into the placement file when: <ul style="list-style-type: none"> ○ A new case is referred to collections. ○ An existing case is being removed from collections. ○ The balance on an existing case has been updated.
Delivery Method:	FTP – The collection agency will be set up with a login and password to access the AOPC's FTP server to pick up files for the county they are working with for collections.
Delivery Schedule:	As batches are approved by the County – process will run and files will be created - placed on the FTP site for pick up.
Delivery Location:	AOPC FTP Server (Details to be provided.) Once the Collection Agency's login is created and is logged in, they will see each county(s) abbreviation (4 letter code) that the collection agency is working with. Going into each county's folder will take you to the data files to be retrieved for that county.
AOPC Contact:	Ami Levin – Data Hub Project Manager (ami.levin@pacourts.us , 717-795-2000)

Electronic Collection Referrals (CPCMS)

Table and Column Glossary and Definitions

PLACEMENT FILE LAYOUT (CPCMS Payment Recovery)

File Name: placement.txt

Field #	Field Name	Max Size	SQL Type	Description	Required	Format/Notes
1	TransactionType	1	Tiny Int	Transaction Code	Y	0 = Add, 1 = Update, or 2 = Delete
2	PaymentPlanNumber	50	Varchar	Payment Plan Identifier	Y	In the CPCMS application, docket numbers (case numbers) are placed on payment plans when payment plans become delinquent. Also, in the CPCMS application a payment plan may have more than one docket number associated with it. Although in the CPCMS application the delinquency is payment plan based, the file submission process is at the docket number level. There are two exceptions: The [Install Amount] & [Payment Plan Arrearage Amount] will be reported at the payment plan level so if a payment plan has more than one docket number associated then this information will be repeated on each docket number record sent.
3	DocketNumber	21	Varchar	Docket Number	Y	
4	DisplayName	100	Varchar	Full Name of Defendant	Y	
5	LastName	30	Varchar	Last Name of Defendant	N	
6	FirstName	30	Varchar	First Name of Defendant	N	
7	MI	1	Varchar	Middle Initial of Defendant	N	
8	SSN	11	Varchar	Social Security Number of Defendant	N	
9	DOB	10	Varchar	Date of Birth of Defendant	N	yyyy-mm-dd
10	AddressLine1	60	Varchar	Home Address of Defendant	N	
11	AddressLine2	60	Varchar	Home Address of Defendant	N	
12	AddressLine3	60	Varchar	Home Address of Defendant	N	
13	CityName	50	Varchar	Home City of Defendant	N	
14	StateCode	2	Varchar	Home State Code of Defendant	N	
15	ZipCode	10	Varchar	Zip Code and Extension of Defendant	N	
16	PhoneNumber	10	Varchar	Phone Number of Defendant	N	
17	WorkAddressLine1	60	Varchar	Work Address of Defendant	N	

AOPC

Electronic Collection Referrals (CPCMS)

Field #	Field Name	Max Size	SQL Type	Description	Required	Format/Notes
18	WorkAddressLine2	60	Varchar	Work Address of Defendant	N	
19	WorkAddressLine3	60	Varchar	Work Address of Defendant	N	
20	WorkCityName	50	Varchar	Work City of Defendant	N	
21	WorkStateCode	2	Varchar	Work State Code of Defendant	N	
22	WorkZipCode	10	Varchar	Work Zip Code	N	
23	BalanceDueAmount	10	Money	Balance of Case Assessments due	Y	This is the amount still owed including the collection fee (if assessed by the county).
24	PaymentPlanFrequency	25	Varchar	Frequency payments were due before being referred to collections	N	Values: Single Payment, Weekly, Bi-Weekly, Monthly, Bi-Monthly, Quarterly, Semi-Annually, Annually.
25	InstallAmount	10	Money	Amount due for each payment	N	
26	LastPaymentDate	10	Date	Last Payment made	N	yyyy-mm-dd
27	LastPaymentAmount	10	Money	Last Payment amount	N	
28	PaymentPlanArrearageAmount	10	Money	Sum of installment amounts in Arrears	N	Total amount of installment amounts overdue.
29	SupervisoryExpDate	10	DateTime	Date Last Payment on Payment Plan is due	N	yyyy-mm-dd This field is the probation end date when a payment plan fixed end date is entered into CPCMS; otherwise this field is just the calculated Last Payment Plan Installment Date.
30	RestitutionOwed	1	Bit	Indicator if any part of money owed is associated to restitution	N	1 = Yes or 0 = No
31	LegacyDocketNumber	20	Varchar	Docket Number if case was migrated to the CPCMS system from a Legacy county system	N	
32	Title	10	Varchar	Title of Lead Offense	N	
33	Section	10	Varchar	Section of Lead Offense	N	
34	Subsection	10	Varchar	Subsection of Lead Offense	N	
35	LeadOffenseDescription	100	Varchar	Lead Offense Description	N	
36	SentenceDate	10	Date	Sentence Date of Lead Offense	N	yyyy-mm-dd