**Judicial Council of California**

**Statewide Collections Services for Court-Ordered and Other Debt**

**RFP #TCAS-2018-05-M**

**RFP QUESTIONS AND ANSWERS**

**Revision 1**

**August 14, 2018**

1. Please reconfirm the due date for this procurement by providing it in response to answers to questions. **ANSWER:** The proposal due date is August 30, 2018.
2. Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable. **ANSWER:** The level of satisfaction with the current vendor(s) is determined by each Participating Entity.
3. Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval? **ANSWER**: No. The services required are those specified in the RFP.
4. What is the total number of accounts available for placement now by category, including any backlog? **ANSWER**: This information is unknown. Please see Section 3.9, Historical Data, for available account information.
5. What is the average balance of accounts by category? **ANSWER**: This information is unknown. Please see Section 3.9, Historical Data, for available account information.
6. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category? **ANSWER**: This information is unknown. Please see Section 3.9, Historical Data, for available account information.
7. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category? **ANSWER**: This information is unknown. Please see Section 3.9, Historical Data, for available account information.
8. 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? **ANSWER**: Please see section 3.9, Historical Data.
9. 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? **ANSWER**: The reassignment of any accounts is determined by each Participating Entity, who may or may not decide to move accounts to a new Master Agreement holder.
10. Section 1.2 (page 4) indicates, “The purpose of this Request for Proposal (RFP) is to solicit and award one or more master agreements…to selected proposers…to provide specified collections services to the Participating Entities including but not limited to those further described herein...” Please provide the following clarifications:
	1. How many contracts were awarded during the previous procurement? **ANSWER:** The 2013 solicitation resulted in eleven awards.
	2. Were any contracts not renewed due to performance for Contractors awarded contracts during the previous procurement? **ANSWER:** No**.**
	3. To how many Contractors does the Judicial Council anticipate awarding contracts? **ANSWER:** This is unknown at this time and depends on how well proposers meet the requirements of the RFP. The solicitation in 2013 resulted in eleven awards, and the 2008 solicitation resulted in seven.
11. Section 2.1 (page 5) indicates, “For FY 2016–17, a total of $592.7 million in delinquent court-ordered debt was collected statewide. Of that amount, $159.2 (26.9 percent) was collected by the private collection contractors on behalf of 52 participating programs. (See Exhibit B, Programs and Contractors, for a list of current contractors by program.)” Please provide the following clarifications:
	1. What are the number and dollar value of accounts placed with current Contractors for collection in FY 2016-17, segregated by account type and age if available? **ANSWER:** For fiscal year 2016-17, a total of 655,764 accounts with an estimated dollar value of $578 million were placed with the current contractors.
	2. What are the estimated number and dollar value of accounts to be placed with collection agency Contractors annually? **ANSWER:** This information is unknown. Please see Section 3.9, Historical Data, for available account information.
	3. What are the number and total dollar value of any backlog of accounts available for placement immediately upon contract award? **ANSWER:**  This information is unknown. See Section 3.9, Historical Data, for available account information
	4. What is the average balance of accounts, segregated by account type and age? **ANSWER:**

This information is unknown; we do not collect data at the level of detail requested.

e. What is the average age of accounts at placement, segregated by account type? **ANSWER:**

This information is unknown; we do not collect data at the level of detail requested.

f. Are the 11 current Contractors listed on Exhibit B the only Contractors awarded Master

Agreements as a result of the Judicial Council’s most recent prior RFP? **ANSWER:** Exhibit B includes eight of the eleven contractors awarded Master Agreements as a result of the 2013 solicitation.

g. What are the current Contractors’ commission fees? **ANSWER:** Commission fees charged by current Contractors range from 11.5 to 18 percent.

h. What are the current Contractors’ historical liquidation (i.e., recovery) rates, segregated by account type and age if available? **ANSWER**: This information is unknown; we do not collect data at the level of detail requested

1. Section 3.2(a) (page 8) indicates, “Contractor shall provide on-site staff at public counter areas to assist the public (e.g. accept payments, answer questions, set-up payment arrangements, etc.) during all hours the Participating Entity is open to the public, including night hours.” Please provide the following clarifications:
	1. How many Participating Entities currently utilize Contractor onsite staff? **ANSWER:** This service is at the option of each Participating Entity and may vary; the Judicial Council does not have this information.
	2. How many total Contractor staff are currently onsite at Participating Entity public counter areas? **ANSWER:** See response to question 12a.
	3. Will existing space utilized by current Contractors be made available to new Contractors? **ANSWER:** See response to question 12a
2. Section 3.9 Historical Data (page 15) provides delinquent gross revenue collected, outstanding number of cases, and outstanding court-ordered debt for fiscal year 2008-09 through fiscal year 2016-17. Please provide the following clarifications:
	1. Of the delinquent gross revenue collected, what is the dollar value of revenue collected by collection Contractors? **ANSWER:** See table below for total revenue collected by Contractors, by fiscal year:

|  |  |
| --- | --- |
| Fiscal Year: | Gross Revenue Collected: |
| 2008-09 | $166,368,067 |
| 2009-10 | $178,619,830 |
| 2010-11 | $225,119,462 |
| 2011-12 | $211,472,511 |
| 2012-13 | $218,260,450 |
| 2013-14 | $223,903,225 |
| 2014-15 | $219,962,854 |
| 2015-16 | $205,732,307 |
| 2016-17 | $159,896,037 |

* 1. Could you provide a breakdown of outstanding number of cases and court-ordered debt by account type and age? **ANSWER:**  Information by account type and age is not available; the Judicial Council does not collect data at the level of detail requested.
1. Section 3.10(d) (page 16) indicates, “For victim restitution fines, Contractor’s fee will be limited to the actual administrative cost of collecting the restitution fine, not to exceed 10 percent of the amount ordered to be paid, as allowed by Penal Code section 1202.4(a) and if authorized by a resolution by a county Board of Supervisors.” Please provide the following clarifications:

a. How does the Judicial Council define “actual administrative cost”? **ANSWER:** “Actual administrative cost” is the verbatim term used in Penal Code Section 1202.4(l), which states “At its discretion, the board of supervisors of a county may impose a fee to cover the actual administrative cost of collecting the restitution fine, not to exceed 10 percent of the amount ordered to be paid, to be added to the restitution fine and included in the order of the court, the proceeds of which shall be deposited in the general fund of the county.” The term is not defined by Section 1202.4(l). Contractors will either need to refer to the Penal Code or the Counties for the answer.

b. Do county Board of Supervisors resolutions currently exist for the payment of Contractor’s fees for victim restitution fines? **ANSWER:** There are 58 counties. The Judicial Council cannot verify status of each county’s resolutions.

1. Section 3.10(f) (page 16) indicates, “Contractor understands that the California Department of Motor Vehicles (DMV), and the California Franchise Tax Board (FTB) under its Tax Intercept Program, will sometimes collect the money due on an Account that has been referred to the Contractor.” Please provide the following clarifications:
	1. What dollar value and percentage of accounts placed are recalled annually due to amounts collected by the DMV and/or FTB under its Tax Intercept Program? **ANSWER:**  This information is not available; the Judicial Council does not collect data at the level of detail requested.

* 1. Of the delinquent court-ordered debt collected statewide annually, what is the amount collected by the DMV and FTB under its Tax Intercept Program? **ANSWER:** This information is not available; the Judicial Council does not collect data at the level of detail requested.
1. Sections 6.2(a) and (b) (page 20) indicate the Technical and Cost proposals “must be submitted to the Judicial Council staff in a single sealed envelope”. Please provide the following clarifications:

a. If an envelope is not of sufficient size to hold the proposal, are Proposers permitted to package the proposal in a larger container, such as a box? **ANSWER:** Yes**.**

b. Are proposers permitted to ship the two separate, sealed proposal packages in a single package for ease of shipping? **ANSWER:** Yes.

1. Section 6.2(b) (page 20) indicates, “The original [Cost proposal] document must be signed by an authorized representative of the Proposer.” No signature line is provided on the Pricing Proposal (Exhibit A) worksheet. Please indicate where Proposers should sign the Cost proposal. **ANSWER:**

Please sign at the bottom, right hand corner of the Pricing Proposal form -Exhibit A.

1. Section 7.0 Proposal Contents (pages 21-26). The Judicial Council does not specifically provide a section within the Proposal Contents where Proposers can offer innovative customer service and collection solutions. Is the Judicial Council interested in Proposers defining innovative solutions and their associated value propositions? If so, where should Proposers insert this information? **ANSWER:** Proposers should describe work plan and methods for providing the required services in the Work Plan and Methodology— Tab 4.
2. Section 7.1, Financial Viability and Stability, item n (page 23) indicates, “If subcontractors are proposed for this RFP, the Proposer’s contract management process for subcontractors, together with copies of any signed formal agreements…between Proposer and each proposed subcontractor.” Please clarify the Judicial Council’s definition of subcontractor. For example, does the Judicial Council consider third-party vendors that provide letter services or batch skip tracing services to be subcontractors? **ANSWER:** The Judicial Council has not assigned a special definition of “subcontractor” that is different from its usual meaning or how a court of law interpreting the contract may define “subcontractor,” However, the RFP requires that contractor to provide the required documents and information regarding subcontractors and the subcontractor relationship (e.g. signed formal agreements).
3. Section 7.2 Cost Proposal (page 26) indicates, “Proposers must use the Microsoft Excel template (Pricing Proposal form – Exhibit A) and complete all worksheets (tabs) to submit the required cost proposal information.” Please confirm this section is referencing the Microsoft Word document titled Exhibit A – Pricing Proposal. **ANSWER:** Yes. This section is referencing the Pricing Proposal form- Exhibit A, in Microsoft Word format.
4. Section 12.3 (page 30) indicates, “To receive the DVBE incentive, at least 3 percent of the contract goods and/or services must be provided by a DVBE performing a commercially useful function.” How does the Judicial Council define “commercially useful function”?

**ANSWER:** See definition of “commercially useful function” at: <https://www.documents.dgs.ca.gov/pd/delegations/cufbrdcst0106.pdf>

1. What documentation should a proposer provide to show that we are qualified to do business in California and in good standing? Does registering with the Secretary of State satisfy that requirement? **ANSWER:** Yes, the Secretary of State issues a  Certificate of Status, which shows that you are a corporation or limited liability company (LLC) and has met its statutory requirements (your business retains good corporate standing, has paid all state taxes and fees, and has filed an annual report (if applicable)) and is authorized to do business in the state.
2. Does a proposer need to provide insurance certificates with their bid submission? **ANSWER:** If required by RFP; otherwise upon contract execution. Appendix C, Section 3 of the master agreement explains in detail the Judicial Council’s insurance requirements.
3. Regarding 7.1 Technical Proposal: Are Proposers permitted to provide a tabbed *Table of Contents* to precede the response structure described in this section? **ANSWER:** Yes.
4. Regarding 7.1 Technical Proposal: Are Proposers permitted to provide a tabbed *Cover/Transmittal Letter* to precede the response structure described in this section? **ANSWER:** Yes.
5. Regarding 7.1 Technical Proposal, Executive Summary – Tab 1, letter a: Is the three page limit cited here for the entire Executive Summary, or for just the description of the company? Is there in fact a page limit overall for the Executive Summary? **ANSWER:** The three page limit is for the description of the company, there is no page limit for the Executive Summary.
6. Regarding 7.1 Technical Proposal, Work Plan and Methodology – Tab 4, letter b and Key Personnel – Tab 6: Information regarding key personnel is requested in both of these sections. Are proposers permitted to provide the information in one section and then make a narrative reference back to that section as an acceptable response for the second instance? **ANSWER:** No. Each section should include the information as requested in the RFP
7. Can the Judicial Council provide a list of the jurisdictions that are actively referring accounts under the existing contract? **ANSWER:** The Judicial Council does not know which jurisdictions (i.e., court/county collection programs) are actively referring accounts under the existing contract.
8. Regarding Attachment 1, 4. Addenda: Proposers are advised that it is their responsibility to inform themselves of the existence/issuance of any addenda.
	1. How does the Judicial Council plan to issue addenda: by email, posting to a Web site? **ANSWER:** TheJudicial Council sends emails to potential proposers to inform them of any changes and posts the Addenda to the court’s website. (The answer to this question is hereby deleted and replaced with the revised answer below.)

**REVISED ANSWER:** JCC will post any Addenda and/or updates to the RFP on the court’s website. It is the responsibility of the proposer to check the court’s website regularly for any updates. Here’s the link to the website: <http://www.courts.ca.gov/41164.htm>. The original email sent by JCC is just a courtesy email to inform potential proposers of the RFP, JCC is not obligated to send emails to proposers regarding any changes or updates to the RFP. It is the proposers’ responsibility to inform themselves of the existence/issuance of any addenda.

* 1. How do addenda need to be acknowledged? Is there a signature page for each that needs to be signed and returned as part of a proposal? Or does it automatically become part of the procurement and require no formal acknowledgment? **ANSWER:** No signature page required. We post the Addenda on the court’s website and email the link to potential Proposers. (The answer to this question is hereby deleted and replaced with the revised answer below.)

**REVISED ANSWER:** No signature page required. Any changes or updates becomes part of the proposal. Proposer must ensure that they are aware of the changes or updates to the RFP by checking the court’s website regularly.Here’s the link to the website: <http://www.courts.ca.gov/41164.htm>

1. Are teaming arrangements allowed in this opportunity?  For instance, our parent company owns other collection agencies with complimentary service offerings that would add value to our proposal.  By responding to the RFP with a teaming arrangement we would provide a more robust solution to the CA Judicial Council. **ANSWER:** See 7.0(n) on page 20 of RFP: “If subcontractors are proposed for this RFP, the Proposer’s contract management process for subcontractors, together with copies of any signed formal agreements (e.g., teaming agreement or any other legally binding document) between Proposer and each proposed subcontractor.”
2. Please describe in greater detail the compensation plan to the vendors for the on-site personnel required to work at the Participating Entities. **ANSWER:** Compensation for on-site personnel will be based on the percentage commission fee or on an hourly rate, as listed on Exhibit A- Pricing Proposal.
3. Exhibit A – Pricing Proposal, and 3.10 Pricing Structure, paragraph c. (A-1, A-2 and RFP page 16). Where can vendors enter pricing for on-site personnel? Is it acceptable for us to add a row under each pricing table for our “on-site personnel” pricing? **ANSWER:** Please enter the pricing for onsite staff on Exhibit A— Pricing Proposal. Yes. It is acceptable to add a row under each pricing table for “on-site personnel” pricing or submit on a separate form if based on an hourly rate.
4. Attachment 2 – Standard Terms and Conditions (Master Agreement), Appendix C – General Provisions, section 3.8, “Required Policy Provisions” section 3.8, C-5. This provision requires that all insurance policies maintained by the Contractor are primary and noncontributory. It is typical that insurers will allow coverage to be primary and noncontributory on general liability, but not with respect to other policies, including Errors & Omissions. Please clarify whether it is the Council’s intent to require that only general liability coverage is primary and noncontributory. **ANSWER:** The primary and non-contributory is for the General Liability policy only and not for the Professional Liability.
5. On 9.3.4 Pricing (P. 28) What specific weights will be applied to each of the pricing categories in Exhibit A – Pricing Proposal? **ANSWER:** The specific weights will not be provided. See section 9.3.4 Pricing for the point scale and evaluation criteria detail.
6. Attachment 9 - “Darfur Contracting Act Certification” - The file name for the “Darfur Contracting Act Certification” says “Attachment 9,” but the heading when you open the actual document says “Attachment 10.” Should the heading be corrected to say “Attachment 9”? **ANSWER:** We will make the necessary correction.
7. Attachment 10 – Iran Contracting Act Certification - The file name of the “Iran Contracting Act Certification” form says Attachment 10, but the heading in the actual document says “Attachment 11.” Should that heading be corrected to say “Attachment 10”? **ANSWER:** We will make the necessary correction.
8. As required in Attachment 1 – Administrative Rules Governing RFPs, we would like to submit the following question for clarification of the Judicial Council of California’s Statewide Collection Services of Court-Ordered Debt and Other Debt RFP No. TCAS-2018-05-MS.

The required policy provisions of section 3.8 of the Master Agreement  requires that “Each policy must provide, as follows: (i) the policy is primary and noncontributory with any insurance or self-insurance maintained by Judicial Branch Entities and Judicial Branch Personnel, and the basic coverage insurer waives any and all rights of subrogation against Judicial Branch Entities and Judicial Branch Personnel…” and”; “(iii) each insurer waives any right of recovery or subrogation it may have against the Participating Entity…”.  As certain provisions are not available on specific policy types, please confirm that the primary and noncontributory requirement does not relate to the Crime policy requirement and that the waiver of subrogation requirement does not relate to the workers compensation, Crime or Professional Liability policy requirements. **ANSWER:** The primary and non-contributory does not pertain to the Crime Policy. As for the waiver of subrogation, it is required for Worker’s Compensation, but not for Crime and Professional Liability.

1. Do any fees get passed along to the consumer? **ANSWER:** No.
2. Are there any debt types that are not technically a judgment upon referral, such that we would need to subsequently use the court system to obtain a judgment? **ANSWER:** No.
3. Which/how many participating entities will require on-site presence and is this on-site presence for back office tasks (Client Service and dispute/direct pay verification handling) or is the requirement for collectors on-site? **ANSWER:** See response to question 12a.