

Purchasing Services
2815 East Garland Avenue
Spokane, WA 99207-5889

phone (509) 354-7174
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www.spokaneschools.org



June 2, 2015

RE: RFP No. 8654-1415; Contracted Collection Services

INFORMATIONAL – QUESTIONS AND ANSWERS

1. Please confirm the due date for this procurement is **6/23/2015**.
The due date for submission is 4:00 PM PDT Tuesday, June 23, 2015 as specified in the RFP.
2. What is the date by which you will answer these questions?
Normally within a day or two however responses requiring research such as this may take up to a week.
3. Why is the contract out to bid at this time?
Normal periodic cycle of soliciting for this service.
4. Is there a deadline for questions?
Questions must be submitted a least one week prior to the submission date (June 16) to allow for information to be shared with all parties interested in quoting the services.
5. When is the anticipated contract start date?
September 1, 2015 as specified in the RFP.
6. What is the term of the contract?
The initial award is for a one year period of September 1, 2015 and may be extended annually for four successive one-year periods based on the mutual agreement of the parties to do so as specified in the RFP.
7. What is the maximum number of renewal options by policy or statute?
The contract may be extended annually for four successive one-year periods based on the mutual agreement of the parties to do so as specified in the RFP.
8. Has the current contract gone full term?
Yes
9. Have all options to extend the current contract been exercised?
Yes

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10. Who is the incumbent, and how long has the incumbent been providing the requested services?

Automated Accounts, Inc has been the district provider of collection services in excess of 15 years.

11. To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award?

The agency must have a local office in Spokane with local collectors as specified in the RFP.

12. How are fees currently being billed by any incumbent(s), by category, and at what rates?
As specified in the RPF:

A. Open Collection accounts:

1. Collection fees are added to the total dollar amount that is turned over for collection in accordance with RCW 19.16.500: Collection fee of 33 1/3% for non-legal account. Non-legal accounts are those accounts that have been referred to the collection Agency and legal proceedings have not been pursued in the court system.
2. Contingency Rate: The contingency rate for legal accounts will be 50%. That fee will consist of the initial 33 1/3% collection add on fee and an additional 16 2/3% fee calculated on the original principal amount.

B. Interest is charged at the rate of 1% per month in accordance with RCW 43.17.240.

Interest accrued after submission to the collection Agency will be shared with the SPS at the rate of 50%. The interest rate will be evaluated yearly.

Additional information:

Accounts that are paid while still in the pre-collection period of 30 days have no collection fee. All of our accounts, except returned checks, start in pre-collection. After the 30 days are up, the accounts are moved to collection and charged the fees above.

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

Not available. The fees are paid by the debtor directly to the collection agency.

14. To how many vendors are you seeking to award a contract?

One

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15. Can you please provide greater explanation of your expectations related to any required subcontracting to minority-owned, women-owned, or other types or categories of small or disadvantaged businesses? For example, what is required with the proposal, and what is required to comply during the term of the contract?
Spokane Public Schools encourages the participation of Minority Owned and Women Owned Business Enterprises in this request for proposal as specified in the RFP.
16. Can you please provide greater details regarding your bid bond and/or performance bond requirements related to this contract? For example, what is required with the proposal, and what is required to comply during the term of the contract?
As specified in the RFP a copy of a Surety Bond in a form acceptable to the State Department of Licensing must be included with the proposal. A surety bond must remain current for the duration of the contract.
17. 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?
Pricing should be submitted as per the fee structure specified in the RFP.
18. Please describe your level of satisfaction with your current vendor(s), if applicable.
Satisfied
19. Can you please provide a greater description of the specific kind of receivables to be placed for collection?
The debts submitted for collection include district central office invoices, returned checks, before and after school childcare fees, student fines and fees and facility rentals.
20. 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 will be primary placements.
21. What collection attempts are performed or will be performed internally prior to placement?
The debtor will have received at least one (1) invoice and two (2) letters requesting payment. The second letter informs the debtor that the account will be turned over to a collection agency for collection.

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22. What is the total dollar value of accounts available for placement now by category, including any backlog?
- District invoices: \$0
 - Returned checks: \$100.00
 - Before and after school childcare: \$3751.22
 - Student fines/fees: \$12,524.70
 - Facility rental invoices: \$0
23. What is the total number of accounts available for placement now by category, including any backlog?
- District invoices: 0 items
 - Returned checks: 1 item
 - Before and after school childcare: 9 accounts
 - Student fines/fees: 49 accounts
 - Facility rental invoices: 0 items
24. What is the average balance of accounts by category?
- District Invoice: average balance to collection \$647.51
 - Returned checks: average balance to collection \$106.16
 - Before and after school childcare: average balance to collection \$290.76
 - Student fines and fees: average balance to collection \$217.89
 - Facility usage: average balance to collection \$625.78
25. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?
- All accounts, except student fines/fees, are sent to collection within the time frame listed below from the original date of invoicing. The time includes the district's attempts to collect the funds prior to referring to collections.
- District invoices: 180 days
 - Returned checks: 180 day
 - Before and after school childcare: 180 days
 - Student fines/fees: 180 days
 - Facility rental invoices: 180 days

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Student fines/fees collection began in 2011, following the adoption of a new cash receipting system that allowed fines/fees to be tracked electronically. Individual School locations make the initial contacts and then refer the account to Accounting if collection efforts are not successful. If contact was made with the parent, the account is referred to collection. For accounts where the District was unable to contact the parent the district is developing the protocol to follow before submitting accounts to collection. Student fines/fees that could potentially be submitted for collection are 92 accounts with an average balance of \$159.71 for a total of \$14,693.35. The age of the accounts ranges from 180 days to 3 years.

26. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?
- District invoices: 2-3 accounts/year
 - Returned checks: 3-5 accounts/year
 - Before and after school childcare: 5-10 accounts/month
 - Student fines/fees: 40-60 accounts/month
 - Facility rental invoices: 2-3 accounts/year
27. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?
- District invoices: \$2,000/year
 - Returned checks: \$300-\$500/year
 - Before and after school childcare: \$1,500-\$3,500/month
 - Student fines/fees: \$8,680-\$17,360/month
 - Facility rental invoices: \$1,200/year
28. 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?
- The percentages listed below are based on payments made on an account. The account may not be paid in full at this time, with continuing collection.
- District invoices: 2011-2015 0%
 - Returned checks: 2012-2015 24%
 - Before and after school childcare: 2007-2015 19%
 - Student fines/fees: 2013-2015 4%
 - Facility rental invoices: 2011-2015 0%

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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?
Not determined at this point in time.

End of Informational Questions and Answers