



Purchasing Services
2815 E. Garland
Spokane, WA 99207
509-354-7174
Buyer: Barb Carson
509-354-7186

REQUEST FOR PROPOSAL: NO. 8654-1415 - CONTRACTED COLLECTION SERVICES

PROPOSALS ACCEPTED UNTIL: 4:00:00 PM PDT TUESDAY, JUNE 23, 2015

(Any proposals received after this date and time shall be returned unopened)

NOTE: All respondents must read and understand this Request for Proposal in its entirety. There may be special instructions either in the terms and conditions or as an integral part of the proposal document that will impact the respondent's ability to perform.

SECTION I

Instruction to Proposers

1. **SERVICES REQUIRED:** Spokane Public Schools, a political subdivision of the state of Washington, (SPS) is seeking to obtain the services of a licensed, bonded collection agency (Agency) that resides within the boundaries of Spokane. This Agency must employ local collectors.
2. **SUBMISSION PROCESS AND DEADLINE:** To be considered, please submit three (3) copies of your proposal and qualification package to Purchasing Services, Spokane Public Schools, 2815 E. Garland, Spokane, WA 99207, or it may be delivered in person to the Purchasing Services Office. Please include the proposal identification and proposal opening time and date on your submittal package.

Documents required in the proposal shall include:

- A. 3 Copies of your proposal and qualification package.
- B. Copy of current Collection Agency License from the State of Washington.
- C. Copy of Surety Bond in a form acceptable to the State Department of Licensing.
- D. Proposal Submittal Form – Section IV, Page 1 and 2.
- E. 3 Client Based References

It is the sole responsibility of the vendor to see that his/her proposal is complete and is received by the designated time.

3. **ERASURES:** Any erasures, interlineations, or other corrections in the proposal must be initialed by the person or persons signing the proposal.

4. EXAMINATIONS OF SPECIFICATIONS:

Proposers shall thoroughly examine and be familiar with the specifications. The failure or omission of a vendor to receive or examine any form, instruments, addendum, or other document shall in no way relieve any proposer from obligations with respect to his proposal or to the contract. The submission of a proposal shall be taken as prima facie evidence of compliance with this section.

5. AWARD OF CONTRACT:

SPS shall contract with providers that meet the requirements of this RFP. SPS expressly reserves the right to waive any defect, irregularity or informality in any request for proposal procedures, reject or cancel any or all proposals, reissue a request for proposal invitation, or procure services by other means.

6. EVALUATION OF PROPOSALS:

This proposal will be awarded based on the following vendor evaluation criteria:

- Service and Availability
- Ability to Meet the Terms and Conditions of this Proposal Document.
- Delivery timelines
- Client Based References
- Online Service Availability
- Skip Tracing Tools/Techniques
- Payment/Proration

Such determination will, of necessity, require judgmental evaluations by SPS representatives. The decision resulting from the evaluation process as to which vendor best meets the needs of SPS remains the sole responsibility of SPS and is final.

7. TIME FOR CONTRACTING:

It is understood that this proposal may not be withdrawn nor may the proposer refuse to accept any contract proffered based on the proposal within 90 days after the date set for the opening thereof.

8. DISQUALIFICATION OF PROPOSALS:

More than one proposal from the proposer under the same or different names may not be considered. Reasonable grounds for believing that any proposer has vested interest in more than one proposal will cause the rejection of all proposals in which such is the case. The prohibition against the submission of more than one proposal shall be interpreted to include proposal from all forms of ownership and affiliation including, but not limited to, parent, and subsidiary corporations whether wholly owned or majority interest, joint ventures and partnerships having common partners and individuals presenting separate proposals. Any or all proposals will be rejected if there is reason to believe that collusion exists among proposers and no participant in such collusion will be considered in future proposals for specified services and/or supplies.

9. CONTRACT AGREEMENT:

Proposer should be aware that the contents of the successful proposal together with this proposal document, will become the subsequent Contract Agreement between SPS and the proposer. Failure by the proposer to accept this obligation may result in the cancellation of any award. Any damages accruing to SPS as a result of the proposer's failure to contract may be recovered from the proposer.

10. COST INCURRED IN RESPONDING:

All cost, directly or indirectly related to preparation of a response to the request for proposal invitation or any oral presentation required to supplement and/or clarify a proposal which may be required by SPS shall be the sole responsibility of and shall be borne by the proposer(s).

11. PROPRIETARY INFORMATION:

All information listed in the proposal will become public information after the award has been made. Proposer acknowledges that SPS is a public entity and is therefore subject to public disclosure laws.

12. MINORITY OWNED AND WOMEN OWNED BUSINESS ENTERPRISES:

Spokane Public Schools encourages the participation of Minority Owned and Women Owned Business Enterprises in this request for proposal.

1. RATES CHARGED:

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.

2. SPOKANE PUBLIC SCHOOLS SHALL PROVIDE:

- A.** SPS will provide copies of all records and any documentation relevant to the collection. This includes billing contracts, statements, registration and other collection documentation.
- B.** Accounts will be referred for collection when the Account Receivable account reaches 120 days delinquent in accordance with board policy. The account referral will be approved by the Chief Financial Officer.
- C.** Direct payment to SPS will not be accepted by SPS once the account has passed the pre-collect time period and the Agency is actively engaged in collection of that account. SPS will remit any monies, if received, to the Agency.
- D.** If a State pay account, either DSHS or DVR, becomes eligible for state reimbursement after the account has been turned over for collection and the 30 day grace period has expired, any state monies collected will be repaid to SPS in total. No collection fees will apply. The co-pay amount payable by the debtor will remain in collection with all collection fees applicable to that account.
- E.** SPS reserves the right to cancel accounts submitted at any time with no collection fees applicable unless the account is in an active pay status or legal action has been initiated. If the Agency denies cancellation, the Agency must provide proof that the account is in active status (payment has been received within the last 45 days and there is a history of timely payments or legal action has been initiated).

3. AGENCY WILL PROVIDE:

- A. Agency must have a local office in Spokane with local collectors.
- B. Pre-collection: Upon receipt of the account, the Agency will send written confirmation of the receipt of the account.

Two (2) notices will be sent giving the debtor a 30 day grace period to pay. All payment in entirety will go to SPS. No contingency fee will be paid to the Agency at this time.
- C. Credit reporting will be in accordance with applicable laws.
- D. Skip Tracing Minimums: All phone numbers provided by SPS will be contacted. Telephone books, assessor records and other directories will be checked. Credit reports will be pulled on accounts larger than \$200.
- E. Legal action will not be taken unless all avenues of voluntary payment arrangements have failed. Legal action must be authorized by SPS in writing by the Chief Financial Officer.
- F. Payments on open non-legal accounts made to the Agency will be remitted to SPS before the 10th day of the month following payment. Partial payments will be pro rated between collection fee (33 1/3%) to the Agency and SPS portion (66 2/3%).
- G. Payment for legal accounts will be to the Agency to cover court costs, attorney fees and other legal fees. Once these costs have been paid, SPS will be paid. The Agency will provide detailed written documentation of the legal costs.

Payment remitted to SPS shall be sent to the attention of: Spokane Public Schools, Accounts Receivable, 200 North Bernard, Spokane, WA 99201.
- H. The Agency may cancel accounts if:
 - 1. The consumer or the consumer assets cannot be located.
 - 2. The consumer has no assets and no expectations of having any in the future.
 - 3. The debt is disputed and SPS has insufficient documentation to pursue collection efforts.
 - 4. The debt has been discharged in bankruptcy.
 - 5. The consumer has died and there is no successor or guarantor.
- I. NSF Checks:

NSF fees will be added to the face value of the check according to current applicable laws and regulations at the time of placement with the Agency. The Agency will comply with the requirement of the Americans with Disabilities Act of 1992 and all regulations interpreting or enforcing said act.

- J. Agency will provide and maintain an On-Line service that allows multiple SPS personnel to inquire or research SPS account activity.
- K. Agency shall maintain a client base that is structured to service large, governmental entities.
- L. Agency shall provide SPS with an electronic file of applicable clients to SPS in a sortable format (i.e. Excel).
- M. Agency shall provide training to SPS staff on agency's collection process and understanding of their electronic reports.

1. SPS ACCESS:

Successful Agency shall provide a right of access to all Agency's documentation as it pertains to this RFP, to SPS, its officers, agents and employees, and to any other agent or official of the federal, state or local governmental authorities, at all reasonable times, for the purpose of auditing, monitoring and/or evaluating performance and compliance with this proposal.

2. HIRING AND SUPERVISION:

Agency shall post, recruit, and select qualified and satisfactory staff as appropriate. Such staff shall be the employees of Agency. Agency shall be solely responsible for the actions, rights and obligations of its employees. Agency shall adequately supervise and evaluate all employees and volunteers.

3. ACCOUNTING AND RECORDKEEPING:

Successful Agency shall provide adequate record keeping and reporting, as required by federal, state and local laws, which shall include, but not be limited to the following:

Agency shall maintain books, records, documents, and other evidence which sufficiently and properly reflect all direct costs expended in the performance of the services described herein. These records shall be subject to inspection, review or audit by personnel of SPS, the Office of the State Auditor, or other federal or state officials as authorized by law. The financial records of this Agreement shall be retained in accord with Washington State Law and appropriate OMB circular Guidelines.

4. COMPLIANCE WITH RULES AND LAWS:

The parties shall comply with all laws, ordinances and regulations of governmental bodies applicable to the services as well as applicable local policies and procedures. SPS property is a tobacco free, drug free, and weapon free environment. All personnel shall conform to this policy at all times while on SPS premises.

5. NO DUAL EMPLOYMENT:

Nothing contained in this proposal or subsequent contract, or related documents shall be construed as creating any form of an employment relationship between SPS and Agency or the agents, officers, volunteers or employees of Agency. The officers, agents, employees or volunteers of the Agency shall not be entitled to any rights or privileges of employment with SPS. Agency assumes exclusive responsibility for any and all actions, rights and obligations of its officers, agents, employees or volunteers. SPS employees do not, by this proposal or subsequent contract, become agents or employees of Agency. Accordingly, SPS employees shall not be entitled to any rights and privileges established for employees of Agency, such as vacation, sick leave with pay, paid days off, life, accident and health insurance or severance pay upon termination of this Proposal.

6. NONDISCRIMINATION:

In the performance of this proposal and any contract awarded, the parties assure compliance with all local, state and federal rules and regulations and does not discriminate on the basis of age, sex, marital status, race, color, creed, national origin, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a person with a disability, sexual orientation including gender expression or gender identity, or honorably discharged veteran or military status.

7. INDEMNIFICATION:

All parties to this proposal and any awarded contract are responsible for its own acts and omissions of its officers, employees, and agents. Each Party agrees to defend, indemnify, and hold the other Party harmless from and against any claim, demand, suit, or cause of action, (hereafter “claim”), that may be asserted against the indemnitee, if and to the extent the claim against the indemnitee is based on the actual or alleged fault of the indemnitor and relates to the subject matter of the performance of this Agreement. This indemnification obligation applies to all costs of investigation, attorney fees, litigation expenses, settlement, and judgment. Where claims are asserted against both of the parties based on actual or alleged concurrent or shared fault of the parties, a party shall not be required to indemnify the other party for that party’s own proportionate share of fault. Attorney fees and litigation expenses incurred by a Party in successfully enforcing the indemnification provisions of this paragraph shall be paid by the Party against whom the provision was enforced.

The parties agree that these indemnification obligations shall apply to claims made by their own employees against an indemnitee, and the parties each therefore knowingly and expressly waive any immunity that they otherwise might have been entitled to invoke under Title 51.

8. INSURANCE:

During the term of contract, Vendor shall maintain in force at its own expense, the following insurance:

8.1 Worker’s Compensation Insurance in compliance with RCW Title 51;

8.2 General Liability Insurance on an occurrence basis, with a single limit of not less than \$1,000,000 each occurrence and \$2,000,000 aggregate for bodily injury and property damage. It shall include premises and operations, independent Agencies, products and completed operations, personal injury liability, and contractual liability coverage for the defense, indemnity, and hold harmless obligations provided under this proposal;

There shall be no cancellation, material change, or reduction of limits or intent not to renew insurance coverage(s) without thirty (30) days written notice from one party or its insurer(s) to the other party. Upon request, each party shall furnish acceptable insurance certificates to the other. Such certificates shall include applicable policy endorsements, the thirty (30) day cancellation clause, and the deduction or retention level.

9. ASSIGNMENT/BINDING EFFECT:

Performance of any or all aspects of this proposal or any awarded contract may not be assigned without written authorization by the other party. Likewise, neither party may assign their respective rights to any claims or actions arising out of or relating to this proposal without written authorization.

10. INTEGRATION/MODIFICATION:

This proposal constitutes the entire and exclusive agreement between the parties regarding this matter and no deviations from its terms shall be allowed unless a formal, written, mutual amendment occurs between the parties. No such modification shall be valid unless the written modification is first provided via US mail or personal delivery to each of the parties.

11. WAIVER OF BREACH/DEFAULT:

No waiver of any breach of any term of this proposal shall be construed, nor shall be, a waiver of any other breach of this proposal. No waiver shall be binding unless it is in writing and signed by the party waiving the breach.

12. SEVERABILITY:

If any provision of this proposal is determined to be invalid or ultra vires under any applicable statute or rule of law, it is to that extent to be deemed omitted and the balance of the proposal shall remain enforceable.

13. MANDATORY DISPUTE RESOLUTION PROCEDURE:

In the event that a dispute shall arise regarding the terms, conditions, or breach of this proposal, the parties shall, as a condition precedent to taking any action and as a condition precedent to seeking arbitration, mediate the dispute using the services of a mutually agreed upon independent mediator. Each party shall split the expenses of the mediator and the facility for the mediation. Each party shall otherwise pay its own expenses.

Any controversy or claim arising out of or relating to this proposal, or the breach thereof, shall be settled by final and binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The costs of the arbitration fees, the arbitrator and the facility for the arbitration shall be borne equally by each party. Each party shall otherwise pay its own expenses. Notwithstanding the above, if either party precludes the other from performing under this proposal, the party that precludes the other from performance shall be prohibited from seeking or maintaining any action, claim or demand under or pertaining to this proposal, including a demand for arbitration and the other party shall be discharged from any further contractual duty under the proposal.

14. ATTORNEY’S FEES AND COSTS:

In the event legal action becomes necessary to enforce or interpret the terms of this Proposal, the parties shall be required to mediate their dispute(s) prior to legal action being commenced.

After mediation has occurred, the prevailing party in any legal action shall be entitled to recover reasonable attorneys’ fees and costs incurred in such action, as determined by the court. In the event of any appeals from such actions, the prevailing party shall be entitled to recover its reasonable attorneys’ fees and costs incurred in such appeals, and determined by the court(s). The term “costs” shall include, in addition to statutory costs and disbursements, all costs associated with discovery depositions, expert witness fees, and out-of-pocket costs incurred by the prevailing party in the prosecution or defense of the action. For the purpose of this paragraph, the term “action” shall be deemed to include any proceeding commenced in the bankruptcy courts of the United States.

15. TERM/OPTION TO EXTEND:

The initial awarded contract term will be for a one-year period, beginning September 1, 2015 and ending on August 31, 2016 and may be extended annually for four successive one-year periods based on the mutual agreement of the parties to do so. Either party can terminate the contract by providing written notice to the other party of its desire to do so, at least 90 days prior to the anniversary date of the contract. In the event of a breach by the Agency of any of the provisions of the subsequent contract document as identified in paragraph 9 of Section 1 of this RFP, SPS reserves the right to cancel and terminate this contract forthwith upon giving oral notice followed up in writing. This provision provides for only four annual extensions and the contract shall terminate without notice effective August 31, 2020.

16. CONFLICT OF INTEREST:

SPS officers and employees may not accept or receive, directly or indirectly, a personal financial benefit; or accept any gift, token, membership, or service, as a result of an SPS purchase entered into, or anticipated in the future, for any person, firm, or corporation. SPS employees within the course of their employment, are prohibited from accepting any gratuity (including food or beverages) from a supplier of goods or services to SPS.

17. COOPERATIVE PURCHASING: The successful Agency shall be willing to extend the availability of all items covered by this RFP to other public agencies. RCW 39.34 allows cooperative purchasing between public agencies. Each Agency shall indicate on the submittal form if they will honor other public agencies’ service needs in accordance with the contract terms and conditions in addition to the services provided to SPS. SPS does not accept any responsibility for services requested by any other public agency. SPS accepts no responsibility for the performance of any purchasing contract by vendor.

18. GOVERNING LAW/VENUE:

The terms of this proposal shall be governed by the laws of the State of Washington. In the event that legal action is commenced to resolve a dispute arising out of this proposal, the venue of such action shall be in Spokane County, Washington.

19. AUTHORITY TO SIGN AND OBLIGATE:

The undersigned represent and warrant that they are authorized to enter into this proposal on behalf of the party.

**SUBMITTAL REQUEST FOR PROPOSAL
TO PROVIDE CONTRACTED COLLECTION SERVICES**

ASSURANCE: I have read the Request for Proposal for the Contracted Collection Services in its entirety and agree to provide the services in compliance with the language included in the request for proposal information.

I have included with this proposal the required 3 copies of our proposal and qualification package, a copy of our current collection Agency license from the State of Washington, a copy of our Surety Bond in a form acceptable to the State department of licensing, as well as the Proposal Submittal Form Section IV, Page 2.

(Optional) Proposer agrees to cooperative purchasing in Section III, Paragraph 17. _____
(Initial)

Agency:

The Agency by whom this proposal is submitted and by whom will be the responsible representative in the event the award is made to your firm:

Name of Business (Agency): _____

SIGNATURES

Legal Name of Person Authorized to
Submit Proposal

Address

Authorized Signature

City, State, Zip code

Name Printed

Phone Number

Title

Fax Number

E-Mail

Date

PART I: STATEMENT REGARDING EQUAL EMPLOYMENT OPPORTUNITY

We hereby certify that we have made a conscientious effort to comply with federal, state and local equal employment opportunity requirements in quoting this project and we will make the same efforts in fulfilling the requirements if awarded the Contract.

We further designate

Name_____

Title_____

Telephone Number_____

as the person who has been charged with the responsibility for securing compliance with and reporting progress on affirmative efforts.

PART II: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

In submitting the proposal for services as outlined in the Contract Specifications, we hereby certify that we have not been suspended or in any way are excluded from Federal procurement actions by any Federal agency. We fully understand that, if information contrary to this certification subsequently becomes available, such evidence may be grounds for non-award or nullification of the Contract.

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, Participant's responsibilities.

Signed _____

Title _____

Firm _____

Address _____

City & State _____

Date _____