



# Shelby County Tennessee

Mark H. Luttrell, Jr., Mayor

## Questions and Answers

*Issued: June 1, 2012*

**RFP #12-003-42**

**Collection Agency Services  
(Shelby County Court Clerk's Offices)**

**Due: June 8., 2012 no later than 4:00 P.M. (Central Standard Time)**

### **TO ALL PROSPECTIVE BIDDERS:**

The following questions were submitted by potential vendors

Answers are listed in **red** below:

1. What is the total dollar value of accounts available for placement now by category, including any backlog? **Varies by court: from \$2,500.00 to 2.5 million,**
2. What is the total number of accounts available for placement now by category, including any backlog? **Varies – courts that responded to this question: Criminal – none; Chancery – about 3500; Circuit – 20 cost bills; Juvenile Court - dependant on how many cases are referred per month; General Sessions, Criminal Div - 9 months to 2 years**
3. What is the average balance of accounts by category? **Varies by court, from 50 to 500**
4. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category? **Varies by court, ranging from 180 days (6 months), to 2-1/2 to 3 yrs, with Juvenile Court having some as old as 10 years ( Criminal – 180 days; Chancery – one year; Circuit – 6 months old; Juvenile Court- 10 years; General Sessions, Criminal Div. –approx. one year**
5. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)? **Varies by court: from \$2,300.00 to \$350,000.**

6. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category? **Criminal - 500; Chancery – 100; Circuit - 20-30 monthly,**
7. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category? **Average dollar amount is \$5,000.00 monthly, some as high as \$20,000.**
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? **Varies by court: Criminal Court – 1 to 1.5%; Circuit Court - 40%.**
9. Do you have any idea of any backlog of accounts that may be turned once the bid has been awarded? Will there be any that are 12 months or older? **Criminal – there may be some that are missed or got through the 180 day time frame; Juvenile Court – all; General Sessions, Criminal Div. – yes**
10. Section H, LOSB: If we are not utilizing a subcontractor, may we get a waiver for this requirement? Is there a form that needs to be filled out and provided with our response? Is there a goal set for this contract in terms of the percentage of the contract that should be subcontracted with a LOSB? **There is no goal set for this contract in terms of the percentage, so therefore, no waiver required. This LOSB statement is in all of RFP documents.**
11. Section F states we should provide at least 3 former clients. Are you asking for a list of all active clients and former clients that were contracted with in the last five years but aren't a current client? Are you asking that contact information be included too? **No we do not need a list of all active accounts, only three former clients (not including Shelby County Government-any entity) References should include address and telephone number and contact name if possible. This is NOT the names of the individual accounts, only the names of the company requesting the collection services.**
12. Section A.3, will phone numbers and/or social security numbers be provided? **All pertinent information will be provided.**
13. Section B, Question No. 4 b. states that five mail efforts should be made. Since we will only have the accounts six months, this seems to be a large number of mailings for this time period. How did you arrive at this number and do you have a specific timeline on how you want the letters to be spaced? **Varies by court: Criminal - mail efforts of 5 is a little heavy for 6 months. Normally the accounts are held longer than that. Extensions will be made. General Sessions, Criminal Div. - up to five yrs.**
14. Section C, question 5 – references. Can you please define “other clients”? **see answer # 3**
15. Please confirm that the County is not currently utilizing a vendor for collection services. If so, please provide the name, fee charged and commission paid in the last 12 months. **Shelby County is currently utilizing several different agencies; fees vary by court: Criminal – 25% of dollars recovered.**

16. Can Shelby County Tennessee please provide performance reports for Bad Debt collections, both internally and from vendors (incumbents the Mendelson Law Firm, Professional Collection Network, for each calendar year from 2007 through 2011? What has been the historical rate of return or liquidation rate provided by any incumbent(s), **varies by department, but one department list 1 to 1.5% historical return**
17. What performance is anticipated or expected as a result of this procurement? **Varies by department**
18. At what age from the date of service have the current vendors been receiving primary bad debt placements? **180 days, or longer**
19. Can Shelby County please provide the Bad Debt collections performance reports for 2012 YTD? **Not at this time.**
20. Why is the contract out for bid? **All renewals have been exhausted.**
21. Are there any other current/incumbent vendors other than Mendelson Law Firm, Professional Collection Network? **Mendelson is not an incumbent and there are no current contracts at this time.**
22. Can you provide the incumbent vendors collection rates and fees charged? **25 to 30% of amount collected.**
23. Please provide Shelby County Tennessee formula or methodology for calculating performance? (For example, gross collections as a % of gross placements, are adjustments and recalls taken out of the calculation base?

EXAMPLE:		<u>Num. of accounts.</u>	<u>Dollars</u>
Gross Placements	100		\$40,000
Recalls	8		\$2,458
Adjustments	7		\$546
Adjusted Gross Collection Dollars Placed			\$36,996
Recovered Dollars			\$3,699
Recovery Rate			10%

24. Please provide any additional insight regarding the Evaluation Criteria  
XII. PROPOSAL EVALUATION AND SELECTION
1. Initial Review
  2. Technical Review
    - i. Qualifications and experience of specific personnel assigned to this project;
    - ii. Quality and responsiveness of the proposal and the ability to present a clear understanding of the nature and scope of the project;

- iii. Project methodology;
- iv. Previous experience in performing similar Services;
- v. Proposed cost to Shelby County Government;
- vi. Other services available to Shelby County Government above and beyond the Services required.

Can Shelby County Tennessee please provide any point system/value or weight that is assigned to each of these criteria? If there is no point system of weight assigned to each category, can the committee tell which items are most important? **A scorecard is generated prior to the proposal due date. Each section of requirements, Scope of work and cost are given weights (total of 100). There will be a review committee of at least two staff members from each Court Clerk's office and the overall highest evaluated score will be recommended for award. This RFP may result in multiple awards.**

25. With regard to fees; which would be more important to Shelby County, TN; the fee charged or the cash netback to the county after fees paid? **Fees charged**

In section **C Reporting & Other Requirements, page 14 item 7** – of the RFP reads:

- 7. Report a debtor's account to a national credit bureau affecting the debtor's credit rating, if requested to do so by the appropriate Court Clerk's office.
  - a. The account will be placed with a credit bureau within ten (10) days of the Court Clerk's office request.
  - b. The Court Clerk's office will make the necessary corrections when an account is reported in error.
  - c. The Court Clerk will be responsible to notify the credit bureau of payment on an account closed by the Provider.

26. Is Shelby County TN conducting any credit reporting either internally or through a vendor? **Circuit Court and Criminal Court does not use credit reporting.**
27. Will the bad debt collection services have accounts coming from different localities or county department service locations? **Only those listed in this RFP.**
28. If yes, can we get a list of the departments/service locations? **Refer to the RFP documents.**
29. How long from the date of service or invoice are bad debt accounts placed with contractors? **See answer on #3, this section.**
30. Are there any internal efforts that are conducted by Shelby County, TN or individual departments prior to sending the bad debt collection accounts to a contractor for collection? If yes, please give a brief description of what the internal efforts include. **Skip Tracing, MLGW (local utility company), Clear System, Garnishments and Levies, delinquent notices and phone calls.**
31. Will there be secondary placements or will collection accounts only be primary placements? **We have no secondary placements**

32. Will Shelby County, TN like to have fee pricing or a quote for secondary collection services? **See answer to # 16**
33. If there will be seconds, when will they be taken from a primary agency and placed with the secondary agency? **See answer to # 16**
34. What is the total dollar value of accounts available for placement now by category, including any backlog? **Varies by Clerk's office, from several thousand to \$2 million.**
35. What is the average balance of accounts by category? **Around \$5,000**
36. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)? **Varies by department, average of around \$350,000.**
37. What are both the monthly or quarterly number as well as dollar value of accounts expected to be placed with the vendor(s) by category? **Not available at this time.**
38. Will any backlog of accounts recently worked or currently worked by any incumbents be sent to the newly chosen agency(s) as a result of this RFP procurement process? If yes – how would Shelby County like us to quote fees for working these accounts? **Yes, the fees will be the same as any other account.**

Thank you,

Debbie Cairncross, Buyer  
Purchasing Department  
Shelby County Government

