



> T 760.735.2700  
> F 760.735.2711  
> 800.456.5053

> P.O. Box 463023  
> Escondido, CA 92046  
> www.arsnational.com

Mark Atkins  
Senior Buyer  
2019 Washington Street, East  
Charleston, WV 25305-0130

RECEIVED

2018 NOV 15 AM 11:52

WV PURCHASING  
DIVISION

November 10, 2018

Attn: Mr. Atkins,

ARS National Services Inc. (ARS) appreciates the opportunity to respond to Request for Qualification #CRFQ 0212 SWC1900000006

On behalf of the Government Services Division of ARS National Services Inc. I am pleased to submit our offer to the State of West Virginia in compliance with the instructions to agencies for #CRFQ 0212 SWC1900000006, Collection Agency Services. After careful review of the requirements of the CRFQ, we understand the work to be performed and assure you we can provide collection services that meet the highest standards for quality, performance, and courtesy to your debtors for payments on delinquent collection accounts owed to the state.

Per your specifications, we have submitted the following:

- Ethics Disclosure
- Pricing Page
- HIPPA Addendum
- Instructions to Bidders
- Purchasing Affidavit
- Addendum Acknowledgement
- Specifications

By way of background, ARS was founded in 1992 and is headquartered in Escondido, CA and has offices in every major time zone Eastern, Central and Pacific. The company is a privately held California Corporation owned by the Howerton Family and led by CEO, Brandon Black. ARS has approximately 400 employees with four call center sites throughout the United States with opportunity to continue expansion based on our strategic growth targets. ARS is recognized as an industry leading collection agency with a strong reputation for compliance and financial results. We provide servicing for three of the top five US based banks, in addition to supporting issuers in the consumer/marketplace lending, auto, government and healthcare verticals, ARS is licensed to collect in all 50 states in the United States. ARS has been built to deliver industry leading client service to large complex financial institutions. However we also pride ourselves in delivering the hands on approach to support those organizations that require a more hands-on custom delivery solution.





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> 800.456.5053        > www.arsnational.com

ARS policies, procedures, and corporate resources have been developed to support the requirements established by sophisticated compliance and risk organizations. We operate a highly compliant and consumer focused collection operation with strong Risk Management and Customer Relations policies, procedures, and controls.

- 25+ years of collections and skip tracing experience
- Experienced Leadership Team with over 140 years of combined industry experience
- Four Locations Nationwide , with call centers located in every time zone (Eastern, Central, Pacific)
- Currently service more than \$2.7B in receivables
- Best in class complaint ratio 0.26%
- Robust highly compliant modern digital experience for our clients and their customers

#### **Authority to Bind the Proposer**

As Chief Executive Officer of our firm, ARS National Services Inc., I am authorized to legally bind ARS National Services in contract with the State. I acknowledge receipt of any and all amendments to this CRFQ.

Brandon Black  
Chief Executive Officer  
Office: 760-690-8775  
Fax: 760-690-1728  
[Brandon.black@arsnational.com](mailto:Brandon.black@arsnational.com)

#### **Authority to Negotiate Contract**

Scott O'Donnell  
Chief Business Development Officer  
Office: 760-690-8710  
Fax: 760-690-1728  
[Scott.odonnell@arsnational.com](mailto:Scott.odonnell@arsnational.com)

#### **Person to be contacted for Clarification**

Phillip Prince  
Director of Business Development  
Office: 760-690-9362  
Fax: 760-690-1728  
[Phillip.prince@arsnational.com](mailto:Phillip.prince@arsnational.com)





> T 760.735.2700  
> F 760.735.2711  
> 800.456.5053

> 201 West Grand Avenue  
> Escondido, CA 92025  
> [www.arsnationalservices.com](http://www.arsnationalservices.com)

ARS is working to be a world class consumer receivables management company. Our focus is delivering top client brand protection, top consumer experience, with industry leading financial performance. ARS is committed to evolving its business to be able to meet the changing needs of the consumers. We build our call center teams to be excellent communicators and give them the tools they need to drive quality performance and work with the consumers to resolve their financial challenges. In the last 18 months ARS has improved its executive management team to drive the growth of the business into new markets and business lines. The core strengths of compliance, consumer experience, and financial performance can be translated into these new markets. ARS is working to continue being the leader in financial services market, growing our position in the government servicing market, and expanding into student loan servicing. Additionally we are innovating to bring additional services and products to our client base by developing new avenues of communication with the consumers we service. Our new clients, markets, and products will be serviced with our same focus, delivering quality results, while protecting our partner brands.

Sincerely,

A handwritten signature in black ink, appearing to read "Brandon Black", written over a horizontal line.

Brandon Black  
Chief Executive Officer





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> 800.456.5053

> P.O. Box 463023  
> Escondido, CA 92046  
> [www.arsnational.com](http://www.arsnational.com)

## EXHIBITS





Vendor must complete this schedule, for items being bid. The fee structure submitted to the State of West Virginia is as follows:

Agency	Type of Account	% of Amount Collected*
1. Colleges and Universities	Per Debt	5.98%
2. Worker's Compensation	Default Account	4.59%
3. WV Department of Tax and Revenue	New Accounts	4.98%
4. WV Department of Tax and Revenue	Levy Account - Where our employee is instrumental in the preperation of the levies.	5.00%
5. Division of Environmental Protection	Per Debt	5.98%
6. Other Spending Units	Per Debt	5.98%
7. Rate of Second Placement	Per Debt	11.00%
8. Rate of Second Placement	Colleges	11.00%

\* Rates bid shall be all inclusive and shall include all expenses to be incurred in connection with the services performed. (see Specifications 5.2)

**Bidder Contact Info**

Vendor: ARS National Services

**Bidder Name (Print):**

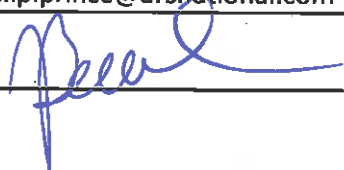
**Contact Name (Print):** Phillip Prince

**Phone:** 760-690-9362

**Fax:** 760-690-1728

**E-mail:** phillip.prince@arsnational.com

**Bidder Signatue:**







Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

State of West Virginia  
 Request for Quotation  
 33 -- Service - Misc

Proc Folder: 510637

Doc Description: ADDENDUM\_1: Debt Collection Services - (DEBT19)

Proc Type: Statewide MA (Open End)

Date Issued	Solicitation Closes	Solicitation No	Version
2018-11-08	2018-11-15 13:30:00	CRFQ 0212 SWC1900000006	2

**BID RECEIVING LOCATION**

BID CLERK  
 DEPARTMENT OF ADMINISTRATION  
 PURCHASING DIVISION  
 2019 WASHINGTON ST E  
 CHARLESTON WV 25305  
 US

**VENDOR**

Vendor Name, Address and Telephone Number:

Phillip Prince  
 ARS National Services Inc  
 201 W Grand Ave  
 Escondido CA 92025  
 760-690-9362

**FOR INFORMATION CONTACT THE BUYER**

Mark A Atkins  
 (304) 558-2307  
 mark.a.atkins@wv.gov

Signature X

FEIN # 33-0827570

DATE 11-10-2018

All offers subject to all terms and conditions contained in this solicitation

**ADDITIONAL INFORMATION:**

ADDENDUM 1: Is issued for the following:

1. To publish the Agency's response to the questions submitted by Vendors during the Technical Questioning period.

No other changes made.

The West Virginia Purchasing Division is requesting bids for a statewide, open-end Contract for Debt Collection Services for all West Virginia State Agencies and political subdivisions, per attached documents.

Note: Online responses to this solicitation are prohibited. Please see the Instructions to Bidders for additional information.

INVOICE TO		SHIP TO	
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER		STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER	
No City	WV99999	No City	WV 99999
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Debt collection services - Colleges and Universities				

Comm Code	Manufacturer	Specification	Model #
84101704			

Extended Description :  
Type of Account - Per Debt % of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

INVOICE TO		SHIP TO	
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER		STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER	
No City	WV99999	No City	WV 99999
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
2	Debt collection services - Worker's Compensation				

Comm Code	Manufacturer	Specification	Model #
84101704			

Extended Description :  
Type of Account - Default Account % of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

INVOICE TO		SHIP TO	
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER		STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER	
No City	WV99999	No City	WV 99999
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
3	Debt collection services - WV Department of Tax and Revenue				

Comm Code	Manufacturer	Specification	Model #
84101704			

Extended Description :  
Type of Account - New Accounts % of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

INVOICE TO		SHIP TO	
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER		STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER	
No City	WV99999	No City	WV 99999
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
4	Debt collection services - WV Department of Tax and Revenue				

Comm Code	Manufacturer	Specification	Model #
84101704			

Extended Description :  
Type of Account - Levy Account % of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

INVOICE TO		SHIP TO	
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER		STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER	
No City	WV99999	No City	WV 99999
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
5	Debt collection services - Div. of Environmental Protection				

Comm Code	Manufacturer	Specification	Model #
84101704			

Extended Description :  
Type of Account - Per Debt% of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

INVOICE TO	SHIP TO
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER  No City                                  WV99999 US	STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER  No City                                  WV 99999 US

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
6	Debt collection services - Other Spending Units				

Comm Code	Manufacturer	Specification	Model #
84101704			

Extended Description :  
Type of Account - Per Debt % of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

INVOICE TO	SHIP TO
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER  No City                                  WV99999 US	STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER  No City                                  WV 99999 US

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
7	Debt collection services - Rate of Second Placement				

Comm Code	Manufacturer	Specification	Model #
84101704			

Extended Description :  
Type of Account - Per Debt% of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

INVOICE TO		SHIP TO	
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER		STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER	
No City	WV99999	No City	WV 99999
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
8	Debt collection services - Rate of Second Placement-Colleges				

Comm Code	Manufacturer	Specification	Model #
84101704			

**Extended Description :**

Type of Account - Colleges % of Amount Collected -

Note: Vendor shall use Exhibit\_C Pricing Page for bid pricing. Online bid submission if prohibited. Vendor shall enter pricing into the Exhibit\_C Pricing Page and must attach with bid.

**SCHEDULE OF EVENTS:**

Line	Event	Event Date
1	Technical Questions Due by 4:00pm EST	2018-11-05

**SOLICITATION NUMBER: CRFQ 0212 SWC1900000006**

**Addendum Number: 1**

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The purpose of this addendum is to modify the solicitation identified as CRFQ 0212 SWC1900000006 ("Solicitation") to reflect the change(s) identified and described below.

**Applicable Addendum Category:**

- Modify bid opening date and time
- Modify specifications of product or service being sought
- Attachment of vendor questions and responses
- Attachment of pre-bid sign-in sheet
- Correction of error
- Other

**Description of Modification to Solicitation:**

1. To publish the Agency's response to the questions submitted by Vendors during the Technical Questioning period.

No other changes made.

**Additional Documentation:** Documentation related to this Addendum (if any) has been included herewith as Attachment A and is specifically incorporated herein by reference.

**Terms and Conditions:**

1. All provisions of the Solicitation and other addenda not modified herein shall remain in full force and effect.
2. Vendor should acknowledge receipt of all addenda issued for this Solicitation by completing an Addendum Acknowledgment, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.



## West Virginia Ethics Commission



### Disclosure of Interested Parties to Contracts

Pursuant to *W. Va. Code* § 6D-1-2, a state agency may not enter into a contract, or a series of related contracts, that has/have an actual or estimated value of \$1 million or more until the business entity submits to the contracting state agency a Disclosure of Interested Parties to the applicable contract. In addition, the business entity awarded a contract is obligated to submit a supplemental Disclosure of Interested Parties reflecting any new or differing interested parties to the contract within 30 days following the completion or termination of the applicable contract.

For purposes of complying with these requirements, the following definitions apply:

*"Business entity"* means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership or corporation, but does not include publicly traded companies listed on a national or international stock exchange.

*"Interested party"* or *"Interested parties"* means:

- (1) A business entity performing work or service pursuant to, or in furtherance of, the applicable contract, including specifically sub-contractors;
- (2) the person(s) who have an ownership interest equal to or greater than 25% in the business entity performing work or service pursuant to, or in furtherance of, the applicable contract. (This subdivision does not apply to a publicly traded company); and
- (3) the person or business entity, if any, that served as a compensated broker or intermediary to actively facilitate the applicable contract or negotiated the terms of the applicable contract with the state agency. (This subdivision does not apply to persons or business entities performing legal services related to the negotiation or drafting of the applicable contract.)

*"State agency"* means a board, commission, office, department or other agency in the executive, judicial or legislative branch of state government, including publicly funded institutions of higher education: Provided, that for purposes of *W. Va. Code* § 6D-1-2, the West Virginia Investment Management Board shall not be deemed a state agency nor subject to the requirements of that provision.

The contracting business entity must complete this form and submit it to the contracting state agency prior to contract award and to complete another form within 30 days of contract completion or termination.

*This form was created by the State of West Virginia Ethics Commission, 210 Brooks Street, Suite 300, Charleston, WV 25301-1804. Telephone: (304)558-0664; fax: (304)558-2169; e-mail: [ethics@wv.gov](mailto:ethics@wv.gov); website: [www.ethics.wv.gov](http://www.ethics.wv.gov).*

West Virginia Ethics Commission  
**Disclosure of Interested Parties to Contracts**

(Required by W. Va. Code § 6D-1-2)

Name of Contracting Business Entity: ARS National Services Address: 201 W Grand Ave, Escondido, CA 92025

Name of Authorized Agent: Brandon Black Address: 201 W Grand Ave, Escondido, CA 92025

Contract Number: \_\_\_\_\_ Contract Description: debt collections

Governmental agency awarding contract: \_\_\_\_\_

Check here if this is a Supplemental Disclosure

List the Names of Interested Parties to the contract which are known or reasonably anticipated by the contracting business entity for each category below (attach additional pages if necessary):

**1. Subcontractors or other entities performing work or service under the Contract**


Check here if none, otherwise list entity/individual names below.

**2. Any person or entity who owns 25% or more of contracting entity (not applicable to publicly traded entities)**

Check here if none, otherwise list entity/individual names below.

**3. Any person or entity that facilitated, or negotiated the terms of, the applicable contract (excluding legal services related to the negotiation or drafting of the applicable contract)**

Check here if none, otherwise list entity/individual names below.

Signature: 

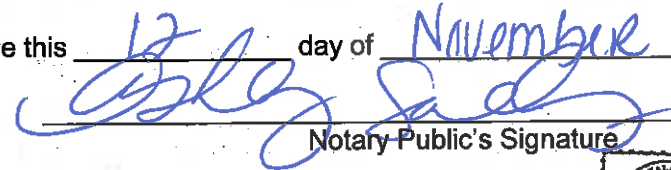
Date Signed: 11-12-2018 JB  
11-10-2018

**Notary Verification**

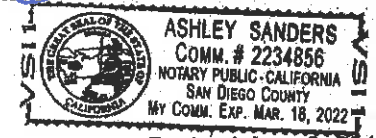
State of California, County of San Diego

I, Brandon Black, the authorized agent of the contracting business entity listed above, being duly sworn, acknowledge that the Disclosure herein is being made under oath and under the penalty of perjury.

Taken, sworn to and subscribed before me this 12 day of November, 18.

  
Notary Public's Signature

**To be completed by State Agency:**  
Date Received by State Agency: \_\_\_\_\_  
Date submitted to Ethics Commission: \_\_\_\_\_  
Governmental agency submitting Disclosure: \_\_\_\_\_



**WV STATE GOVERNMENT**

**HIPAA BUSINESS ASSOCIATE ADDENDUM**

This Health Insurance Portability and Accountability Act of 1996 (hereafter, HIPAA) Business Associate Addendum ("Addendum") is made a part of the Agreement ("Agreement") by and between the State of West Virginia ("Agency"), and Business Associate ("Associate"), and is effective as of the date of execution of the Addendum.

The Associate performs certain services on behalf of or for the Agency pursuant to the underlying Agreement that requires the exchange of information including protected health information protected by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) (the "HITECH Act"), any associated regulations and the federal regulations published at 45 CFR parts 160 and 164 (sometimes collectively referred to as "HIPAA"). The Agency is a "Covered Entity" as that term is defined in HIPAA, and the parties to the underlying Agreement are entering into this Addendum to establish the responsibilities of both parties regarding HIPAA-covered information and to bring the underlying Agreement into compliance with HIPAA.

Whereas it is desirable, in order to further the continued efficient operations of Agency to disclose to its Associate certain information which may contain confidential individually identifiable health information (hereafter, Protected Health Information or PHI); and

Whereas, it is the desire of both parties that the confidentiality of the PHI disclosed hereunder be maintained and treated in accordance with all applicable laws relating to confidentiality, including the Privacy and Security Rules, the HITECH Act and its associated regulations, and the parties do agree to at all times treat the PHI and interpret this Addendum consistent with that desire.

NOW THEREFORE: the parties agree that in consideration of the mutual promises herein, in the Agreement, and of the exchange of PHI hereunder that:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
  - a. **Agency Procurement Officer** shall mean the appropriate Agency individual listed at: <http://www.state.wv.us/admin/purchase/vrc/agencyli.html>.
  - b. **Agent** shall mean those person(s) who are agent(s) of the Business Associate, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c).
  - c. **Breach** shall mean the acquisition, access, use or disclosure of protected health information which compromises the security or privacy of such information, except as excluded in the definition of Breach in 45 CFR § 164.402.
  - d. **Business Associate** shall have the meaning given to such term in 45 CFR § 160.103.
  - e. **HITECH Act** shall mean the Health Information Technology for Economic and Clinical Health Act. Public Law No. 111-05. 111<sup>th</sup> Congress (2009).

- f. **Privacy Rule** means the Standards for Privacy of Individually Identifiable Health Information found at 45 CFR Parts 160 and 164.
- g. **Protected Health Information or PHI** shall have the meaning given to such term in 45 CFR § 160.103, limited to the information created or received by Associate from or on behalf of Agency.
- h. **Security Incident** means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information or interference with system operations in an information system.
- i. **Security Rule** means the Security Standards for the Protection of Electronic Protected Health Information found at 45 CFR Parts 160 and 164.
- j. **Subcontractor** means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.

## 2. Permitted Uses and Disclosures.

- a. **PHI Described.** This means PHI created, received, maintained or transmitted on behalf of the Agency by the Associate. This PHI is governed by this Addendum and is limited to the minimum necessary, to complete the tasks or to provide the services associated with the terms of the original Agreement, and is described in Appendix A.
- b. **Purposes.** Except as otherwise limited in this Addendum, Associate may use or disclose the PHI on behalf of, or to provide services to, Agency for the purposes necessary to complete the tasks, or provide the services, associated with, and required by the terms of the original Agreement, or as required by law, if such use or disclosure of the PHI would not violate the Privacy or Security Rules or applicable state law if done by Agency or Associate, or violate the minimum necessary and related Privacy and Security policies and procedures of the Agency. The Associate is directly liable under HIPAA for impermissible uses and disclosures of the PHI it handles on behalf of Agency.
- c. **Further Uses and Disclosures.** Except as otherwise limited in this Addendum, the Associate may disclose PHI to third parties for the purpose of its own proper management and administration, or as required by law, provided that (i) the disclosure is required by law, or (ii) the Associate has obtained from the third party reasonable assurances that the PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party by the Associate; and, (iii) an agreement to notify the Associate and Agency of any instances of which it (the third party) is aware in which the confidentiality of the information has been breached. To the extent practical, the information should be in a limited data set or the minimum necessary information pursuant to 45 CFR § 164.502, or take other measures as necessary to satisfy the Agency's obligations under 45 CFR § 164.502.

### 3. Obligations of Associate.

- a. **Stated Purposes Only.** The PHI may not be used by the Associate for any purpose other than as stated in this Addendum or as required or permitted by law.
- b. **Limited Disclosure.** The PHI is confidential and will not be disclosed by the Associate other than as stated in this Addendum or as required or permitted by law. Associate is prohibited from directly or indirectly receiving any remuneration in exchange for an individual's PHI unless Agency gives written approval and the individual provides a valid authorization. Associate will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. Associate will report to Agency any use or disclosure of the PHI, including any Security Incident not provided for by this Agreement of which it becomes aware.
- c. **Safeguards.** The Associate will use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the PHI, except as provided for in this Addendum. This shall include, but not be limited to:
  - i. Limitation of the groups of its workforce and agents, to whom the PHI is disclosed to those reasonably required to accomplish the purposes stated in this Addendum, and the use and disclosure of the minimum PHI necessary or a Limited Data Set;
  - ii. Appropriate notification and training of its workforce and agents in order to protect the PHI from unauthorized use and disclosure;
  - iii. Maintenance of a comprehensive, reasonable and appropriate written PHI privacy and security program that includes administrative, technical and physical safeguards appropriate to the size, nature, scope and complexity of the Associate's operations, in compliance with the Security Rule;
  - iv. In accordance with 45 CFR §§ 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information.
- d. **Compliance With Law.** The Associate will not use or disclose the PHI in a manner in violation of existing law and specifically not in violation of laws relating to confidentiality of PHI, including but not limited to, the Privacy and Security Rules.
- e. **Mitigation.** Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a use or disclosure of the PHI by Associate in violation of the requirements of this Addendum, and report its mitigation activity back to the Agency.

f. **Support of Individual Rights.**

- i. **Access to PHI.** Associate shall make the PHI maintained by Associate or its agents or subcontractors in Designated Record Sets available to Agency for inspection and copying, and in electronic format, if requested, within ten (10) days of a request by Agency to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524 and consistent with Section 13405 of the HITECH Act.
- ii. **Amendment of PHI.** Within ten (10) days of receipt of a request from Agency for an amendment of the PHI or a record about an individual contained in a Designated Record Set, Associate or its agents or subcontractors shall make such PHI available to Agency for amendment and incorporate any such amendment to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526.
- iii. **Accounting Rights.** Within ten (10) days of notice of a request for an accounting of disclosures of the PHI, Associate and its agents or subcontractors shall make available to Agency the documentation required to provide an accounting of disclosures to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR §164.528 and consistent with Section 13405 of the HITECH Act. Associate agrees to document disclosures of the PHI and information related to such disclosures as would be required for Agency to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. This should include a process that allows for an accounting to be collected and maintained by Associate and its agents or subcontractors for at least six (6) years from the date of disclosure, or longer if required by state law. At a minimum, such documentation shall include:
  - the date of disclosure;
  - the name of the entity or person who received the PHI, and if known, the address of the entity or person;
  - a brief description of the PHI disclosed; and
  - a brief statement of purposes of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure.
- iv. **Request for Restriction.** Under the direction of the Agency, abide by any individual's request to restrict the disclosure of PHI, consistent with the requirements of Section 13405 of the HITECH Act and 45 CFR § 164.522, when the Agency determines to do so (except as required by law) and if the disclosure is to a health plan for payment or health care operations and it pertains to a health care item or service for which the health care provider was paid in full "out-of-pocket."
- v. **Immediate Discontinuance of Use or Disclosure.** The Associate will immediately discontinue use or disclosure of Agency PHI pertaining to any individual when so requested by Agency. This includes, but is not limited to, cases in which an individual has withdrawn or modified an authorization to use or disclose PHI.

- g. Retention of PHI.** Notwithstanding section 4.a. of this Addendum, Associate and its subcontractors or agents shall retain all PHI pursuant to state and federal law and shall continue to maintain the PHI required under Section 3.f. of this Addendum for a period of six (6) years after termination of the Agreement, or longer if required under state law.
- h. Agent's, Subcontractor's Compliance.** The Associate shall notify the Agency of all subcontracts and agreements relating to the Agreement, where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum. Such notification shall occur within 30 (thirty) calendar days of the execution of the subcontract and shall be delivered to the Agency Procurement Officer. The Associate will ensure that any of its subcontractors, to whom it provides any of the PHI it receives hereunder, or to whom it provides any PHI which the Associate creates or receives on behalf of the Agency, agree to the restrictions and conditions which apply to the Associate hereunder. The Agency may request copies of downstream subcontracts and agreements to determine whether all restrictions, terms and conditions have been flowed down. Failure to ensure that downstream contracts, subcontracts and agreements contain the required restrictions, terms and conditions may result in termination of the Agreement.
- j. Federal and Agency Access.** The Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI, as well as the PHI, received from, or created or received by the Associate on behalf of the Agency available to the U.S. Secretary of Health and Human Services consistent with 45 CFR § 164.504. The Associate shall also make these records available to Agency, or Agency's contractor, for periodic audit of Associate's compliance with the Privacy and Security Rules. Upon Agency's request, the Associate shall provide proof of compliance with HIPAA and HITECH data privacy/protection guidelines, certification of a secure network and other assurance relative to compliance with the Privacy and Security Rules. This section shall also apply to Associate's subcontractors, if any.
- k. Security.** The Associate shall take all steps necessary to ensure the continuous security of all PHI and data systems containing PHI. In addition, compliance with 74 FR 19006 Guidance Specifying the Technologies and Methodologies That Render PHI Unusable, Unreadable, or Indecipherable to Unauthorized Individuals for Purposes of the Breach Notification Requirements under Section 13402 of Title XIII is required, to the extent practicable. If Associate chooses not to adopt such methodologies as defined in 74 FR 19006 to secure the PHI governed by this Addendum, it must submit such written rationale, including its Security Risk Analysis, to the Agency Procurement Officer for review prior to the execution of the Addendum. This review may take up to ten (10) days.
- l. Notification of Breach.** During the term of this Addendum, the Associate shall notify the Agency and, unless otherwise directed by the Agency in writing, the WV Office of Technology immediately by e-mail or web form upon the discovery of any Breach of unsecured PHI; or within 24 hours by e-mail or web form of any suspected Security Incident, intrusion or unauthorized use or disclosure of PHI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. Notification shall be provided to the Agency Procurement Officer at [www.state.wv.us/admin/purchase/vrc/agencyli.htm](http://www.state.wv.us/admin/purchase/vrc/agencyli.htm) and,

unless otherwise directed by the Agency in writing, the Office of Technology at [incident@wv.gov](mailto:incident@wv.gov) or <https://apps.wv.gov/ot/ir/Default.aspx>.

The Associate shall immediately investigate such Security Incident, Breach, or unauthorized use or disclosure of PHI or confidential data. Within 72 hours of the discovery, the Associate shall notify the Agency Procurement Officer, and, unless otherwise directed by the Agency in writing, the Office of Technology of: (a) Date of discovery; (b) What data elements were involved and the extent of the data involved in the Breach; (c) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI or confidential data; (d) A description of where the PHI or confidential data is believed to have been improperly transmitted, sent, or utilized; (e) A description of the probable causes of the improper use or disclosure; and (f) Whether any federal or state laws requiring individual notifications of Breaches are triggered.

Agency will coordinate with Associate to determine additional specific actions that will be required of the Associate for mitigation of the Breach, which may include notification to the individual or other authorities.

All associated costs shall be borne by the Associate. This may include, but not be limited to costs associated with notifying affected individuals.

If the Associate enters into a subcontract relating to the Agreement where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum, all such subcontracts or downstream agreements shall contain the same incident notification requirements as contained herein, with reporting directly to the Agency Procurement Officer. Failure to include such requirement in any subcontract or agreement may result in the Agency's termination of the Agreement.

- m. **Assistance in Litigation or Administrative Proceedings.** The Associate shall make itself and any subcontractors, workforce or agents assisting Associate in the performance of its obligations under this Agreement, available to the Agency at no cost to the Agency to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Agency, its officers or employees based upon claimed violations of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inaction or actions by the Associate, except where Associate or its subcontractor, workforce or agent is a named as an adverse party.

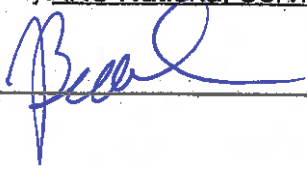
#### 4. Addendum Administration.

- a. **Term.** This Addendum shall terminate on termination of the underlying Agreement or on the date the Agency terminates for cause as authorized in paragraph (c) of this Section, whichever is sooner.
- b. **Duties at Termination.** Upon any termination of the underlying Agreement, the Associate shall return or destroy, at the Agency's option, all PHI received from, or created or received by the Associate on behalf of the Agency that the Associate still maintains in any form and retain no copies of such PHI or, if such return or destruction is not feasible, the Associate shall extend the protections of this Addendum to the PHI and limit further uses and disclosures to the purposes that make the return or destruction of the PHI infeasible. This shall also apply to all agents and subcontractors of Associate. The duty of the Associate and its agents



AGREED:

Name of Agency: ARS National Services

Signature: 

Title: CEO

Date: 11-10-2018


Name of Associate: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Form - WVBA-012004  
Amended 06.26.2013

APPROVED AS TO FORM THIS 26th  
DAY OF Jan 20 17  
  
Patrick Morrissey  
Attorney General

and subcontractors to assist the Agency with any HIPAA required accounting of disclosures survives the termination of the underlying Agreement.

- c. **Termination for Cause.** Associate authorizes termination of this Agreement by Agency, if Agency determines Associate has violated a material term of the Agreement. Agency may, at its sole discretion, allow Associate a reasonable period of time to cure the material breach before termination.
- d. **Judicial or Administrative Proceedings.** The Agency may terminate this Agreement if the Associate is found guilty of a criminal violation of HIPAA. The Agency may terminate this Agreement if a finding or stipulation that the Associate has violated any standard or requirement of HIPAA/HITECH, or other security or privacy laws is made in any administrative or civil proceeding in which the Associate is a party or has been joined. Associate shall be subject to prosecution by the Department of Justice for violations of HIPAA/HITECH and shall be responsible for any and all costs associated with prosecution.
- e. **Survival.** The respective rights and obligations of Associate under this Addendum shall survive the termination of the underlying Agreement.

#### 5. General Provisions/Ownership of PHI.

- a. **Retention of Ownership.** Ownership of the PHI resides with the Agency and is to be returned on demand or destroyed at the Agency's option, at any time, and subject to the restrictions found within section 4.b. above.
- b. **Secondary PHI.** Any data or PHI generated from the PHI disclosed hereunder which would permit identification of an individual must be held confidential and is also the property of Agency.
- c. **Electronic Transmission.** Except as permitted by law or this Addendum, the PHI or any data generated from the PHI which would permit identification of an individual must not be transmitted to another party by electronic or other means for additional uses or disclosures not authorized by this Addendum or to another contractor, or allied agency, or affiliate without prior written approval of Agency.
- d. **No Sales.** Reports or data containing the PHI may not be sold without Agency's or the affected individual's written consent.
- e. **No Third-Party Beneficiaries.** Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than Agency, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- f. **Interpretation.** The provisions of this Addendum shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provisions in this Addendum. The interpretation of this Addendum shall be made under the laws of the state of West Virginia.
- g. **Amendment.** The parties agree that to the extent necessary to comply with applicable law they will agree to further amend this Addendum.
- h. **Additional Terms and Conditions.** Additional discretionary terms may be included in the release order or change order process.

## Appendix A

(To be completed by the Agency's Procurement Officer prior to the execution of the Addendum, and shall be made a part of the Addendum. PHI not identified prior to execution of the Addendum may only be added by amending Appendix A and the Addendum, via Change Order.)

Name of Associate: \_\_\_\_\_

Name of Agency: \_\_\_\_\_

Describe the PHI (do not include any actual PHI). If not applicable, please indicate the same.

### All possible Personal Health Information.

- Any and all personally identifiable information including but not limited to patient name, address, date of birth, Social Security Number, telephone number, and insurance information.



## INSTRUCTIONS TO VENDORS SUBMITTING BIDS

**1. REVIEW DOCUMENTS THOROUGHLY:** The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.

**2. MANDATORY TERMS:** The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.

**3. PREBID MEETING:** The item identified below shall apply to this Solicitation.

A pre-bid meeting will not be held prior to bid opening

A NON-MANDATORY PRE-BID meeting will be held at the following place and time:

A MANDATORY PRE-BID meeting will be held at the following place and time:

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one person attending the pre-bid meeting may represent more than one Vendor.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing.

Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address, phone number, and Fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the required information. Failure to complete the attendance sheet as required may result in disqualification of Vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in, but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at the pre-bid meeting are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

**4. VENDOR QUESTION DEADLINE:** Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below in order to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are nonbinding.

Submitted e-mails should have solicitation number in the subject line.

Question Submission Deadline: November 05, 2018 due by 4:00pm EST

Submit Questions to: Mark Atkins, Senior Buyer  
2019 Washington Street, East  
Charleston, WV 25305  
Fax: (304) 558-4115 (Vendors should not use this fax number for bid submission)  
Email: Mark.A.Atkins@wv.gov

**5. VERBAL COMMUNICATION:** Any verbal communication between the Vendor and any State personnel is not binding, including verbal communication at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.

**6. BID SUBMISSION:** All bids must be submitted electronically through wvOASIS or signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason. The Purchasing Division will not accept bids, modification of bids, or addendum acknowledgment forms via e-mail. Acceptable delivery methods include electronic submission via wvOASIS, hand delivery, delivery by courier, or facsimile.

The bid delivery address is:  
Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

A bid that is not submitted electronically through wvOASIS should contain the information listed below on the face of the envelope or the bid may be rejected by the Purchasing Division.:

SEALED BID: DEBT19  
BUYER: Mark Atkins, File #42  
SOLICITATION NO.: CRFQ 0212 SWC1900000006  
BID OPENING DATE: 11/15/2018  
BID OPENING TIME: 1:30pm EST  
FAX NUMBER: 304-558-3970

The Purchasing Division may prohibit the submission of bids electronically through wvOASIS at its sole discretion. Such a prohibition will be contained and communicated in the wvOASIS system resulting in the Vendor's inability to submit bids through wvOASIS. Submission of a response to an Expression or Interest or Request for Proposal is not permitted in wvOASIS.

**For Request For Proposal ("RFP") Responses Only:** In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal plus N/A convenience copies of each to the Purchasing Division at the address shown above. Additionally, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal as follows:

BID TYPE: (This only applies to CRFP)

- Technical  
 Cost

**7. BID OPENING:** Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when confirmation of delivery is provided by wvOASIS (in the case of electronic submission) or when the bid is time stamped by the official Purchasing Division time clock (in the case of hand delivery).

**Bid Opening Date and Time:** November 15, 2018 at 1:30pm EST

**Bid Opening Location:** Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

**8. ADDENDUM ACKNOWLEDGEMENT:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

**9. BID FORMATTING:** Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.

**10. ALTERNATE MODEL OR BRAND:** Unless the box below is checked, any model, brand, or specification listed in this Solicitation establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.

This Solicitation is based upon a standardized commodity established under W. Va. Code § 5A-3-61. Vendors are expected to bid the standardized commodity identified. Failure to bid the standardized commodity will result in your firm's bid being rejected.

**11. EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.

**12. COMMUNICATION LIMITATIONS:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.

**13. REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee, if applicable.

**14. UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.



**15. PREFERENCE:** Vendor Preference may be requested in purchases of motor vehicles or construction and maintenance equipment and machinery used in highway and other infrastructure projects. Any request for preference must be submitted in writing with the bid, must specifically identify the preference requested with reference to the applicable subsection of West Virginia Code § 5A-3-37, and should include with the bid any information necessary to evaluate and confirm the applicability of the requested preference. A request form to help facilitate the request can be found at:

<http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf>.

**15A. RECIPROCAL PREFERENCE:** The State of West Virginia applies a reciprocal preference to all solicitations for commodities and printing in accordance with W. Va. Code § 5A-3-37(b). In effect, non-resident vendors receiving a preference in their home states, will see that same preference granted to West Virginia resident vendors bidding against them in West Virginia. A request form to help facilitate the request can be found at:

<http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf>.

**16. SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to contract award to receive the preferences made available to resident vendors. Preference for a non-resident small, women-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.

**17. WAIVER OF MINOR IRREGULARITIES:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.

**18. ELECTRONIC FILE ACCESS RESTRICTIONS:** Vendor must ensure that its submission in wvOASIS can be accessed and viewed by the Purchasing Division staff immediately upon bid opening. The Purchasing Division will consider any file that cannot be immediately accessed and viewed at the time of the bid opening (such as, encrypted files, password protected files, or incompatible files) to be blank or incomplete as context requires, and are therefore unacceptable. A vendor will not be permitted to unencrypt files, remove password protections, or resubmit documents after bid opening to make a file viewable if those documents are required with the bid. A Vendor may be required to provide document passwords or remove access restrictions to allow the Purchasing Division to print or electronically save documents provided that those documents are viewable by the Purchasing Division prior to obtaining the password or removing the access restriction.

**19. NON-RESPONSIBLE:** The Purchasing Division Director reserves the right to reject the bid of any vendor as Non-Responsible in accordance with W. Va. Code of State Rules § 148-1-5.3, when the Director determines that the vendor submitting the bid does not have the capability to fully perform, or lacks the integrity and reliability to assure good-faith performance.”

**20. ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part in accordance with W. Va. Code of State Rules § 148-1-4.5. and § 148-1-6.4.b.”

**21. YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor’s entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

**DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.**

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled “confidential,” “proprietary,” “trade secret,” “private,” or labeled with any other claim against public disclosure of the documents, to include any “trade secrets” as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

**22. INTERESTED PARTY DISCLOSURE:** West Virginia Code § 6D-1-2 requires that the vendor submit to the Purchasing Division a disclosure of interested parties to the contract for all contracts with an actual or estimated value of at least \$1 Million. That disclosure must occur on the form prescribed and approved by the WV Ethics Commission prior to contract award. A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.

**23. WITH THE BID REQUIREMENTS:** In instances where these specifications require documentation or other information with the bid, and a vendor fails to provide it with the bid, the Director of the Purchasing Division reserves the right to request those items after bid opening and prior to contract award pursuant to the authority to waive minor irregularities in bids or specifications under W. Va. CSR § 148-1-4.6. This authority does not apply to instances where state law mandates receipt with the bid.

## **GENERAL TERMS AND CONDITIONS:**

**1. CONTRACTUAL AGREEMENT:** Issuance of a Award Document signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

**2. DEFINITIONS:** As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.

**2.1. "Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.

**2.2. "Bid" or "Proposal"** means the vendors submitted response to this solicitation.

**2.3. "Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods or services requested in the Solicitation.

**2.4. "Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.

**2.5. "Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.

**2.6. "Award Document"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the contract holder.

**2.7. "Solicitation"** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.

**2.8. "State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.

**2.9. "Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

**3. CONTRACT TERM; RENEWAL; EXTENSION:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

**Term Contract**

**Initial Contract Term:** This Contract becomes effective on upon award and extends for a period of one (1) year(s).

**Renewal Term:** This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal should be delivered to the Agency and then submitted to the Purchasing Division thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Unless otherwise specified below, renewal of this Contract is limited to three (3) successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed the total number of months available in all renewal years combined. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

**Alternate Renewal Term** – This contract may be renewed for \_\_\_\_\_ successive \_\_\_\_\_ year periods or shorter periods provided that they do not exceed the total number of months contained in all available renewals. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

**Delivery Order Limitations:** In the event that this contract permits delivery orders, a delivery order may only be issued during the time this Contract is in effect. Any delivery order issued within one year of the expiration of this Contract shall be effective for one year from the date the delivery order is issued. No delivery order may be extended beyond one year after this Contract has expired.

**Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within \_\_\_\_\_ days.

**Fixed Period Contract with Renewals:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and part of the Contract more fully described in the attached specifications must be completed within \_\_\_\_\_ days. Upon completion of the work covered by the preceding sentence, the vendor agrees that maintenance, monitoring, or warranty services will be provided for \_\_\_\_\_ year(s) thereafter.

**One Time Purchase:** The term of this Contract shall run from the issuance of the Award Document until all of the goods contracted for have been delivered, but in no event will this Contract extend for more than one fiscal year.

**Other:** See attached.

**4. NOTICE TO PROCEED:** Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Award Document will be considered notice to proceed.

**5. QUANTITIES:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.

**Open End Contract:** Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.

**Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.

**Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.

**One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.

**6. EMERGENCY PURCHASES:** The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute a breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.

**7. REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

**BID BOND (Construction Only):** Pursuant to the requirements contained in W. Va. Code § 5-22-1(c), All Vendors submitting a bid on a construction project shall furnish a valid bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

**PERFORMANCE BOND:** The apparent successful Vendor shall provide a performance bond in the amount of 100% of the contract. The performance bond must be received by the Purchasing Division prior to Contract award.

**LABOR/MATERIAL PAYMENT BOND:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable. Notwithstanding the foregoing, West Virginia Code § 5-22-1 (d) mandates that a vendor provide a performance and labor/material payment bond for construction projects. Accordingly, substitutions for the performance and labor/material payment bonds for construction projects is not permitted.

**MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.

**LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section of the General Terms and Conditions entitled Licensing, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

**8. INSURANCE:** The apparent successful Vendor shall furnish proof of the insurance identified by a checkmark below and must include the State as an additional insured on each policy prior to Contract award. The insurance coverages identified below must be maintained throughout the life of this contract. Thirty (30) days prior to the expiration of the insurance policies, Vendor shall provide the Agency with proof that the insurance mandated herein has been continued. Vendor must also provide Agency with immediate notice of any changes in its insurance policies, including but not limited to, policy cancelation, policy reduction, or change in insurers. The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed in this section.

Vendor must maintain:

**Commercial General Liability Insurance** in at least an amount of: \$1,000,000.00 per occurrence.

**Automobile Liability Insurance** in at least an amount of: \_\_\_\_\_ per occurrence.

**Professional/Malpractice/Errors and Omission Insurance** in at least an amount of: \$1,000,000.00 per occurrence.

**Commercial Crime and Third Party Fidelity Insurance** in an amount of: \_\_\_\_\_ per occurrence.

**Cyber Liability Insurance** in an amount of: \$1,000,000.00 per occurrence.

**Builders Risk Insurance** in an amount equal to 100% of the amount of the Contract.

**Pollution Insurance** in an amount of: \_\_\_\_\_ per occurrence.

**Aircraft Liability** in an amount of: \_\_\_\_\_ per occurrence.

Notwithstanding anything contained in this section to the contrary, the Director of the Purchasing Division reserves the right to waive the requirement that the State be named as an additional insured on one or more of the Vendor's insurance policies if the Director finds that doing so is in the State's best interest.

**9. WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall comply with laws relating to workers compensation, shall maintain workers' compensation insurance when required, and shall furnish proof of workers' compensation insurance upon request.

**10. [Reserved]**

**11. LIQUIDATED DAMAGES:** This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy. Vendor shall pay liquidated damages in the amount specified below or as described in the specifications:

\_\_\_\_\_ for \_\_\_\_\_

Liquidated Damages Contained in the Specifications

**12. ACCEPTANCE:** Vendor's signature on its bid, or on the certification and signature page, constitutes an offer to the State that cannot be unilaterally withdrawn, signifies that the product or service proposed by vendor meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise indicated, and signifies acceptance of the terms and conditions contained in the Solicitation unless otherwise indicated.

**13. PRICING:** The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.

**14. PAYMENT IN ARREARS:** Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears.

**15. PAYMENT METHODS:** Vendor must accept payment by electronic funds transfer and P-Card. (The State of West Virginia's Purchasing Card program, administered under contract by a banking institution, processes payment for goods and services through state designated credit cards.)



**16. TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.

**17. ADDITIONAL FEES:** Vendor is not permitted to charge additional fees or assess additional charges that were not either expressly provided for in the solicitation published by the State of West Virginia or included in the unit price or lump sum bid amount that Vendor is required by the solicitation to provide. Including such fees or charges as notes to the solicitation may result in rejection of vendor's bid. Requesting such fees or charges be paid after the contract has been awarded may result in cancellation of the contract.

**18. FUNDING:** This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.

**19. CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may also cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-5.2.b.

**20. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.

**21. APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.

**22. COMPLIANCE WITH LAWS:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendor acknowledges that it has reviewed, understands, and will comply with all applicable laws, regulations, and ordinances.

**SUBCONTRACTOR COMPLIANCE:** Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to comply with all applicable laws, regulations, and ordinances. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

**23. ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.

**24. MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any change to existing contracts that adds work or changes contract cost, and were not included in the original contract, must be approved by the Purchasing Division and the Attorney General's Office (as to form) prior to the implementation of the change or commencement of work affected by the change.

**25. WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.

**26. SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.

**27. ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments.

**28. WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.

**29. STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.

**30. PRIVACY, SECURITY, AND CONFIDENTIALITY:** The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.

**31. YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor's entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

**DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.**

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled "confidential," "proprietary," "trade secret," "private," or labeled with any other claim against public disclosure of the documents, to include any "trade secrets" as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

**32. LICENSING:** In accordance with West Virginia Code of State Rules § 148-1-6.1.e, Vendor must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

**SUBCONTRACTOR COMPLIANCE:** Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to be licensed, in good standing, and up-to-date on all state and local obligations as described in this section. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

**33. ANTITRUST:** In submitting a bid to, signing a contract with, or accepting a Award Document from any agency of the State of West Virginia, the Vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to Vendor.

**34. VENDOR CERTIFICATIONS:** By signing its bid or entering into this Contract, Vendor certifies (1) that its bid or offer was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid or offer for the same material, supplies, equipment or services; (2) that its bid or offer is in all respects fair and without collusion or fraud; (3) that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this Solicitation in its entirety; understands the requirements, terms and conditions, and other information contained herein.

Vendor's signature on its bid or offer also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency. The individual signing this bid or offer on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or offer or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.

**35. VENDOR RELATIONSHIP:** The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, etc. and the filing of all necessary documents, forms, and returns pertinent to all of the foregoing.

Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

**36. INDEMNIFICATION:** The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.

**37. PURCHASING AFFIDAVIT:** In accordance with West Virginia Code §§ 5A-3-10a and 5-22-1(i), the State is prohibited from awarding a contract to any bidder that owes a debt to the State or a political subdivision of the State, Vendors are required to sign, notarize, and submit the Purchasing Affidavit to the Purchasing Division affirming under oath that it is not in default on any monetary obligation owed to the state or a political subdivision of the state.

**38. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE:** This Contract may be utilized by other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"), provided that both the Other Government Entity and the Vendor agree. Any extension of this Contract to the aforementioned Other Government Entities must be on the same prices, terms, and conditions as those offered and agreed to in this Contract, provided that such extension is in compliance with the applicable laws, rules, and ordinances of the Other Government Entity. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.

**39. CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire an interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.

**40. REPORTS:** Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:

Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.

Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at [purchasing.requisitions@wv.gov](mailto:purchasing.requisitions@wv.gov).

**41. BACKGROUND CHECK:** In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository. The service provider is responsible for any costs associated with the fingerprint-based state and federal background inquiry.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision. The State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check.

Revised 06/08/2018

Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

**42. PREFERENCE FOR USE OF DOMESTIC STEEL PRODUCTS:** Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code § 5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code § 5A-3-56. As used in this section:

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.
- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or such operations, from steel made by the open heath, basic oxygen, electric furnace, Bessemer or other steel making process. The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:
- c. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater. For the purposes of this section, the cost is the value of the steel product as delivered to the project; or
- d. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

**43. PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL:** In Accordance with W. Va. Code § 5-19-1 et seq., and W. Va. CSR § 148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of machinery or equipment to be used at sites of public works, only domestic aluminum, glass or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass or steel products are not produced in sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass or steel products to be supplied or produced in a

**DESIGNATED CONTACT:** Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

Phillip Prince, Director of Business Development Government  
(Name, Title)

Phillip Prince, Director of Business Development Government  
(Printed Name and Title)

201 W Grand Ave, Escondido CA 92025  
(Address)

760-690-9362  
(Phone Number) / (Fax Number)

phillip.prince@arsnational.com  
(email address)

**CERTIFICATION AND SIGNATURE:** By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

ARS National Services Inc  
(Company)

  
(Authorized Signature) (Representative Name, Title)

Brandon Black, Chief Executive Officer  
(Printed Name and Title of Authorized Representative)

11-10-2018  
(Date)

760-690-8775 fax 760-690-1728  
(Phone Number) (Fax Number)

“substantial labor surplus area”, as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products. This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single public works project. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass or steel products that exceed bid or offer prices including foreign aluminum, glass or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

**44. INTERESTED PARTY SUPPLEMENTAL DISCLOSURE:** W. Va. Code § 6D-1-2 requires that for contracts with an actual or estimated value of at least \$1 million, the vendor must submit to the Agency a supplemental disclosure of interested parties reflecting any new or differing interested parties to the contract, which were not included in the original pre-award interested party disclosure, within 30 days following the completion or termination of the contract. A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.



STATE OF WEST VIRGINIA  
Purchasing Division

# PURCHASING AFFIDAVIT

**CONSTRUCTION CONTRACTS:** Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

**ALL CONTRACTS:** Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

**EXCEPTION:** The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

**DEFINITIONS:**

**"Debt"** means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

**"Employer default"** means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

**"Related party"** means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: ARS National Services Inc 11-12-2018 JS

Authorized Signature: *[Signature]* Date: 11-10-2018

State of California

County of San Diego, to-wit:

Taken, subscribed, and sworn to before me this 12 day of November, 2018.

My Commission expires 03/18/2022, 2022

AFFIX SEAL HERE

NOTARY PUBLIC *[Signature]*





**Question #1:** Please reconfirm the due date for this procurement by providing it in response to answers to questions.

**Response #1:** The due date may be changed by addenda depending on circumstances. Therefore, the State cannot provide a due date in the question responses. Please See the latest addendum for the most current due date.

**Question #2:** Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.

**Response #2:** The Purchasing Division does not utilize this contract and is unable to answer this question.

**Question #3:** What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

**Response #3:** Due to the numerous state agencies, political subdivision, municipalities, etc. that may utilize this contract, the Purchasing Division does not track this information or have this information in its possession. This will be a new open-end contract to be used as needed by the agency and any usage is not guaranteed or implied. Any previous contract(s) and usage associated with a previous contract or contracts, including spending, category, type, backlog, etc., should not be considered as an estimation or indication of future usage for the new contract.

**Question #4:** What is the total dollar value of accounts available for placement now by category, including any backlog?

**Response #4:** This information is tracked by each agency. The Purchasing Division does not track this information.

**Question #5:** What is the total dollar value of accounts available for placement now by category, including any backlog?

**Response #5:** Per Specifications 2.1, this contract is for new placements only. Current placements will be permitted to run their course.

**Question #6:** What is the average balance of accounts by category?

**Response #6:** See response #4

Addendum\_1

**Question #7:** What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?

**Response #7:** Per Specification section 4.1.4.2, the agency will attempt to collect a claim for three (3) months. When submitting the claim, the agency will be able to provide more information about collection attempts.

**Question #8:** What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?

**Response #8:** See response #3

**Question #9:** What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?

**Response #9:** See response #3

**Question #10:** 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?

**Response #10:** See response #3 and #4

**Question #11:** 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?

**Response #11:** See response #5

**Question #12:** How many copies of proposals are vendors required to submit?

**Response #12:** Only one (1) proposal is required.

**Question #13:** Are vendors permitted to submit their proposals electronically?

**Response #13:** No. Online (electronic) bid submittals are prohibited per Specification 5.2. See Section 6 Instructions to Bidders regarding bid submission.

Addendum\_1

**Question #14: What is the total number of accounts and the total dollar value of delinquent accounts for each separate department/agency?**

**Response #14: See response #3 and #4**

**Question #15: For each of the following 3 years, please provide the number of accounts and total dollar value of accounts that have been referred to collection vendors for each separate department/agency.**

**Response #15: See response #3 and #4**

**Question #16: For each of the following 3 years, please provide the total dollars collected by each individual contracted collection vendor for each separate department/agency.**

**Response #16: See response #3 and #4**

**Question #17: What is the total annual fee amount earned and paid to each separate collection vendor over each of the past 3 years.**

**Response #17: See response #3 and #4**

**Question #18: For each department/agency that used a collection vendor over the past 3 years, please identify which collection vendor was used by each department/agency.**

**Response #18: See response #3 and #4**

**Question #19: Is each proposer for this RFP required to bid and provide service on all debt types? Or may a proposer submit a proposal to handle work on individual debt segments or departments/agencies that are within their specialty?**

**Response #19: Per Specification 5.2 Vendor should complete the Exhibit\_C Pricing Page for each commodity line item they wish to provide the service. Vendor may bid any or all commodity line items to be considered for an award for that line item.**

Addendum\_1

**Question #20:** What is the estimated size of the existing portfolio (the backlog) in terms of both the number of accounts and the dollar amount outstanding? The average balance owed per account? Per debtor?

**Response #20:** See response #3 and #4

**Question #21:** What is the age of the oldest accounts in the portfolio?

**Response #21:** See response #4

**Question #22:** What is the estimated size, in terms of both the number of accounts and dollars outstanding, of annual referrals going forward (i.e. new/future placements)?

**Response #22:** See response #3

**Question #23:** If applicable, how much collection fees were paid to/earned by your current collection provider this past calendar year? The year prior to that?

**Response #23:** See response #4

**Question #24:** If applicable, how many dollars and what number of accounts were collected by your current collection provider this past calendar year? The year prior to that?

**Response #24:** See response #3 and #4

**Question #25:** How many vendors do you intend to award the contract to?

**Response #25:** Per Specification 5.1 Contract Award: The contract award may be limited to the four (4) lowest bidders meeting the specifications per line item.

**Question #26:** If applicable, what is the fee percentage (e.g. 33% of all monies collected on all referred accounts) charged by your collection providers?

**Response #26:** Specifications 1 Purpose and Scope contains a weblink to the current providers (DEBT15) which has this information at the following link:  
<http://www.state.wv.us/admin/purchase/swc/DEBT.htm>

**Question #27:** What metrics, results, and/or processes are you Seeking to improve or enhance this contract?

**Response #27:** See response #2

**Question #28:** Does each agency select from the vendors awarded contract? Are vendors assigned to an agency or other?

**Response #28:** The agencies will select from the successful bidders per contract line item based on lowest bid for that contract line item. If the lowest bidder cannot perform the request, then the second lowest bidder will be contacted, and so on until the request is fulfilled. Vendors are not assigned to a specific agency; the agency will utilize the contract per the contract line item awarded.

**Question #29:** What are your target or anticipated fee rates for this contract?

**Response #29:** This is a competitively bid solicitation to lowest bidder. There are no target or anticipated fee rates.

**Question #30:** What are the estimated number and dollar value of accounts to be placed annually segregated by account type (e.g., education, medical, State agency) and placement type (e.g., primary, secondary, etc.)?

**Response #30:** See response #3, #4, and #5

**Question #31:** What is the average balance of accounts at placement?

**Response #31:** See response #4

**Question #32:** What is the average age of accounts at placement?

**Response #32:** See response #4

**Question #33:** With which agencies is the West Virginia Purchasing Division currently contracted for the collection services covered by this RFP?

**Response #33:** See response #2

**Question #34:** What are the current contingency fees for the West Virginia Purchasing Division's incumbent agencies segregated by account type (e.g., education, medical, State agency) and placement type (e.g., primary, secondary, etc.)?

**Response #34:** See response #2 and #3

**Question #35:** What are the historical recovery rates for the West Virginia Purchasing Division's incumbent agencies segregated by account type (e.g., education, medical, State agency) and placement type (e.g., primary, secondary, etc.)?

**Response #35:** See response #2 and #3

**Question #36:** Does West Virginia participate in the intercept program?

**Response #36:** The Purchasing Division is not familiar with the "Intercept Program".

**Question #37:** Does West Virginia have reciprocal arrangements with other states?

**Response #37:** The Purchasing Division does not understand the question. However, there is a reciprocal preference for bidders listed in the "Instructions to Bidders" document section 15A.

**Question #38:** Will the West Virginia Purchasing Division require the selected agency to provide credit bureau reporting on placed accounts?

**Response #38:** Please See specification section 4.1.4.3 for a list of provided items by the agency to the vendor.

**Question #39:** With which agencies is the West Virginia Purchasing Division currently contracted for the collection services covered by this RFP?

**Response #39:** See response #26



**Question #40:** What are the current contingency fees for the West Virginia Purchasing Division's incumbent agencies segregated by account type (e.g., education, medical, State agency) and placement type (e.g., primary, secondary, etc.)?

**Response #40:** See response #26

**Question #41:** What are the historical recovery rates for the West Virginia Purchasing Division's incumbent agencies segregated by account type (e.g., education, medical, State agency) and placement type (e.g., primary, secondary, etc.)?

**Response #41:** See response #2 and #3

**Question #42:** Are current vendors' usage reports or projected placement volumes/dollar values by State Agency available to give bidders an idea of what to expect in terms of forward flow?

**Response #42:** No, See response #3 and #4

**Question #43:** Which RFQ documents need to be addressed in our submission? We assume Exhibit C – Pricing Page and the Ethics Disclosure must be submitted. In addition to these, please indicate which of the following must also be returned with our bid?

- CRFQ Form
- Instructions to Bidders (last page only?)
- Specifications (last page only?)
- Purchasing Affidavit
- HIPAA Addendum

**Response #43:** Not sure what you are referring too as the CRFQ form. However, with the exception of the CRFQ form uncertainty, Please refer to the Instructions to Bidders Section 6. BID SUBMISSION for additional instructions and follow the General Terms and Conditions last page (Certification and Signature). The wvOasis electronic submission reference in these sections do not apply to this RFQ as online submission is prohibited. It is highly recommended that all the forms above be submitted with the vendors' bid and must be provided prior to award. Please read all the RFQ documents thoroughly and follow all instructions provided therein.

**Question #44:** Are narrative responses desired to the items contained in Specifications, 2. Mandatory Requirements?

**Response #44:** No

**Question #45:** Is only one, original hardcopy response desired?

**Response #45:** Yes. See Section 6 of the Instructions to Bidders regarding bid submission.

**Question #46:** Is the bid delivery address on page 3 of Instructions to Bidders good to use for FedEx shipments?

**Response #46:** Yes

**Question #47:** In regards to Specifications Document, 1.1, are offerors required to provide quotes for all debt types listed in Exhibit C?

**Response #47:** Per Specification 5.2 Pricing Page: Vendor should complete the Exhibit\_C Pricing Page for each commodity line item they wish to provide. Vendor may bid any or all commodity line items to be considered for an award for that line item.

**Question #48:** In regards to Specifications Documents, 1.2, the section talks about out-of-state collection agencies being restricted. Is this restriction intended to only allow out-of-state collection agencies to contact WV based consumers? For example, does this also allow only in-state collection agencies to contact students who live outside of WV?

**Response #48:** Please refer to the attached Exhibit\_B WV State Code §56-3-33 for instructions concerning out-of-state collection agencies.

**Question #49:** In regards to Specifications Documents, 1.2, how are out-of-state collection agencies restricted in their communications with consumers?

**Response #49:** See response #48

**Question #50:** In regards to Specifications Documents, 4.1.3, does the State or the corresponding Universities add collection costs to non-federal accounts placed with an agency? If yes, will the State/Universities provide a copy of the agreement(s) that includes verbiage to permit passing collection agency fees to the borrowers or provide the verbiage from that section of the agreement(s)?

**Response #50:** The Purchasing Division cannot speak to any particular agency or agencies that may use the contract and their policies. Per Specification 5.2 Pricing Page: Price shall be a straight overall percentage. The quoted fees in the bid proposal shall be all inclusive and shall include all expenses to be incurred in connection with the services performed.

**Question #51:** In regards to Specifications Documents, 4.1.7, is the Business Associate Agreement required to be submitted with an offerors response or is this able to be provided after the State has determined the agencies they plan on awarding the RFQ?

**Response #51:** The HIPPA BAA (Exhibit\_D) may be submitted prior to award.

**Question #52:** In regards to instructions on Submitting Bids, Section 6, please confirm only one paper copy of a response is due from offerors.

**Response #52:** Yes, only 1 paper response is required.

**Question #53:** In regards to Instructions on Submitting Bids, Section 6, are offerors allowed to email the final response in lieu of shipping a paper copy?

**Response #53:** No, emailing is prohibited per this section. Acceptable submission for this RFQ are: Hand Delivery, Delivery by Courier, or facsimile to 304-558-3970. All faxed bids must have all pages received prior to the 1:30pm EST on bid opening day.

Addendum\_1

**Question #54:** In regards to Instructions on Submitting Bids, Section 13, are offerors required to be registered at the time of quote submission or can this be completed after the State has determined the agencies they plan on awarding the RFQ?

**Response #54:** Per the referenced section, prior to award.

**Question #55:** In regards to Instructions on Submitting Bids, Section 32, are offerors required to provide their WV license with their response?

**Response #55:** No

**Question #56:** In regards to Disclosure of Interested Parties to Contracts, if an offeror does not have any WV state contracts currently, is this form required to be submitted with the offeror's quote?

**Response #56:** This may be submitted with bid but is required prior to award.

**Question #57:** In general, what documents are required to be submitted with an offeror's quote?

**Response #57:** See response #43

**Question #58:** In general, would the State please provide the following information for each debt type and account related to this solicitation:

- Estimated or historical annual volume (#) of accounts sent to collections
- Estimated or historical annual value (\$) of accounts sent to collection

**Response #58:** See response #3 and #4

**Question #59:** Please confirm that responses should be submitted to the State electronically through the WV Oasis site.

**Response #59:** Online responses are prohibited. Also See response #53

Addendum\_1

**Question #60:** The RFQ states that preference will be given to those vendors in the State of WV as well as small, minority and women owned bidders. Please clarify how much preference these entities will be given.

**Response #60:** Per Instructions to Bidder Section 15A and Section 16 for clarification or download the Preference form using the link provided in those sections.

**Question #61:** What metrics, results, and/or processes are you seeking to improve or enhance under this contract?

**Response #61:** See response #2

**Question #62:** How many collection vendors are you planning to select under this procurement?

**Response #62:** See response #25

**Question #63:** What are the roles of the individuals who comprise the evaluation committee?

**Response #63:** To evaluate all proposals per the RFQ requirements.

**Question #64:** What are the names of your incumbent collection vendors?

**Response #64:** See response #26

**Question #65:** How long have the incumbent vendor(s) provided collection services on behalf of your organization?

**Response #65:** See response #26

**Question #66:** What is the anticipated contract award date?

**Response #66:** The State anticipates the new contract to begin at the conclusion of the current contract which expires 12/31/2018.

Addendum\_1

**Question #67:** What are the fee rates of your incumbent collection vendor(s)? How are the fees calculated?

**Response #67:** See response #26

**Question #68:** Will account volume assigned to your incumbent collection vendor(s) be recalled and reassigned to the winning bidder(s)?

**Response #68:** See response #5

**Question #69:** How long will account volume be retained (prior to recall) with the winning bidder(s)?

**Response #69:** See response #5

**Question #70:** What are your organization's recall parameters (e.g., accounts recalled 180 days post-account assignment with no payment received in the last 90 days)?

**Response #70:** Per Specification 4.1.4.4 The collection agency will have a minimum of 180 calendar days to attempt to collect debts. Upon expiration of 180 calendar days, the collection agency will transfer all uncollected debts back to the originating spending unit. Collection agencies are not required to transfers accounts back to the spending unit on which payments are still being received at the end of the 180 day period or that are in dispute or nearing settlement, however all accounts not paid in full at the end of two (2) years, inclusive of the 180 day period, will be referred back to the originating spending unit unless exempted by the Secretary of Administration. When returning a claim, the collection agency must submit a completed litigation referral form.

**Question #71:** Will the winning bidder(s) receive account placements that were previously assigned to your incumbent collection agencies?

**Response #71:** See response #5

**Question #72:** What debtor information will be provided (e.g., SSN, telephone, address, amount owed) in the placement file?

**Response #72:** See Specification 4.1.4.3

Addendum\_1

**Question #73:** Will there be a requirement to reconcile the inventory on our system to West Virginia's system of record on any type of recurring frequency?

**Response #73:** See Specification section 4.1.5

**Question #74:** What is the average age of accounts that will be assigned for collection (by account type)?

**Response #74:** See response #4

**Question #75:** After the initial account placement, will collection vendors be assigned "future flow" account placements (perhaps based on their competitive performance)?

**Response #75:** Account placement will be by lowest bidder for each contract line item.

**Question #76:** Does the contract require any special handling of debtor correspondence?

**Response #76:** The State does not understand "special handling". All requirements placed upon bidders are included in the RFQ documents.

**Question #77:** How many West Virginia State entities placed debt with the incumbent vendor during the last contract?

**Response #77:** See response #3

**Question #78:** Which West Virginia State entities placed debt with incumbent collection agencies during the last contract?

**Response #78:** See response #3

**Question #79:** How many West Virginia State agencies currently refer debt under the program?

**Response #79:** See response #2 and #3

Addendum\_1

**Question #80:** What was the total debt referral volume, by State Agency, in 2016, 2017 and 2018?

**Response #80:** See response #3 and #4

**Question #81:** What were the cash recoveries, by State Agency, in 2016, 2017 and 2018?

**Response #81:** See response #3 and #4

**Question #82:** Are any additional State entities expected to participate in the new contract?

**Response #82:** This is an open-end contract available to all State agencies, political subdivisions, municipalities, county boards, etc.

**Question #83:** What is the total number of delinquent accounts (expressed as number and dollar amount) that will be assigned for collections?

**Question #83:** Accounts will be assigned as needed by the spending units desiring to utilize the contract.

**Question #84:** How often will accounts be assigned with the vendor(s) (e.g., daily, weekly, monthly, quarterly)?

**Response #84:** Per Specification 4.1.4.2 a spending unit must attempt to collect a claim for three (3) months before a claim can be placed with a collection agency.

**Question #85:** On average, how many accounts (expressed as number and dollar amount) do you anticipate placing with the successful vendor monthly?

**Response #85:** See response #4 and #83

**Question #86:** How are balances updated on the vendor's system? Do you provide a daily update of the entire inventory?

**Response #86:** Please refer to Specification section 4.1.5 Payment and Reporting.



**Question #87:** What are the current vendor's historical recovery rates (liquidity rates) on accounts over the last three years?

**Response #87:** See response #3

**Question #88:** What are the dollar amounts and contingency fees paid to your incumbent vendor(s) over the last three years (please include by account type, if applicable)?

**Response #88:** See response #26 for fees for incumbent vendors. Dollar amounts are not available (See response #3).

**Question #89:** What are your target or anticipated fee rates for this contract?

**Response #89:** See response #29

**Question #90:** Will the winning collection vendor(s) use its own collection platform, or will a preferred platform be provided?

**Response #90:** The successful bidders shall provide the services bid according to the RFQ specifications listed in the RFQ documents for each commodity line item awarded.

**Question #91:** Is there a testing plan in place for the collection process?

**Response #91:** No

**Question #92:** Is there a testing plan in place for account transmission?

**Response #92:** No

**Question #93:** Do you have a data processing file schedule?

**Response #93:** Account data will be transmitted from the agency to the vendor per specification section 4.1.4 and from the vendor to the agency per specification 4.1.5. Additionally, Specification Section 4 Performance: Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverable, unless such a schedule is already included herein by the Agency.

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: CRFQ 0212 SWC190000006**

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**

(Check the box next to each addendum received)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6  |
| <input type="checkbox"/> Addendum No. 2            | <input type="checkbox"/> Addendum No. 7  |
| <input type="checkbox"/> Addendum No. 3            | <input type="checkbox"/> Addendum No. 8  |
| <input type="checkbox"/> Addendum No. 4            | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5            | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

ARS National Services Inc

Company



Authorized Signature

11-10-2018

Date

**NOTE:** This addendum acknowledgement should be submitted with the bid to expedite document processing.

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**SPECIFICATIONS**

- 1. PURPOSE AND SCOPE:** The West Virginia Purchasing Division is requesting bids for a statewide, open-end Contract for Debt Collection for all West Virginia State Agencies and political subdivisions.

West Virginia State Code §14-1-18A empowers the Secretary of the Department of Administration to collect, or cause to be collected, debts and claims due to the State of West Virginia and/or its spending units. Any changes made in the law will be communicated to the successful vendor(s) by the Purchasing Division of the Department of Administration and made a part of the contract. All collections must be in accordance with West Virginia State Code Chapter 46A The West Virginia Consumer Credit and Protection Act, and Chapter 46A-2-122-129 (attached as **Exhibit\_A**); along with any Federal law that may preempt the West Virginia Consumer Credit and Protection Act.

The current contract (DEBT15) expires 12/31/2018 and will not be renewed. The current contract may be viewed using the following link:

<http://www.state.wv.us/admin/purchase/swc/DEBT.htm>

- 2. DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
- 2.1 “Contract Services”** means debt collection services for New Placements, Primary and Secondary as specified below. Current placements will be permitted to run their course.
- 2.2 “Pricing Page”** means the pages upon which Vendor should list its proposed price for the Contract Services. The Pricing Page is either included on the last page of this CRFQ or attached hereto as **Exhibit\_C**.
- 2.3 “CRFQ”** means the official request for quotation published by the Purchasing Division and identified as CRFQ 0212 SWC1900000006.
- 2.4 “Primary Placement”** is an account that has never been placed with another collection company or collection attorney.
- 2.5 “Second Placement”** is an account that another collection company or collection attorney has previously tried to collect and failed.

- 1. QUALIFICATIONS:** Vendor shall have the following minimum qualifications:

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**1.1.** The collection agency must be a full-service agency and have the ability to handle several classifications of accounts including but not limited to educational, medical, and any other account that may be assigned. This is a statewide contract and is available to State agencies, spending units, and political subdivisions.

Twenty-two (22) state spending units have indicated to the Purchasing Division that they anticipate the utilization of collection services. Other State Agencies may elect to use the collection services provided by the successful bidders.

The spending units indicating usage are –

- 1.1.1. Marshall University – Huntington, WV
- 1.1.2. West Virginia State University – Institute, WV
- 1.1.3. Shepherd College – Shepherdstown, WV
- 1.1.4. West Liberty State College – West Liberty, WV
- 1.1.5. Bluefield State College – Bluefield, WV
- 1.1.6. Glenville State College – Glenville, WV
- 1.1.7. Concord College – Athens, WV
- 1.1.8. West Virginia Northern Community College – Wheeling, WV
- 1.1.9. West Virginia Graduate College – Institute, WV
- 1.1.10. Potomac State College – Keyser, WV
- 1.1.11. WV University Institute of Technology – Montgomery, WV
- 1.1.12. WV School of Osteopathic Medicine – Lewisburg, WV
- 1.1.13. West Virginia University – Morgantown, WV
- 1.1.14. Fairmont State College – Fairmont, WV
- 1.1.15. Southern West Virginia Community College – Logan, WV
- 1.1.16. West Virginia Division of Highways – Charleston, WV
- 1.1.17. West Virginia Department of Transportation – Charleston, WV
- 1.1.18. West Virginia Dept. of Health and Human Resources –  
Charleston, WV
- 1.1.19. West Virginia Dept. of Tax and Revenue – Charleston, WV
- 1.1.20. Barboursville Veterans Home – Barboursville, WV
- 1.1.21. WV Workers' Compensation – Charleston, WV
- 1.1.22. WV Division of Environmental Protection – Charleston, WV

**1.2. Out-of-State Collection Agencies:** Out-of-state collection agencies without an office in the State of West Virginia are restricted to contacting residents of this State for the collection of debts by letters and telephone calls. Prior to award the successful bidder is required to designate to the Tax Commissioner a resident agent (name, address and phone number) upon whom notices, orders or other communications may be served and upon whom process may be served. West Virginia Secretary of State may be designated as the resident

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agent for service process pursuant to West Virginia State Code §56-3-33 attached as **Exhibit\_B**.

**2. MANDATORY REQUIREMENTS:**

**4.1 Mandatory Contract Services Requirements and Deliverables:** Contract Services must meet or exceed the mandatory requirements listed below.

**4.1.1** Vendor must attempt to collect debts on behalf of the State of West Virginia and/or its spending units.

**4.1.2** The Department of Administration reserves the right to request an examination or audit of any or all records relating to matters covered by this contract. All records must be kept a minimum of six (6) years by the vendor.

**4.1.3** In accordance with national direct student loan guidelines, all fees charged against student loan accounts will apply only to the original principal and interest owed by the debtor, excluding any added collection costs.

**4.1.4 Placements: (Both Primary Placement and Secondary Placement)**

**4.1.4.1** The vendor(s) must have the ability to handle several account classifications of accounts separately, in order to provide the spending unit with information on the collection performance for each class of accounts.

**4.1.4.2** By West Virginia State law, a spending unit must attempt to collect a claim for three (3) months before a claim can be placed with a collection agency.

**4.1.4.3** Upon Placement of an account with a collection agency, the spending unit will forward a letter of transmittal to the collection agency in its designated area. These transmittals will contain the following –

**4.1.4.3.1** Type of Account and description of service

**4.1.4.3.2** Name of whom the claim is made against

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**4.1.4.3.3** Address, including zip code

**4.1.4.3.4** Balance Due

**4.1.4.3.5** Date of Service or age of account

**4.1.4.3.6** Telephone number (Optional if available)

**4.1.4.3.7** Previous collection reports received on individual accounts when available

**4.1.4.3.8** Any other information deemed important by the spending unit.

**4.1.4.4** The collection agency will have a minimum of 180 calendar days to attempt to collect debts. Upon expiration of 180 calendar days, the collection agency will transfer all uncollected debts back to the originating spending unit. Collection agencies are not required to transfers accounts back to the spending unit on which payments are still being received at the end of the 180 day period or that are in dispute or nearing settlement, however all accounts not paid in full at the end of two (2) years, inclusive of the 180 day period, will be referred back to the originating spending unit unless exempted by the Secretary of Administration. When returning a claim, the collection agency must submit a completed litigation referral form.

**4.1.4.5** The vendor will implement collection procedures and attempt to achieve maximum recovery from debtors. These procedures will include:

**4.1.4.5.1** Minimum of two (2) monthly telephone calls and one (1) monthly letter.

**4.1.4.5.2** Direct mailing efforts and skip tracing procedures when the address is identified as undeliverable by the post office.

**4.1.5 Payments and Reporting**

**4.1.5.1** The collection agency will forward all payments collected during any month by the 15<sup>th</sup> day of the following month to the originating spending unit accompanied by the report specified below. The

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collection effort will continue until an account is paid in full, except as otherwise restricted, until the spending unit desires collection efforts to be terminated, or until the 180 period has lapsed.

**4.1.5.2** The collection agency must send a completed report to the spending unit on or before the 15<sup>th</sup> of every month for the preceding month, whether or not any payments were received.

**4.1.5.3** The following information must be included in each report by debtor in alphabetical order, by debtors' surname:

**4.1.5.3.1** Debtor's name(s) and social security number(s) or other identification number(s) as agreed upon by the spending unit and collection agency.

**4.1.5.3.2** Placement date of accounts

**4.1.5.3.3** Beginning amount to collect, additional amount authorized for collection, amounts previously collected, amounts collected for current month, total collections to date, and balance owed.

**4.1.5.3.4** Amount(s) forwarded to spending unit and balance due to spending unit.

**4.1.5.3.5** Fees assessed, amount collected and balance due

**4.1.5.3.6** Reason for returned or closed accounts (if applicable)

**4.1.5.3.7** Remarks

**4.1.5.3.8** Percent of dollar amounts collected to date

**4.1.5.3.9** All collection agencies shall have the capacity to add accrued interest to applicable accounts on a monthly basis, this shall be included in the report

**4.1.6** **Litigation** – Accounts that have not been collected by the collection agencies may be referred to the Attorney General's Office for litigation. When returning a claim to the referring state spending unit, the collection agency must submit a completed litigation referral form which must contain all information requested.

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**4.1.7 HIPPA** - Any Collection Agency doing business with any State Agency that is bound by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) must sign the attached agreement and return prior to award of bid (see **Exhibit\_D**).

**3. CONTRACT AWARD:**

**5.1 Contract Award:** The Contract is intended to provide Agency with a purchase price for the Contract Services. If it is in the best interest of the State, the contract will be a progressive award. The Contract award may be limited to the four (4) lowest bidders meeting the specifications per line item. Award will be made for low bid percentage to high percentage and usage will be in the same manner, per line item. Under this scenario, it will be possible for a Vendor to be awarded a Contract for only a portion of the line items they bid. If the lowest vendor awarded for a line item cannot provide the needs for the Facility at the requested time, the second lowest vendor awarded for the same line item will be contacted. Each vendor will be allowed 48 hours after notification for service to determine if they will be able to meet our needs. If they cannot meet the need, the vendor must notify the agency immediately in written form (letter or email) that they cannot supply the required service.

**5.2 Pricing Page:** Vendor must complete the **Exhibit\_C Pricing Page** and submit with their bid. Online responses (electronic in wvOasis) is prohibited. The fees stated in the cost proposal must be wholly contingent on collection. Cost proposals must be bid in the form of percentage rates, as a percentage of collections. Price shall be a straight overall percentage. The quoted fees in the bid proposal shall be all inclusive and shall include all expenses to be incurred in connection with the services to be performed.

Vendor should complete the **Exhibit\_C Pricing Page** for each commodity line item they wish to provide. Vendor may bid any or all commodity line items to be considered for an award for that line item.

Vendor should type or electronically enter the information into the **Exhibit\_C Pricing Page** to prevent errors in the evaluation and must submit with their bid.

**4. PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end



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contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.

- 5. PAYMENT:** Upon payment to the spending unit of all sums collected on behalf of the spending unit by the collection agency, the collection agency will invoice the spending unit for the fee assessed. Compensation will be paid only if the debtor pays all or a portion of the account due. The collection agency is prohibited from retaining its fee from the amount collected on behalf of the State. Furthermore, fees assessed by the collection agency for collecting a claim shall never exceed the fee specified in the purchase order issued by the Purchasing Division of the Department of Administration, or the amount specified by law. Agency shall pay for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia. In the event an account currently held by the vendor contacts a debtor and the debtor pays the agency directly (direct pay), the agency will notify the vendor of the direct pay payment and will pay the vendor the agreed upon fee for the account.
- 6. TRAVEL:** Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.
- 7. FACILITIES ACCESS:** Performance of Contract Services may require access cards and/or keys to gain entrance to Agency's facilities. In the event that access cards and/or keys are required:

  - 7.1.** Vendor must identify principal service personnel which will be issued access cards and/or keys to perform service.
  - 7.2.** Vendor will be responsible for controlling cards and keys and will pay replacement fee, if the cards or keys become lost or stolen.
  - 7.3.** Vendor shall notify Agency immediately of any lost, stolen, or missing card or key.
  - 7.4.** Anyone performing under this Contract will be subject to Agency's security protocol and procedures.
  - 7.5.** Vendor shall inform all staff of Agency's security protocol and procedures.

**REQUEST FOR QUOTATION  
CRFQ 0212 SWC1900000006  
Debt Collection Services**

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**8. VENDOR DEFAULT:**

**8.1.** The following shall be considered a vendor default under this Contract.

**8.1.1.** Failure to perform Contract Services in accordance with the requirements contained herein.

**8.1.2.** Failure to comply with other specifications and requirements contained herein.

**8.1.3.** Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

**8.1.4.** Failure to remedy deficient performance upon request.

**8.2.** The following remedies shall be available to Agency upon default.

**8.2.1.** Immediate cancellation of the Contract.

**8.2.2.** Immediate cancellation of one or more release orders issued under this Contract.

**8.2.3.** Any other remedies available in law or equity.

**9. MISCELLANEOUS:**

**9.1. Contract Manager:** During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

**Contract Manager:** Phillip Prince  
**Telephone Number:** 760-690-9362  
**Fax Number:** 760-690-1728  
**Email Address:** phillip.prince@arsnational.com



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## WHO ARE WE!! BE >

- **Nationally recognized Account Receivables Management (ARM) Company**
- **Headquartered in Escondido, California**
- **Active Member of Association of Credit and Collection Professionals (ACA International) maintaining the highest ethical standards**
- **A BBB Accredited Business, while maintaining an "A+" indicating BBB highest rating**
- **Active member of California Association of Collectors, founding unit of ACA international**
- **Active member of Consumer Relations Consortium, limited membership group for large market participants in the debt collection marketplace**
- **Active member of Receivables Management Association, sets rigorous uniform industry standards of best practices which focus on the protection of the consumer.**
- **2 X Citibank Top Post Charge Off Agency**
- **Citibank Top Secondary Liquidating Agency**
- **Citibank Best Back Office Representative**
- **Capital One Agency with Highest Quality**
- **Chase Agency with Highest Regulatory and Compliance Score**

## CORPORATE SOCIAL RESPONSIBILITY

ARS believes in a "pay it forward" attitude that permeates within the organization. ARS offers a Charity Match Program designed to provide a meaningful way for the Company to direct a portion of the dollars allocated each year to charity by partnering with our employees.

Each year, the Company will allocate an annual budget for its charity match program and will provide matching contributions throughout the year on a first-come, first-serve basis until all the funds are distributed. Since 2013, ARS has made donations in excess of \$53,000 to many charitable organizations including:

- **Cystic Fibrosis Foundation**
- **The Kaylyn Elaine Warren Foundation**
- **NSW Family Foundation**
- **Daniel's Kids**
- **Sam Abed, Mayor**
- **Born into Heaven**
- **Escondido Police Force**
- **California Association of Collectors**
- **Project Concern International**
- **YMCA**
- **Thanksgiving Donations**
- **San Diego Habitat for Humanity**
- **Florida's First Coast Relief Fun**





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## APPROACH

ARS's newly formed Government Services Division is a specialized business unit, dedicated to collaborating with and meeting the needs of clients like the State.

We recognize that government entities have high performance standards based upon multiple factors: recovery rates, the mandate to protect debtor identity, information security, and professional interaction with the debtor at all times. Failure in any one of these areas is simply not acceptable. Our standard is to exceed the State of West Virginia's expectations.

It is the goal of ARS to be a partner, and provide collection services that are thoughtful and beneficial to the community at large. It is our goal to treat each citizen not just as a case, but as relationships to be developed and maintained, just as the State of West Virginia would.

ARS believes that it is important to promote social justice while performing its duties and collecting all outstanding liabilities and maximizing revenue. To this end we have priced our services in order to provide citizens the opportunity to satisfy their debt in the least impactful manner.

## COLLECTION SOFTWARE

For our collection system, ARS programmers adapted the Columbia Ultimate Business Systems, Inc. (CUBS) software, adding easy-to-use custom features that enhance the capabilities of the CUBS software without compromising stability.

## TAILORED COLLECTION PROCESS FOR THE STATE

ARS will process State accounts through a customized collection workflow, routing accounts based on their attributes, score, compliance tags, and payment status. ARS's integrated process includes:

- Extensive skip tracing capabilities to locate customers quickly
- Patented Inventory Optimization System (IOS) scoring algorithm that directs work efforts based on predetermined scoring attributes
- Automated compliance rules featuring speech analytics
- Predictive dialing technology to increase call performance and compliance
- An extensively trained and experienced collection team.





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Leveraging specialized knowledge, tools, and processes, ARS delivers superior recovery performance that complies with federal, state, and local regulations and will uphold the positive image of the State of West Virginia. Our best practices will facilitate higher recovery rates, greater liquidity, and an increase in the state's cash flow.

### ACCOUNT RESOLUTION STANDARDS (WORK STANDARDS)

To maximize collection results for the State, ARS will apply the following account resolution standards for any consumer account with a balance of at least \$10. All accounts are worked until fulfilled or returned/recalled by the State.

- Initial demand letter sent at placement informing the consumer of their FDCPA rights
- Dedicated inbound and outbound collectors
- Outbound call attempts made in the mornings, afternoons, evenings, with ARS dialing systems and placed by live collectors
- Second demand letter sent 30 days after placement (if necessary)
- Account review for additional skip tracing activities
- Additional letters sent as appropriate
- Exploration of legal options based on State permissions
- All accounts worked until closed and returned or recalled by the State
- Continuous contact attempts until account resolution

### ADVANCED ANALYTICS INVENTORY OPTIMIZATION SYSTEM® (IOS)

IOS is ARS's patented, next generation predictive analytics platform that drives higher recovery rates by scoring accounts and allowing ARS to focus its most valuable resources on accounts that have the highest statistical probability of liquidation. ARS has successfully utilized IOS scoring to evaluate and collect debt portfolios throughout our practice and is confident of achieving similar results with the State.

ARS is utilizing scoring unlike anyone else in the industry. Not only are we scoring at the account level, but we're scoring individual attributes of those accounts, such as phone numbers. Our multi-tiered analytics allows us to drive more intelligent and effective collection operations. This, in turn, helps our clients realize faster and higher payments.







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We have tested our patented IOS model against proprietary scores available in the marketplace and found our scoring engine, on average, to be **5% to 10% more productive delivering Right Party Contacts and deliver 41% higher recoveries on some portfolios**. This assists in identifying debtors with highest propensity to pay (PTP), resulting in a higher liquidity rate in less time. Another advantage of this analytics-driven insight is an appropriately lower contact attempt level with those accounts that are unlikely to pay. More contact will likely yield little return, but this segment also generates a disproportionate number of complaints.

## PARTIAL PAYMENT ARRANGEMENTS

Before negotiating a partial payment arrangement (PPA), ARS representatives develop a financial profile of the customer based on the existence of real property, gainful employment, bank accounts, and other assets. ARS typically will require at least 25 percent down and the balance in full over 90 days, altering this policy to meet the department's requirements.

ARS allows a payout period of 12 months when no other terms are possible, however we do accommodate those customers who demonstrate financial need for longer time periods. PPAs longer than 90 days are reassessed every three months to determine whether or not the customer can pay in full, increase payments over a shorter term, or otherwise expedite the repayment period. ARS representatives request payment in full each time contact is made.

Upon receipt of the initial payment, the collection supervisor assigns the account to a PPA representative for monitoring and follow-up. The representative monitors accounts to ensure payments are received according to scheduled terms.

## SETTLEMENTS

ARS accepts settlements on behalf of a client only if the settlement amount is acceptable to the client. When a customer proposes settlement terms, ARS contacts the client in writing to obtain authority to accept or reject the terms. Blanket settlement parameters may be established in accordance with the State's guidelines to streamline operations. ARS is entitled to a collection fee based on the settlement amount, not on the original amount referred for collection.

## CREDIT BUREAU REPORTING

ARS will furnish data related to the account to one or more of the three national consumer reporting agencies ("CRAs") (i.e., Experian, Equifax, and Transunion) to the extent allowable by





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state, federal law, regulatory rulings, and the CRA's rules and guidelines. As appropriate, ARS's debt validation letter will inform consumers that the creditor has directed ARS to report delinquencies to credit reporting agency's after 90 days. During this period, ARS will actively work with the consumers to resolve the account before any data is furnished to the CRAs.

## DETERMINING ALL EFFORTS EXHAUSTED

After exhaustive collection efforts, ARS reviews accounts for close and return procedures when accounts remain uncollectible because:

- **Customer cannot be located** – After comprehensive, automated and manual skip tracing efforts are unproductive
- **Customer cannot pay at present** – Because they are unemployed, on welfare, without sufficient income, seriously ill, bankrupt, have no assets, or are experiencing extenuating circumstances
- **Customer refuses to pay** – And litigation is not recommended or approved
- **Customer is deceased** – If death is confirmed and there is no estate

## CLOSE AND RETURN PROCEDURES

ARS complies with all requirements for closing and returning accounts, recognizing the State may recall accounts at any time at their discretion. ARS initiates close and return procedures monthly or on another schedule if an account is recalled, uncollectible, bankrupt, deceased, or paid-in-full. The account status is updated on the collection system using a code that represents the reason for the action. A supervisor reviews accounts before they are closed and returned. Accounts are returned according to the method and frequency specified by the client. A monthly report lists closed and returned accounts and relevant information.





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## SKIP TRACING

ARS scrubs all accounts to verify telephone and address information, then segregates those accounts ready to be contacted, from those that require manual skip tracing. We use multiple tools and electronic databases to find current contact information for referred accounts, including those with inaccurate addresses and telephone numbers. Our data vendors provide collectability scores, trade lines, updated telephone numbers and addresses, bankruptcy status, deceased status, and other related financial information. This data assists us in prioritizing and intensifying our collection efforts on accounts deemed most collectible.

ARS leverages the industry-leading database technologies described below.



LexisNexis is a comprehensive electronic database containing 18.8 billion public records, including names, addresses, and telephone information for more than 244 million individuals and 381 million businesses.

Bankrupt and deceased consumers are identified in this search, as well as residency information and same last names. LexisNexis also provides access to the USPS National Change of Address database, which updates our accounts to improve hit rates of initial mailings.

Using Accurint, a LexisNexis product, ARS attempts to locate consumer information, including aliases, addresses, relatives, associates, neighbors, property, assets, and more. Accurint uses a name, past address, phone number, or social security number to locate a current address and phone number; address information dating back 30 years is readily accessible. Accurint dramatically improves our ability to find up-to-date contact information for skip accounts, which comprise almost half of all accounts referred for collection.

Accounts can be automatically referred to TransUnion for credit reports. Returned information identifies consumers who are making timely payments to other creditors and provides new addresses, telephone numbers, employment information, open trade lines, and available money sources, and collectability score. This is an extremely powerful skip tracing and account prioritization tool.







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## CBCInnovis

CBCInnovis offers a diverse portfolio of innovative support solutions to the financial services industry. Their customized, integrated services helps ARS make sound decisions, streamline processes, reduce risk, and maximize business performance. Using innovative technology and quality data, CBCInnovis delivers premium proven skip tracing solutions.

Telephone numbers are mission-critical to the connected world and managing them can make or break operations. Neustar Communications offers numbering solutions by using real-time from authoritative sources to help make the best calling decisions.



data

Neustar locates numbers that have been utilized by customers and then provides probability scoring for the located numbers allowing the ARS team to focus heaviest work efforts on phone numbers that will most likely lead to a right party contact.

### REMITTANCE OF COLLECTIONS TO THE STATE

ARS remits gross or net collections in accordance with contract terms on a daily, weekly, bimonthly, or monthly basis. ARS can remit payments to the State through the Automated Clearing House (ACH) network. Check payments are also available if required. ARS can provide electronic remittances and statements for multiple State departments depending on the State's needs. ARS can submit all payments collected during any month by the 15<sup>th</sup> of the following month and provide an accompanied report per the States specifications.

### REPORTING CAPABILITIES, ACCOUNT ACCESS & DATA RETENTION

We will work with you to establish a reporting schedule in both the format and frequency you desire. ARS can provide these reports on an annual and a fiscal year schedule ending on June 30<sup>th</sup>. A typical suite of reports might include:







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- **Account Activity Reports** that document the total number and value of all accounts, when they were referred, and their status at the time the report is prepared. This can include both active accounts, resolved accounts, and accounts that have been recalled.
- **Collection Reports** that enable you to review collections through a number of filters including type of client code, year, placement month, etc. These reports also provide collection percentages, number and value of accounts undergoing collection activities, total accounts collected, and other performance data.
- **Monthly Statement Reports** that provide status of payments made through ARS payment systems.
- **Aging Reports** that demonstrate how long the accounts have been placed with ARS as well as other pertinent information the State may deem necessary
- **Custom Reports** that enable you to examine or publish the data in a multitude of ways. We understand that, as a public entity, you need to report revenue related data to other elected and appointed officials, the media, your constituents, and others. We can work with you to prepare suitable reports.

## REMOTE DATA ACCESS THROUGH ARS PARTNERWEB

ARS offers the State access to account information through our modern web-based application, ARS Partnerweb. ARS Partnerweb provides straightforward, real-time access to account information for our clients. This easy-to-use interface solution puts live and up-to-the-minute account information at the State's fingertips.

Combining the convenience of web-based access and the assurance of security,

ARS Partnerweb is an added benefit to the State's personnel. SSL (Secure Socket

Layer) encryption protects data traffic from the webserver to the user's browser.

Each user's access is limited to their entity's information only. ARS clients benefit from the increased convenience, functionality, and productivity that ARS Partnerweb provides.

- **Convenience** – Web-based access to real-time account information empowers the user to self-help, and to see the results of ARS collection activity step-by-step. Providing real-time account





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information, this gives users the ability to also keep track of the most recent letter and when it was sent. Support burdens decrease by eliminating time-consuming phone calls and research previously necessary for account inquiries.

- **Functionality** – Intuitive menus relieve users from memorizing keystroke commands, and the real-time account information displays in a format that is straightforward with detail views that are easily accessible.
- **Productivity** – Account information is available instantly, saving the State valuable time.
- **Information Regarding Collection Efforts** – The State may obtain via ARS Partnerweb information pertaining to the collection efforts that are being undertaken by ARS on any given case (e.g., letters mailed, and telephone call attempts). In addition, the State can view production account activity, such as the number of accounts / dollars due for placements, cancellations, reactivations, letters mailed, adjustments, and payments.

Sample reports are provided in Exhibit 1

The screenshot displays the ARS Client View interface. At the top left is the ARS logo with the tagline 'Getting You There'. The user name 'Brenda Brava Dujerffy' is visible in the top right. The main heading is 'Client View', with navigation options for 'New Account Inquiry', 'Reports', 'New Placements', 'History', and 'Messages'. Below this, there are links for 'Client View Account Inquiry' and 'Client View Account Detail: 6382651'. The interface is divided into two main sections: 'Account Detail Summary' and 'Debtor Balance Summary'. The 'Account Detail Summary' lists personal information for 'DUCK, GAFFY', including phone numbers, date of birth, address, and client details. The 'Debtor Balance Summary' is a table showing various debt categories and their amounts. Below these sections is a 'Payment Summary' table. At the bottom, there are tabs for 'Payment Summary', 'System Notes', 'Payment Notes', 'Correspondence History', 'Collector Notes', 'Assigned Amount Detail', 'Misc Amount Detail', 'Payment History', and 'Co-Borrower Info'.

NAME: DUCK, GAFFY
NAME2:
HOME PHONE: 226-665-6655
CELL PHONE: 909-911-1111
PDF PHONE: 665-669-7745
Date of Birth: 05-10-2001
ADDR1 S1: 2265 WILDOMAR RD
ADDR1 S2:
CITY: PHOENIX
ST: AZ
ZIP: 81652
CLIENT: ACME
ORIND:
Debtor Number: 6382651
CLI REF#: 9099999999
SSN: ***-**-1616
STATUS: ATY

Deb	Owing	Miscellaneous
Amount Placed	\$1 00	\$0 00
Interest	\$0 00	\$0 00
Admby	\$0 00	\$0 00
Cost	\$0 00	\$0 00
Cancelled	\$0 00	
Miscellaneous	\$0 00	\$0 00
<b>Totals</b>	<b>\$1.00</b>	<b>\$0.00</b>

**Balance: \$1.00**

ASGN DT: 10-14-1990
Plan Assigned: 1 00
1ST PAY DT: 01-20-2015
Last Pay Amount: 10 00
Total Balance: 1 00





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## DATA RETENTION

Backup is one strategic component of data protection. As a result, all electronic information, computer systems, applications and processes that are critical to the Company's operations must be recoverable. Computer systems are backed up to ensure that data can be recovered for disaster recovery and business continuity.

These backup provisions will allow ARS business processes to be resumed in a reasonable amount of time with minimal loss of data. Since hardware and software failures can take many forms, and may occur over time, multiple generations of business data backups are maintained.

Our backups meet the same high standards for security as our regular systems and processes, they are encrypted using AES 256-bit encryption. ARS uses CommVault as its backup application. We maintain full monthly copies of data for six to ten years, depending upon the client's requirements.





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## LEGAL

On accounts where it is deemed necessary ARS has the capabilities to pursue legal remedies on behalf of the State as required. The utilized attorneys specialize in collection work and uphold all federal, state, and local regulations pertaining to debt collection. We endeavor to work with attorneys who are adept at resolving accounts amicably prior to litigation.

ARS utilizes the following general procedures to identify and refer accounts for possible legal action on consumers residing within the United States. No account would be referred for litigation without written authorization from the State.

1. ARS utilizes our internal skip waterfall for the location of assets, and collectors identify accounts as possible candidates for litigation/legal proceedings. These accounts are forwarded to collection supervisors for review. Accounts approved by collection supervisors as candidates for litigation/legal proceedings are forwarded to the client for approval.
2. ARS solicits written authorization from clients to file suit or begin legal proceedings, including post-judgment remedies on those accounts already in judgment form. After client authorization to proceed with litigation/legal proceedings, ARS would forward qualified accounts to an attorney in the state where the consumer resides.
3. Attorneys attempt to resolve accounts through letters and telephone calls, and make recommendations to file suit or begin legal proceedings, including post-judgment remedies against specific accounts.
4. If the account remains suit-worthy, the consumer receives a letter indicating the account is scheduled for legal action or to begin legal proceedings, including post-judgment remedies. If a consumer does not respond appropriately, the consumer is sued or our assigned attorney begins legal proceedings, including post-judgment remedies.
5. After a judgment is rendered on an account, ARS places the account in a protected status, and the account can only be negotiated upon management direction. We use administrative wage garnishment in states where this is lawful, or place a levy on a consumer bank account.







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**KEY MANAGEMENT STAFF RESUMES**

ARS is a multi-dimensional company. Our team is built from industry experts, functional leaders, and an engaged independent ownership team. While the team represents a diverse list of experiences and backgrounds, ARS is dedicated to improving the financial performance of businesses, institutions, and the clients it represents.

With experience servicing some of the most sophisticated clients in account receivables management, the State can be comfortable that the leadership team will handle the most mundane and the highly complex issues that frequently arise, with ease and comfort. ARS can deliver small-company responsiveness yet we have large-company security, compliance and operational capabilities. The team in ARS's new and emerging government services division is built to deliver high performance in a highly compliant and consistent manner.

Phillip Prince, will serve as the State's liaison, and will be supported by our most seasoned resources from our operational, compliance, quality, security, technical, and business development groups:

Role in Contract	Name	Title	Years of Relevant Experience
State Liaison	Phillip Prince	Director of Business Development	16
Organizational Oversight	Brandon Black	Chief Executive Officer	29
Financial Oversight	Dhruv Vakharia	Chief Financial Officer	18
Senior Operational Oversight	Drew Anderson	SVP Operations	34
Executive Contract Oversight	Scott O'Donnell	Chief Business Development Officer	20
Collection team supervision	Joan Contreras	Site Director	14
Collection team supervision	Christine Quaiff	Collection Supervisor	10
Senior oversight of client services and payment processing	Kyle Hannan	Director of Client Services	13
Senior oversight of IT functions	Brian Alexander	VP Information Technology	25
Data analysis	Todd Pierce	Director of Strategy and Analytics	13

The following resumes/biographies highlight the remarkable talent that will play key roles in managing the State's portfolio:





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## Phillip Prince



### Director of Business Development Government

ARS Director of Business Development, Phillip Prince, has helped multiple municipalities begin their first outsourced collections project. Now leading ARS's expansion into the government marketplace. Phillip Prince provides ARS direct experience and a deep understanding of the government municipal debt customers, a strong understanding of municipal governments debt portfolio's, policies, procedures and organizational structure.

Phillip Prince brings more than 16 years of client account management, business development, and operational leadership expertise to ARS, with a focus on government third-party account receivables management. As Director of Business Development he has responsibility for developing new relationships with key client accounts nationwide. His responsibilities also include but are not limited to:

- Act as lead point of contact for all matters related to assigned portfolio
- Ensure the timely and successful delivery of ARS solutions to meet client needs and objectives
- Build and maintain strong, long-lasting customer relationships
- Develop a trusted advisor relationship with key customer stakeholders and Executive sponsors
- Assist in high-priority requests and issue escalations to bring speedy and satisfactory resolution
- Monitor contract performance
- Monitor contract terms to identify and raise issues or exposures

Prior to his current role, Mr. Prince was Regional Vice President Government Services for **Transworld Systems Inc. (TSI)** responsible for managing TSI's government services call centers located in Seattle, Phoenix, and Iowa (2012 to 2018). Mr. Prince was responsible for the contract performance as well as the relationship management for clients at the state level such as **Utah Office of State Debt Collection, Oregon Department of Administrative Services, Missouri Department of Revenue, Colorado Department of Revenue, Iowa Department of Revenue, Arizona Department of Revenue, Colorado Judicial Courts, Iowa Judicial, Oregon Judicial, Oklahoma Tax Commission and The Judicial Council of California.**

He also managed relationships with local government entities such as the City of Seattle, King County District Courts, Pierce County Court, Tacoma Municipal Courts, Tempe Municipal Courts, Maricopa County, Mesa Municipal Court, Las Vegas Justice Courts, The City of Santa Monica, Sacramento Municipal Utility District (SMUD), The City and County of San Francisco, Caltrans, The City of Los Angeles, and The City of Long Beach.

Mr. Prince previously served as an assistant director (2010 to 2012) at **Nationwide Credit**

(NCI), overseeing third-party credit card collections relationships with some of the industry's largest credit card issuers, such as Chase Bank, American Express, Discover, Barclays, and Bank of America. Prior to his time at NCI, he was site manager for **Gatestone (formerly Collectcorp)** from 2001 to 2010 in Minneapolis, where he managed operations serving clients in the education, government, and credit card sectors. Mr. Prince holds a BA in Political Science from **Arizona State University.**





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## Brandon Black



### Chief Executive Officer

As CEO, Brandon is responsible for setting the strategic vision for the company and leading a team of +400 employees in the execution of that vision. Mr. Black joined ARS in November 2017. Brandon retired as the CEO and Director of **Encore Capital Group** in 2013. Encore is a leading provider of debt management and recovery solutions for consumers across a broad range of financial assets and geographies. The company purchases portfolios of consumer receivables from major banks, credit unions, commercial retailers, and telecommunications companies. Upon acquisition, they work with consumers to repay their obligation(s) and work toward financial recovery.

Headquartered in San Diego, CA Encore is a publicly traded NASDAQ Global Select company (ticker symbol: ECPG), a component stock of the Russell 2000, the S&P Small Cap 600, and the Wilshire 4500. For the period between 2004 and 2013, Encore's cash revenues grew over 400% from \$235M to \$948M and earnings increased 300% from \$0.99 EPS to \$3.04 EPS. During Brandon's term as President and CEO, the company built significant cost and operational advantages, expanded into new asset classes, and made acquisitions that established Encore as the industry's leading debt management and recovery solutions provider.

In 2011, Encore founded the Consumer Credit Research Institute, a groundbreaking effort to develop new knowledge about low- and moderate-income consumers using state-of-the-art research and fieldwork techniques. In addition, in 2013, the Great Places to Work Institute ranked Encore's subsidiary in Gurgaon, India as the 14th "Best Organization in the Country." Prior to becoming the company's President and CEO, Brandon served as its Senior Vice President of Operations and COO from April 1998 through December 2003. During that period, cash revenues increased from \$30M to \$235M.

From June 1989 until joining Encore, Brandon worked for **Capital One Financial Corporation**. Prior to his departure, he was Vice President of Risk Operations. However, throughout his career at Capital One, he led various operating business units including credit, customer service, fraud, and collections.

Brandon earned a MBA from the **University of Richmond** and a bachelor's of business administration degree from **The College of William and Mary**.

Additionally, Brandon is currently an operating partner at **Clover Crest Partners**, a private investment group founded by experienced public and private company CEO's and operators to invest in service-based businesses located in the Western US. He also recently published his first, "*Ego Free Leadership*."





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### **Drew Anderson**

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#### **Senior Vice President, Operations**

As Senior Vice President, Operations, Drew is responsible for all first and third party collections operations. Drew joined ARS in April, 2017 and came with over 34 years of experience in the financial services industry.

Drew is accountable for maintaining best-in-class adherence to compliance requirements, analyzing and building strategies to achieve top tier performance, and focus on the company's growth initiatives.

Prior to joining ARS, Drew worked at **United Recovery Systems (URS)** for 16 years in operations; the last 4 years as Chief Operating Officer. He successfully oversaw the Financial Services Division, servicing several of the Top 10 Financial Service and Auto Finance Groups in both a first and third party environment. Prior to URS, Drew worked in various operational roles at **Citibank, BankOne, Chase and Bank United.**

Drew studied English at the **University of Kentucky.** He and his wife volunteer at **SIRE** in Richmond, Texas; an organization that uses therapeutic horsemanship activities to improve the quality of life for people with special needs and disabilities.



### **Dhruv Vakharia**

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#### **Senior Vice President, Operations**

As CFO, Dhruv is responsible for providing oversight and management to the Accounting and Finance & Reporting teams. Dhruv came to ARS in 2016 with over 16 years' experience, in banking and financial management.

Prior to joining ARS, Dhruv spent over 12 years with **Bank of America Merrill Lynch (BofAML)** where he held various leadership roles. His focus was on executing capital market financing and M&A transactions primarily in the financial, technology and business services' industries as well as assisting investment portfolio management teams and BoD's with transformational ROI driven operational and financial management initiatives.

Prior to BofAML, Dhruv was a consultant at **Towers Watson** and **Spring Consulting Group** (a Towers Watson spinoff) where he provided management and strategy consulting to institutions and companies in the insurance & financial services industry. During his time as an investment banker, Dhruv held active FINRA Series 7, 63 and 79 securities licenses

Dhruv earned his Bachelor's Degree in Economics (Cum Laude) from **Brandeis University** and his MBA from the **University of Chicago - Booth School of Business.**

Presently, Dhruv serves on the Board of Directors for **Big Brothers and Big Sisters** and the Board of Directors for the **CFO Leadership Council.** Additionally, he is on the Advisory Council for the **San Diego Economic Development Corporation** and the **San Diego Food Bank,** respectively.







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## Joan Contreras

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### Site Director, Escondido

Joan Contreras has 14 years of collections experience, all with ARS. She is responsible for operations serving multiple credit card, and marketplace lenders in both the pre and post-charge off spaces. She has experience in collections management of both consumer and commercial debts. Joan manages agents trained in traditional outbound phone collections, as well as Web chat and web site virtual agents.

Joan is responsible for multiple attorney facing streams such as pre-legal and pending bankruptcy, and her team is a leader in Debt Management collections. She has extensive knowledge working with a nationwide network of attorney law firms for the purpose of helping consumers resolve their debt. Joan is compliance-driven, brings strong knowledge of applicable federal and state laws, and regulations, and assists in developing and implementing new procedures for clients. She is responsible for managing operations, as well as day-to-day communications with multiple clients.

Ms. Contreras has been in her current roll as Site Director for 6 years and was recently asked to assist in the opening of our newest site in Houston, TX. She has managed first and third party portfolios for companies such as Citibank, Chase, Capital One, US Bank, Lending Club and PayPal. She has been instrumental in helping ARS achieve client recognition as Late Stage Agency of the Year, which recognizes top liquidation performance, as well as the launch of new clients in the 1<sup>st</sup> party space. She is a three-time recipient of the President's Club award at ARS which recognizes overall performance in revenue, quality assurance, and outstanding contribution.



### Christine Quaiff

#### Production Manager, Escondido

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Christine Quaiff has 10 years of collections experience working a variety of debt types. Her experience ranges from large financial institutions to Medical Debt Collections, Military Services, Credit Unions and Major Banks. She is currently responsible for the development of the Supervisor team as well as managing client performance. She has worked with both Third and First party vendors. Christine is customer service driven and prides herself in the development and success of others. She is responsible for day-to-day client communications and collection performance.

She works directly with the ARS Supervisor team on product knowledge, work performance, and time management, and how to transfer that knowledge to the agents they manage. Ms.





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Quaiff utilizes industry leading best practices, to achieve key performance indicators (KPI's) through the execution of individualized Agent Performance Improvement Plans.

Christine regularly works with ARS's reporting team to consistently enhance reporting features for our clients. Ms. Quaiff is frequently involved in the Inventory Management of her clients' portfolios and takes a hands on approach to the dialing strategy's that are utilized.



**Kyle Hannan**

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**Director of Client Services**

Kyle Hannan is directly responsible for all aspects of client management including setting a strategic direction, defining and implementing process improvements, and leading a professional team of client service representatives across multiple asset classes. He has over 13 years of financial services experience in heavily regulated environments, including leadership roles in both the accounts receivables industry and working with government partners to offer Property Assessed Clean Energy financing. Kyle builds strong internal and external relationships to deliver best in class services and results.



**Brian Alexander**

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**Vice President Information Technology**

As the Vice President of Information Technology, Brian oversees the entire enterprise wide information technology team including Software Development, Infrastructure and Security of multiple large call centers.

Brian began his career at ARS in 2006 and now has over 25 years of experience managing Information Technology environments for a variety of industries including financial, insurance, biotech, and defense.

Brian's experience includes prior positions in senior IT leadership at FICO and HNC Software with a variety of IT management skillsets including international infrastructure design and support, strategy, online operations, security, audits, global service desk, network and telecomm design, disaster recovery as well as extensive acquisition integration projects.

Brian holds a Bachelor of Science in Information and Decision Systems from **San Diego State University** and is an active member of the **San Diego Association of Information Technology Professionals (AITP)** and **CIO Roundtable**. Brian was a "2016 San Diego Business Journal/Cox





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Business Top Tech Exec Awards” honoree in the Private Large Company category and has served as a judge on the Top Tech judging panel for 2017 and 2018.



**Todd Pierce**

**Director of Strategy and Analytics**

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As the Director of Strategy and Analytics, Todd is responsible for driving our strategy with the help data and trend analysis. Todd joined ARS in June, 2017 and came with over 13 years of experience in financial services.

Todd supports all reporting, business intelligence, and operational strategy for ARS by working on special projects, using data gathering and analysis to drive decision-making, improve results for our clients, improve processes, and develop custom solutions based on client needs and objectives. Todd has a proven track record with post charge-off lines of business. His efforts in workflow design, development, and execution have resulted in increased collections for all ARS clients. He brings significant expertise with data analytics, Six Sigma and LEAN process design, and operational strategy.

Prior to ARS, Todd served as a Sr. Business Analysis Manager at **Capital One Financial Corporation**, responsible for building out the operational processes and standards for the developing commercial card business. For 9 years he supported the call centers and operations for the US Card business ranging from general servicing, to retention, and acquisitions. Todd served as the lead analyst for several critical projects that drove >\$300M in annual revenues. Todd then spent 2 years with the Enterprise Technology Strategy team where he led an effort to reduce IT waste through the retiring of legacy platforms and then he moved to the Commercial Bank where he served as the strategy and analysis lead for the commercial card business, developing the operations strategy to support 15x growth in the business while maintain efficiency ratios.

Todd earned a Bachelor of Science degree in Mechanical Engineering at the **Virginia Polytechnic Institute and State University**. In addition to his degree, Todd is also a Six Sigma Black Belt and LEAN certified.





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## **Scott O'Donnell**

### **Chief Business Development Officer**

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As Chief Business Development Officer, Scott is responsible for driving the company's strategic growth initiatives. Scott joined ARS in 2016 and is based on our site in Escondido, a county of San Diego.

Scott has over 20 years of business development and executive sales leadership experience and leads the sales and corporate/business development function at ARS.

Prior to joining ARS, Scott worked in Business Development at the largest, publically traded international debt buyer, **Encore Capital Group**. During his 10-year tenure at Encore, he led transactions totaling over \$1B in capital deployment. In addition to portfolio acquisitions, Scott also led Encore's acquisition of **Atlantic Credit & Finance** in 2014. Scott also managed the expansion of the Encore debt purchasing business into Mexico and Brazil.

Prior to Encore, Scott worked in corporate development, business development, and sales at **Gateway Computers** and was a certified Six Sigma Black Belt at **GE Capital**.

Scott holds a Bachelor of Science degree from the **United States Naval Academy** and was also a commissioned officer and served five years in the **United States Navy**. He has been an active in the San Diego lacrosse community as a coach and administrator for 10 years. In 2015, Scott was named the "San Diego Chapter of US Lacrosse Man of the Year."







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## PROJECT OVERSIGHT

ARS is committed to maintaining outstanding client communications and project oversight. Currently, ARS has a multi-level system of oversight in place to provide the State consistent contact from various segments of the organization. The ARS team is dedicated to clear lines of accountability and reporting, to resolve any issues that may arise for the State. There is a dedicated account manager whose purpose is to be the voice of the State within ARS. The State will also have designated contacts within ARS operations and client service areas to provide prompt resolution to all remediation issues. It is ARS's goal to deliver operational transparency, and to ensure project success year after year.

## TRANSITION PLAN

ARS is prepared and committed to onboard the State within 30 days of contract execution or at a timeline described by the State. Every process described in this proposal currently exists and operates to the satisfaction of our current clients, and is available for quick adaptation to your needs and preferences.

We consistently find that if a new client has an existing protocol and procedure for referring accounts to an outside collection vendor, our technology crew is able to easily adapt that protocol to work with our system. Because the State currently has a process in which accounts are referred for collection, we are highly confident that development and implementation of an interface adaptable to your existing system will be relatively simple and pain-free.

Upon notice of contract award, our management and implementation team members will be immediately available to your staff and team to open a communication pathway and dialogue. We will be available to meet and discuss all aspects of the contract and necessary implementation timelines and preferences. This team can be contacted via email, office phone, or mobile phone number; and may also be available for personal meetings at your preferred location, or virtual meetings via internet connectivity. You can expect timely and immediate response to any inquiry or communication. We will be as motivated as your team to move quickly through implementation, and will work at your speed and pace to minimize any delay prior to going live with commencement of collection efforts.





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While delays are never anticipated, there are scenarios upon which our implementation teams are unable to move as fast as their capability due to no fault of their own. Our internal implementation processes have been developed to identify and minimize the most common potential delays.

Because large implementations often involve multiple government entity divisions or departments that are "connected to" the main client, there are often several different stakeholders participating in the decision-making process. Examples include:

- coordinating payment processing and reporting with Finance department staff and possibly financial institutions
- discussing and considering issues with Legal Departments or State Attorney staff
- coordinating and meeting the needs of elected officials
- working and coordinating with State staff who will be handling the daily operational functions of the project

To anticipate potential implementation issues and avoid them, the ARS implementation team is thoughtfully assigned so that every team member is fully engaged and so that every aspect of the process is moving forward in simultaneous unison. Because your State has utilized a collection agency in the past, many first-time-user issues are not relevant to this implementation.

## AUTHORITY

I acknowledge that I have read, understand, and agree to be bound by the terms of this RFP. I represent, warrant, and covenant that the quote is accurate, complete, and has been submitted by November 15, 2018. I understand and agree to be bound by our response to each section of this RFP, including, but not limited to, any and all supplemental documentation and attachments. I have full power and authority to enter into an agreement based upon the information contained in this RFP and this quote. I, Brandon Black, am properly authorized and empowered to respond to this RFP and provided the information contained in this quote.

ARS National Services Inc.

Brandon Black

CEO

