



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER
DEBT07

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
BETTY FRANCISCO
304-558-0468

RFQ COPY

TYPE NAME/ADDRESS HERE

VENDOR

SHIP TO

ALL STATE AGENCIES  
 AND POLITICAL SUBDIVISIONS  
 VARIOUS LOCALES AS INDICATED  
 BY ORDER

DATE PRINTED 02/26/2007	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
BID OPENING DATE: 03/15/2007		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
*****ADDENDUM NO.2*****						
1. ADDENDUM ACKNOWLEDGEMENT IS ATTACHED. THIS DOCUMENT SHOULD BE SIGNED AND RETURNED WITH YOUR BID. FAILURE TO SIGN AND RETURN MAY RESULT IN DISQUALIFICATION OF YOUR BID.						
PLEASE NOTE THE FOLLOWING ATTACHMENTS:						
1. REVISED DEBT07 SPECIFICATIONS DATED 01/22/2007					(7 PAGES)	
2. DEBT07 QUESTION AND ANSWERS					(20 PAGES)	
*****END OF ADDENDUM NO.2*****						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
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TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE
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WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**GENERAL TERMS & CONDITIONS  
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125.00 registration fee.
5. All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the term of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this contract is automatically null and void, and is terminated without further order.
14. **HIPAA Business Associate Addendum -** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.

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**INSTRUCTIONS TO BIDDERS**

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in cases of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications.

**SIGNED BID TO:**

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

Vendor:	Spending Unit:
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Requisition No.: \_\_\_\_\_

**ADDENDUM ACKNOWLEDGEMENT**

I hereby acknowledge receipt of the following checked addendum(s) and have made the necessary revisions to my proposal, plans and/or specifications, etc.

**Addendum No.'s:**

No. 1 \_\_\_\_\_

No. 2 \_\_\_\_\_

No. 3 \_\_\_\_\_

No. 4 \_\_\_\_\_

No. 5 \_\_\_\_\_

I understand that failure to confirm the receipt of the addendum(s) is cause for rejection of bids.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Company

\_\_\_\_\_  
Date

**Request for Quotation  
DEBT07 Specifications  
Revised February 26, 2007**

**To collect debts on behalf of the State of West Virginia and/or its spending units**

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 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. West Virginia Consumer Credit and Protection Act and Chapter 46A-2-122-129. These may be accessed at:

<http://www.legis.state.wv.us/WVCODE/46A/masterfrmFrm.htm>

**GENERAL**

**Full Service Collection Effort:**

The collection agency selected must be a full service agency and have the ability to handle several classifications of accounts, including educational, medical, and any other account assigned to it.

A minimum of 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 successful bidders.

**These spending units are:**

Marshall University  
Huntington, West Virginia

West Virginia State University  
Institute, West Virginia

Shepherd College  
Shepherdstown, West Virginia

West Liberty State College  
West Liberty, West Virginia

Bluefield State College  
Bluefield, West Virginia

Glenville State College  
Glenville, West Virginia

Concord College  
Athens, West Virginia

West Virginia Northern Community College  
Wheeling, West Virginia

West Virginia Graduate College  
Institute, West Virginia

Potomac State College  
Keyser, West Virginia

West Virginia University Institute of Technology  
Montgomery, West Virginia

WV School of Osteopathic Medicine  
Lewisburg, West Virginia

West Virginia University  
Morgantown, West Virginia

Fairmont State College  
Fairmont, West Virginia

Southern West Virginia Community College  
Logan, West Virginia

West Virginia Division of Highways  
Charleston, West Virginia

West Virginia Department of Transportation (DMV)  
Charleston, West Virginia

West Virginia Department of Health and Human Resources  
Charleston, WV

West Virginia Department of Tax and Revenue  
Charleston, West Virginia

Barboursville Veterans Home  
Barboursville, West Virginia

WV Workers' Compensation  
Charleston, West Virginia

WV Division of Environmental Protection  
Charleston, West Virginia

Vendor(s) will have the responsibility to collect debts from debtors anywhere within the United States.

## **ALL COLLECTION AGENCIES MUST MEET THE FOLLOWING CRITERIA**

**License:** No person, firm, corporation or association shall operate a collection agency or the business of a collection agency in this state without having first applying for and obtaining a business registration certificate.

**Bonds:** Each applicant shall file with the State of West Virginia Tax Commissioner a continuing surety bond executed by a corporation licensed to transact business in the State of West Virginia in the amount of \$5,000.00. A separate bond shall be filed for each agency of the vendor including the principal office and each branch office thereof.

**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 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 agent for service of process pursuant to West Virginia State Code §56-3-33.

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. Any and all records must be kept a minimum of six (6) years by the vendor.

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 on collection costs.

## **FULL-SERVICE COLLECTION REQUIREMENTS AND PROCEDURES**

**The following requirements are mandatory:**

### **Placements**

The full service agency(ies) must have the ability to handle several classifications of accounts separately, in order, to provide the spending unit with information on the collection performance for each class of accounts.

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.

Upon placement of an account with an agency, the spending unit will forward a letter of transmittal to the collection agency in its designated area.

**These transmittals will contain the following:**

Type of account and description of service

Name of whom the claim is made against

Address, including zip code

Balance due

Date of service or age of account

Telephone number (optional)

Previous collection reports received on individual accounts when available

Any other information deemed important by the spending unit

The collection agency will have at least 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 transfer accounts back to the spending unit on which payments are still being received at the end of the 180 day period or validly 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.

## **PAYMENTS AND REPORTING**

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

The collection agency must send a complete 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.

### **The following information must be included in each report by debtor in alphabetical order:**

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

Placement date of accounts

Beginning amounts to collect

Additional amount authorized for collection

Amounts previously collected, amounts collected for current month and total collections to date

Balanced owed

Amount(s) forwarded to spending unit and balance due spending unit

Fees assessed, amount collected and balance due

Reason for returned or closed accounts (if applicable)

Remarks

Percent of dollar amounts collected to date

All collection agencies should have the capacity to add accrued interest to applicable accounts on a monthly basis.

Reports to Purchasing:

Successful vendor shall provide quarterly reports and annual summaries showing the quantities, dollar value, agencies and political subdivisions which have used this contract. This report is mandatory and failure of the successful bidder to supply such reports may be grounds for cancellation of contract.

Reports are to be sent to:

Jo Ann Adkins  
Department of Administration  
Purchasing Division  
2019 Washington Street, East  
Charleston, WV 25305

**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.

**FEES:**

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. A collection agency is prohibited from retaining its fee from the amount collected on behalf of the State. Furthermore, fees assessed by a 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.



**MANDATORY CONDITIONS:**

**Vendor submitting proposals must utilize the following format**

Name, address and telephone number of vendor and the individual responsible for being the point of contact with the State of West Virginia.

**Vendor must specify it meets the following criteria: (This information should be brief and concise.)**

Vendor is a full service collection agency capable of handling several classifications of accounts including, but not limited to, educational, medical and any other account assigned to it by the State of West Virginia and/or any of its spending units.

Vendor has a West Virginia business franchise registration certificate for each office it maintains in the State.

Vendor has filed the appropriate surety bonds with the West Virginia State Tax Commissioner. (This must be completed prior to any award.)

Vendor shall describe its experience and capability in providing the services needed and required by the State of West Virginia in collecting claims due. Vendor may provide examples of the usual type of services provided to its clients. Vendor must provide the name, address and telephone number of three (3) references.

Vendor must describe the services it will provide to the State of West Virginia and its spending unit. Vendor should elaborate on the methodology it would use to collect claims, the type of system it would use to track claims, etc. Vendor may offer examples of letters, reports, etc.

Vendor shall specify on the pricing page the fees it will assess for collecting claims in terms of a percentage. West Virginia State Code §46A-2-128 (C) provides that the maximum allowable fees (including attorney fees and collection costs) cannot exceed 33 1/3% of the debt actually collected. However, colleges and universities may pay an additional 5% of the debt actually collected being 38 1/3%. In addition, fees must remain in effect for the life of the purchase order and any renewal thereof.

**ORDERING PROCEDURE:**

Agencies must contact the lowest cost vendor for collection services. If the low-cost vendor is unable to perform the services at the time the agency makes contact, then, the agency may go to the next vendor, etc. until the agency is able to obtain the collection services required.

**AWARDS:**

Awards will be made to at least two low bidders of each type of collection listed on the pricing page. Agencies will be required to contact the low bidder first. If the low bidder is unable to collect the debt, unavailable or refuses, then the agency may go to the second low bidder.

**CONFIDENTIALITY:**

The vendor agrees that the vendor 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 in accordance with the mandates of West Virginia Code §11-10-5d or the disclosure is made pursuant to the agency's policies, procedures and rules and in compliance with the West Virginia Code §11-10-5d. Vendors should visit [www.state.wv.us/admin/purchase/privacy](http://www.state.wv.us/admin/purchase/privacy) for the Notice of Agency Confidentiality Policies.

HIPAA Business Associate Addendum: The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is hereby made part of this Request for Quotation.

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.

DEBT07  
Questions & Answers

1	Q	Are federal Perkins loans part of the portfolio?
	A	We do not request information from the various agencies on the type of debts to be collected.
2	Q	Will the awarded contract require all of the 22 listed entities to place accounts with the awarded agency/ies only?
	A	All West Virginia State agencies are generally required to use statewide contracts. Colleges and Universities are not required to use statewide contracts but may use them if they desire to do so.
3	Q	Will the selected agency/ies be required to market their services to each of the 22 listed entities and contract with each one individually?
	A	Each State agency will contact a provider of the debt collection service if the need arises.
4	Q	Can State agencies go outside of the selected agencies and contract on their own for collection services also?
	A	Under some conditions, this could be permitted – it is not the usual practice.
5	Q	Is the \$5,000.00 surety bond required to be submitted with the proposal or after contract award?
	A	Must be submitted and in force prior to any award.
6	Q	Is the collection agency fee to be an add-on fee, or is the fee a contingency and taken from the amount collected?
	A	It is deducted from the amount collected.
7	Q	The ordering procedure stipulates that “State Agencies must contact the vendors in alphabetical order for collection services”. The very next paragraph, Award, states “Agencies will be required to contact the low bidder first.” Can the State please clarify this process?
	A	The first “...alphabetical order” is an error and will be removed from the specifications. Agencies shall contact the low bidder first.
8	Q	If the alphabetical method is implemented, has the State any process in place to balance account placements with agencies whose name may be nearer the end of the alphabet rather than at the beginning?
	A	Refer to question 7.
9	Q	Can the State provide more descriptive background on each type of debt (Colleges & Universities; Worker’s Compensation; WV Department of Tax and Revenue; Division of Environmental Protection)?

DEBT07  
Questions & Answers

	A	This office has no additional information on the debt collections that might be needed.
10	Q	Can the State order the types of accounts by volume, from that agency placing the most accounts to the one placing the least number of accounts?
	A	The current contract required no reporting; therefore, we have no history of volume, collections, agencies using contract, or any other information not contained in the RFQ to share with bidders.
11	Q	Will the selected agencies be required to obtain a levy on new accounts for the Dept. of Tax and Revenue?
	A	If this question pertains to the Commissioner delegating authority to a 3rd party collector to execute levies on our behalf, the answer is no.
12	Q	For Worker's Compensation, what is the difference between a Delinquent Account and a Default Account?
	A	It will be for Delinquent Accounts only.
13	Q	For "Rate of Second Placement, " does the State want a rate for seconds for only Colleges, for each type of account on the pricing page, or one rate for all seconds?
	A	One rate for all seconds.
14	Q	Will the State be referring secondary placements for all accounts the same?
	A	Each agency would make that decision.
15	Q	When is the contract award date?
	A	The goal is 4/15/07 – The current contracts expire 4/14/07. We would like to have these awarded and vendors and agencies notified prior to 4/15/07.
16	Q	When is the contract start date?
	A	Refer to question 15.
		If applicable: a-e
17	Q	a. Who are the incumbents for each account type?
	A	All statewide contracts are available on our website at: <a href="http://www.state.wv.us/admin/purchase/swc/">http://www.state.wv.us/admin/purchase/swc/</a> If desired, each of the contracts may be reviewed by bidders.
18	Q	b. What return or liquidation have the incumbents returned to the State under the current contract?
	A	Refer to question 10.

DEBT07  
Questions & Answers

19	Q	c. Has the current contract gone full term?
	A	The current contracts have all gone full term (1 year with two one year renewals + a two month extension.)
20	Q	d. Has the State exercised all options to extend the current contract?
	A	Yes; but that is no guarantee that will be done in the future. Current contract usage is no guarantee of future contract use.
21	Q	e. How long have the incumbents been providing the requested services?
	A	Refer to question 19.
22	Q	Why is the contract out to bid?
	A	To obtain debt collection service for West Virginia State Agencies.
23	Q	What fees is the State currently paying for regular collections, secondary referrals, and litigation?
	A	Refer to question 17.
24	Q	What collection attempts does the State apply to account prior to placement?
	A	This could be different for each agency. Each of the agencies would determine their processes.
25	Q	If necessary, will accounts held by incumbents or any backing be moved to newly awarded agencies as a one-time placement at contract start up?
	A	No. The placements will be permitted to run their course. These contracts would be for new placements.
		If yes, please provide the following portfolio data in as much detail for each account type as possible, but at least in the aggregate: a-d
26	Q	a. Total dollar value of accounts:
	A	Refer to question 10.
27	Q	b. Total volume of accounts:
	A	Refer to question 10.
28	Q	c. Average balance of all accounts:
	A	Refer to question 10..
29	Q	d. Average age of accounts at time of contract award:
	A	This could be different for each agency.

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Questions & Answers

30	Q	Under the new contract, please provide the following portfolio statistics for each account type if available, but in the aggregate at least: a-d
	A	Refer to question 10.
31	Q	a. Dollar value of accounts to be placed monthly
	A	Refer to question 10.
32	Q	b. Volume of accounts to be placed monthly
	A	Refer to question 10.
33	Q	c. Average account age at time of placement
	A	Refer question 10.
34	Q	d. Average age of account dollar balance owed
	A	Refer question 10.
35	Q	Does the State plan on holding oral presentations or conduct site visits as part of their selection process?
	A	At this time, there are no plans for site visits or oral presentations.
36	Q	How many copies of each proposal is the State requesting to receive?
	A	One complete, signed quotation.
37	Q	Can an agency bid only on certain specific account types and not all?
	A	Yes; however, the lowest most complete bids shall be awarded contracts.
38	Q	Is it a possibility that the State can select only two qualified agencies if both collection agencies service all types of accounts listed on the pricing page?
	A	No – there will be a minimum of four vendors – the number of contracts awarded will be at the discretion of the Purchasing Division.
39	Q	Please supply the name of the current vendor(s)?
	A	Refer question 17.
40	Q	What is the commission rate(s) of the current vendor(s)?
	A	Refer question 17.
41	Q	Please provide historical placement and recovery information by year (dollars placed, dollars collected, dollars canceled, recovery percentage).
	A	Refer question 10.
42	Q	What were the percentages of all the bids by the current agencies?

DEBT07  
Questions & Answers

	A	Refer to question 17
43	Q	Will you send a copy of the current contract percentages from each vendor?
	A	Refer to question 17.
44	Q	What is the amount of placement?
	A	Refer question 10.
45	Q	What is the current recovery?
	A	Refer to question 10.
46	Q	What is the current vendor rate?
	A	Refer to question 17.
47	Q	In reference to item 4 of the General Terms & Conditions (the page between pages 1 and 2 of the RFQ), do agencies need to be registered to be considered for award or can agencies register after being notified of the State's intent to award?
	A	Registration is not required to bid; must be registered prior to award.
48	Q	In reference to item 6 of Instruction to Bidders (the page between pages 1 and 2 of the RFQ), how many copies of proposals are you requesting? If you are requesting more than one copy, should the original be labeled?
	A	Refer to question 36.
49	Q	In reference to Exhibit 3 on page 2 of the RFQ, what is the anticipated start date of a contract awarded through this RFQ? When do you anticipate awarding a contract?
	A	Refer to question 15.
50	Q	Could you please provide clarification regarding the Bonds section on page 11 (or 3) of the RFQ; are agencies (collection agencies responding to this RFQ) to supply a \$5,000 surety bond for each spending unit or for each of their (collection agencies) offices? In the case of the former, could you please provide a comprehensive list of spending units and their principal and branch offices? Are surety bonds required to respond to this RFQ or with a contract won through this RFQ?
	A	Prior to award, vendors must have the necessary surety bond(s) in place. For additional explanation, refer to:  <a href="http://www.legis.state.wv.us/WVCODE/47/WVC%2047%20%20-%2016%20%20-%20%20%204%20%20.htm">http://www.legis.state.wv.us/WVCODE/47/WVC%2047%20%20-%2016%20%20-%20%20%204%20%20.htm</a>

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Questions & Answers

51	Q	Could you please provide clarification regarding the Out-of-State Agencies section on page 11 (or 3) of the RFQ; are you requiring that agencies be located in and/or have an office in West Virginia? If not, please elaborate further on how and for what reason out-of-state agencies are restricted in their debt collection efforts? Please note that our agency, while not located in West Virginia, is capable of collecting debt throughout the United States and abroad for our Clients based throughout the country (including West Virginia).
	A	<b>Our understanding was that those restrictions were a part of WV Code.</b>
52	Q	In reference to the maximum allowable fees quoted on page 14 (or 6) of the RFQ (last paragraph), could you please provide sample calculations?
	A	The maximum allowable as a fee for colleges and universities is 33 1/3%. If the vendor awarded the contract incurred additional expenses, the vendor could charge an additional fee (not to exceed 5%) for such expenses for a total of 38 1/3%. BUT, any additional amount charged for such expenses must not exceed 5% of the money collected. Please refer to West Virginia Code 46A-2-128 for additional explanation at:  <a href="http://www.legis.state.wv.us/WVCODE/46A/masterfrmFrm.htm">http://www.legis.state.wv.us/WVCODE/46A/masterfrmFrm.htm</a>
53	Q	In reference to the statement "Vendor has filed the appropriate surety bonds with the West Virginia State Tax Commissioner" on page 14 (or 6) of the RFQ, where can vendors find more information about how to do this?
	A	Refer to West Virginia Code 14-1-8c  <a href="http://www.legis.state.wv.us/WVCODE/14/masterfrmFrm.htm">http://www.legis.state.wv.us/WVCODE/14/masterfrmFrm.htm</a>
54	Q	In reference to the Awards section on page 15 (7) of the RFQ, you state: "Awards will be made to at least two low bidders of each type of collection listed on the pricing page." Does this mean that the lowest bidders will be awarded contracts? Could you please provide information regarding the evaluation process as well as the evaluation criteria and the percentage value assigned to each?
	A	This is not a request for proposal where points are assigned. The low bidders meeting <b>mandatory specifications and requirements</b> shall be awarded contracts.



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Questions & Answers

55	Q	In reference to the Pricing Page on page 16 of the RFQ, can agencies bid on part of the debt (i.e. just Colleges & Universities)? Should agencies provide a fee for the Levy Accounts?
	A	We are unaware of any reason why the Levy accounts should be collected at a separate rate.
56	Q	If a debtor pays a spending unit directly as a result of collection agency efforts, will the agency be given credit for these payments?
	A	If the collection agency can prove to the agency's satisfaction that the payment was a direct result of the collection agency activity, the agency should pay the fee per the contract terms.
57	Q	Could you please provide more information regarding the type of debt that Colleges & Universities will be forwarding for collection? i.e. Perkins loans, tuition accounts, institutional loans, etc.
	A	Refer to question 10.
58	Q	What is the scope of your internal collections effort?
	A	Each agency's efforts could and probably are different.
59	Q	Could you please identify the current incumbents, length of service, and their current contingency fee percentages as awarded during the last contract term?
	A	Refer to question 17.
60	Q	What is the current annual volume of business that is placed with these agencies?
	A	Refer to question 17.
61	Q	Could you please provide the recovery statistics and results by each agency?
	A	Refer to question 10.
62	Q	Could you please provide a monthly summary of debt placements by debt type, number of accounts, average balance or total amount referred) for the previous (12) twelve months?
	A	Refer to Question 10
63	Q	What is the average age of the debts
	A	Refer to question 10.
64	Q	Will vendors be allowed to make a formal presentation to the decision-making committee?

DEBT07  
Questions & Answers

	A	No oral presentations at this time. No "decision-making committee" has been formed. Awards will be to low bidders meeting mandatory specifications.
65	Q	Are there any contract and/or agreements currently in effect at any state institutions and/or agencies, which may preclude a state institution or agency from taking advantage of the services covered under this award?
	A	Unknown
66	Q	Page 2 of the RFQ lists the spending units. Can you provide a general description of the types of debt that each spending unit has. Specifically, are the debts associated with the higher education spending unit student loans?
	A	Unknown
67	Q	Will the State provide estimated amounts of outstanding debt to be managed under this contract?
	A	Not available.
68	Q	Page 4 of the RFQ states that collection agency will only have 180 days before returning uncollected debts to the state agency. Will the State consider lengthening this requirement for accounts that go through litigation?
	A	Each would be judged on the merits of the case.
69	Q	Page 5 of the RFQ states that uncollected debts may be referred to the Attorney General's Office for litigation. Would it be acceptable to the State if the collection agency pursued litigation prior to returning the debt as uncollected?
	A	No
70	Q	Page 7 of RFQ states that any collection agency doing business with any State Agency bound by HIPPA must sign the Attachment. Does this mean that the collection agency must be fully HIPPA complaint? If yes, would the State be open to a collection agency collecting only on behalf of those State agencies not bound by HIPPA?
	A	No. Contract awards will be made only to bidders bound by HIPPA.
71	Q	Is there a personal liability for the debt (responsible party who is an individual) for each category of debt?
	A	Unknown
72	Q	Does the Department of Revenue plan to include non-specified debt in this collection process and are there any known timeframes for doing so?

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	A	Unknown
73	Q	In reference to the General Terms & Conditions, requirement number four, please clarify when the chosen vendor is required to register with the Purchasing Division and to pay the \$125 registration fee.
	A	Successful vendor(s) must be registered prior to contract award.
74	Q	Please elaborate on the Vendor Preference Certificate requirements.
	A	West Virginia vendors may be eligible for Resident Vendor Preference points. There are two sections to this preference, each with a value of two and one-half points. If a West Virginia vendor were eligible for both, and an out-of-state vendor is the low bidder, the out-of-state bid would be multiplied by 1.05. If the out-of-state bidder remained the lowest bid, award would be made to that out-of-state vendor. This preference is not used between West Virginia vendors.
75	Q	How many hard copies of the RFQ response does the State of West Virginia require?
	A	One
76	Q	Will each contract be awarded separately?
	A	Yes
77	Q	What are the current rates being offered for each contract to the State of West Virginia?
	A	Refer to question 17.
78	Q	How many hard copies are required?
	A	One
79	Q	Is an electronic copy required, and if so what is the desired file format?
	A	Not required
	Q	Regarding RFQ page 3: FULL-SERVICE COLLECITON REQUIREMENTS AND PROCEDURES – Placements, 2nd Paragraph reads: “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.” In order to assess the scope of work and calculate the best pricing for the State of West Virginia, what is the average age at the time of placement of accounts with the collection agencies for each of the debt categories?
	A	Unknown – could be different for each agency.

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80	Q	According RFQ page 3: FULL-SERVICE COLLECITON REQUIREMENTS AND PROCEDURES – Placements, 3rd a transmittal letter is sent when the account is placed. What is the media of placement used; Hard copy, electronic files, etc.?
	A	Unknown – different methods may be used for each agency.
81	Q	Regarding RFQ page 5: LITIGATION, 1 <sup>st</sup> paragraph: Is a State of West Virginia litigation referral form used or is it a form created by the contractor? Is this form the same for each spending unit? Is the form sent on paper or electronic file transfer? Can the State of West Virginia provide a sample copy of the form currently being used?
	A	Unknown – each agency acts autonomously in their debt collection.
82	Q	Regarding RFQ page that follows page 7 (not numbered): In order to provide the State of West Virginia with the most beneficial pricing, can the State provide historical placement figures (number and dollar amounts of accounts placed) for each of the six (6) account type categories listed?
	A	Refer to question 10
83	Q	How frequently do you anticipate placing accounts with the selected vendors?
	A	Unknown – simply as required by any state agency.
84	Q	How many accounts do you anticipate placing with the awarded vendors for each account classification?
	A	Unknown
85	Q	What is the average balance of accounts being placed for each account classification?
	A	Refer to question 10
86	Q	What are the current vendor's historical recovery percentages (liquidity) on the State's accounts over the last three years broken down by spending unit?
	A	Refer to question 10
87	Q	Which account classifications or state agencies will be placing Protected Health information?
	A	Unknown
88	Q	Can vendors respond with a proposed fee rate on individual account types or do you require that vendors bid on all account types? For example can a vendor bid on just the Colleges and Universities?
	A	Yes, but the lowest most complete bids shall be awarded contracts.

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89	Q	From the list of spending units within the RFQ, can the State please clarify which of the six agencies the West Virginia Department of Transportation (DMV), West Virginia Dept of Health and Human Services, West Virginia Division of Highways, and Barboursville Veterans Home fall under on the Pricing page in the RFQ? Are they all "Other Spending Units"?
	A	Any West Virginia State agency not listed would fall under "Other Spending Units".
90	Q	If a vendor is chosen for Colleges and Universities and Workers Comp., would there ever be an instance where they may receive accounts from any of the other categories such as Tax, DEP, or Other?
	A	The intent is that others would not use that agency; however, under certain circumstances, that could be done.
91	Q	In the General Terms and Conditions, item #4, will the state release a notice of intent to award giving awarded vendors a specific time period to register with the Purchasing Division and pay the required \$125.00 fee, or is it required that this be completed prior to submitting the bid?
	A	Fee must be paid prior to contract award.
92	Q	In the General Terms and Conditions, item #10, "HIPAA Business Associate Addendum.....is hereby made part of this agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR § 160.103) and will be disclosing Protected Health Information (45 CFR § 160.103) to the vendor." Additionally, on page 7 of the RFQ, under Confidentiality, "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." Does the State mean that if vendors are allowed to bid on spending units consisting of Agencies that do not meet the definition of a Covered Entity, is not bound by the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and will not be disclosing Protected Health Information that the vendor then does not need to sign the HIPAA Business Associate Addendum?
	A	Any bidder who wishes to be considered for an award must sign the HIPPA Addendum.

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93	Q	In the General Terms and Conditions, Instructions to Bidders, #2. "Specifications ...Any deviation from the specifications must be clearly indicated by the bidder." If a vendor is not bidding on all spending units and is not required to sign the HIPAA Business Associate Addendum, will the vendor need to state these exceptions on the Certification form where it states, "By submitting a signed bid for DEBT07.....vendor hereby certifies under penalty of fraud that all mandatory specifications contained in the Request for Quotation are met."?
	A	HIPPA is required for an award. The certification (with no exceptions) must be signed and submitted prior to an award.
94	Q	Will a vendor lose points by not bidding on all spending units or not bidding on spending units that require a vendor to sign the HIPAA Business Associate Addendum?
	A	There are no "points". This is not a request for proposal; it is a request for quotation. HIPPA must be signed.
95	Q	In the RFQ on page 3 under Full-Service Collection Requirements and Procedures, "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". Can the State please clarify the collection actions that are performed prior to placement for each spending unit or Agency?
	A	Those are at the discretion of the agency.
96	Q	In the RFQ on page 7 under Ordering Procedure, "Agencies must contact the vendors in alphabetical order for collection services. If vendor A is not the low cost or unable to perform the services at the time the agency makes contact, then the agency may go to the next vendor, etc. until the agency is able to obtain the collection services required. Can the State please clarify this statement? Is this strictly on initial placements or will the agencies be able to place accounts based on vendor performance?
	A	This was an error; agencies must contact the collection agencies with the lowest cost, moving up the list if that collection agency cannot/does not make collection.
97	Q	How does the State intend to rank proposals and select vendors?
	A	Vendors awarded contracts will be ranked by cost.

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98	Q	Will vendors be selected only for certain spending units or are all awarded vendors expected to be available to collect for any spending unit that requests their services?
	A	While certain agencies are assigned, under certain circumstances, any state agency could use any collection service.
100	Q	Can the State please clarify how you would like vendors to organize their bid response?
	A	The bid should be: Completion of the pricing page, signed HIPPA, include signed Affidavit and signed certification. Bidders should include information on mandatory requirements – short and direct remarks that the specification is met.
101	Q	What are the physical security requirements for the collector's work area?
	A	We impose no requirements on this aspect of the debt collector.
102	Q	Do they require CCTV monitoring of the work area?
	A	No
103	Q	Do the systems on which the data resides need to be physically segregated within our data centers?
	A	The information must be held secure and unaccessible to any other clients of your firm.
104	Q	How will data be provided to the vendor(s)?
	A	Each agency will make that determination.
105	Q	Do they have a secure FTP solution in place?
	A	Unsure if all agencies would have FTP solution in place. Certainly, some of the agencies would use this method.
106	Q	What encryption methods do they support?
	A	Unknown – could be different for each agency.
107	Q	What is the timeframe for the reporting of disclosures?
	A	The collection agencies would be expected to bind their representatives/employees and be prepared to send documentation of such if and when requested.
108	Q	Who are disclosures reported to?
	A	To agency who requests such disclosures.
109	Q	What are the acceptable retention methods for disclosures to be retained for the 6 year period?

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	A	Electronic method – if back-up system ensures no loss of data would be acceptable.
110	Q	Are there any monitoring requirements to allow the State to monitor collector activity?
	A	No.
111	Q	Are their specific monitoring requirements for system and security activity?
	A	Some agencies may require.
112	Q	What are the retention periods for system and security activity logs?
	A	Six years – same as for all details of the collection activity.
113	Q	What types of audits does the State perform and what is the frequency?
	A	The State could perform audits of any aspect of the resulting contracts. No published schedule of audits planned.
114	Q	Does this RFP include the collection of NSF checks? If it does, could an NSF check recovery company be selected in addition to the collection agency?
	A	At this time, we have no information on NSF. If NSF check recovery company bids, we will make a decision as to an award for NSF only.
115	Q	In addition to an original response, how many copies should we submit?
	A	One original is all that is required.
116	Q	Are electronic responses with an Adobe attachment accepted?
	A	Preference is for hard copy. If your Adobe attachment should fail, you would in effect, have “no bid” submitted. Restrict information submitted to specifically addressing the mandatory specifications – not fluff. If additional information is needed, bidder(s) will be contacted.
117	Q	Does the out-of-state responding agency need to contact and gain permission from the West Virginia Secretary of State to become the agency’s resident agent?
	A	No – The Department of Tax and Revenue compile the list of vendors who are licensed and bonded to collect debts for the State of West Virginia.
118	Q	Who are the current collection agencies for the State and what are their fees?
	A	Refer to question 17.



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119	Q	May the responding agency include pre-collection and other ancillary programs with their response?
	A	You may; not required. Please make your remarks brief and concise.
120	Q	Does the State have a specific legal form agencies must provide when closing and returning accounts? If so, can you provide a copy/example?
	A	No; each agency could use a different format.
121	Q	Please clarify how State agencies are to contact contracted vendors. It's stated under "Ordering Procedures" that State agencies must contact vendors in alphabetical order, but under "Awards" it's stated that contact will be made to the lowest bidder first.
	A	Each agency shall make the decision on how the contracted vendors are contacted. Note: The "alphabetical" was an error and has been corrected in the "Final Specifications" – see attached.
122	Q	Can the total amount(s) assigned to agencies and total dollars collected by the current collection agencies be provided? If so, can these amounts be provided by type: education, medical, taxes, all others?
	A	Refer to question 10
123	Q	Does the State have an estimated contract award and start date?
	A	No
124	Q	In reference to the types of accounts to be referred, what are the estimated volume and dollar value associated with each business unit (22 spending units)? If all are not know, of the ones that are known or estimated based on pricing sheet categories.
		a. What are the estimated annual/monthly placements?
	A	Refer to question 10.
		b. What is the average age of the accounts to be placed?
	A	Refer to question 10.
125	Q	What are the current recovery rates of the accounts currently being outsourced (dollars collected) per year? Please include the volume and dollars of the placements.
	A	Refer to question 10.

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126	Q	What are the current rates of your primary vendor (lowest rate) is charging for each business type?
	A	Refer to question 17.
127	Q	If the contract is awarded to a different vendor than currently contracted, will you recall accounts listed with the current vendor and forward those accounts to the new vendor?
		a. If so, what is the overall volume of these accounts (number and dollar amount) that you anticipate would be referred to collections from the current vendor?
	A	Current vendors will be permitted to "run the course" with the accounts listed under the current contract.
128	Q	Is there a point or percentage value, other than price, that will be used to rank the responsiveness to the RFQ? If so please provide.
	A	No; awards will be made to lowest cost vendor(s) meeting mandatory specifications.
129	Q	Is the RFP available in word format so that we can follow the requested format and complete the Form of Proposal?
	A	This is not a request for proposal. No lengthy response is required.
130	Q	Who is currently performing collection services for the State of West Virginia for the different debt types?
	A	Refer to question 17.
131	Q	Please identify the average balance for each type of account placed for each debt type.
	A	Unknown
132	Q	What are the fees of the current agencies for first, second, and legal placements for each type of account for each debt type?
	A	Refer question 17.
133	Q	What are the average recoveries by your current collection agencies on delinquent workman's comp accounts, student loans, student receivable accounts, and physician and hospital accounts placed for collection – both first and second placements?
	A	Refer to question 10.
134	Q	What do you like about working with the incumbent(s)?

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	A	The Purchasing Division bids and awards contracts for the state agencies use. The Purchasing Division does not actually "work with" the incumbents.
135	Q	What do you dislike about working with the incumbent(s)?
	A	Refer to question 134.
136	Q	How many agencies to you anticipate contracting with as a result of this RFP?
	A	Unknown
137	Q	Can collection agencies just bid on the College and University accounts?
	A	Yes, but lowest, most complete bidders shall be awarded contracts.
138	Q	Does this State Contract supersede the University of West Virginia bid that (that can be piggy-backed by other state schools) that was issued late 2004/early 2005?
	A	No
139	Q	What types of debts fall under "Other Spending Units"?
	A	Unknown
140	Q	How important is the rate in terms of scoring?
	A	No score; this is not a request for proposal.
141	Q	It is stated the 2 low rates automatically get awarded in each category; are services that produce a high rate of recovery scored with equal value?
	A	This is not a scoring situation; award to lowest bidders meeting mandatory specifications.
142	Q	Does good performance also get rewarded or is rate the only thing that matters most?
	A	This is not a scoring situation; award to lowest bidders meeting mandatory specifications.
143	Q	Is the insurance from the assigned risk pool only or from other areas too?
	A	Unknown
144	Q	Who are the current collection vendors performing these services?
	A	Refer to question 17.
145	Q	What fee rates are these vendors charging for their services?

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	A	Refer to question 17.
146	Q	What recovery rates are these vendors returning?
	A	Refer to question 10.
147	Q	What percentages of accounts are litigated for each debt type?
	A	Unknown
148	Q	Will there be a vendor conference? If yes, when and where?
	A	Refer to question 35.
149	Q	Will you require oral presentations from vendors before a decision is made? If yes, when and where?
	A	Refer to question 35.
150	Q	What is the point or percentage value for each evaluation criterion?
	A	Refer to question 141.
151	Q	Will you allow vendors to designate parts of their responses as proprietary?
	A	Bidders may always designate portions of their response as proprietary. However, if a file is requested for review under the Freedom of Information Act, the information may be seen by others.
152	Q	Would you like vendors to attach copies of their audited financial statements?
	A	No
153	Q	When and how do you plan to announce the award decision?
	A	The successful bidders will be awarded and mailed contracts. Those not awarded will receive a letter (both via fax and USPS) indicating they were not successful.
154	Q	Will you accept a list of the required licenses, bonds and their numbers, in place of copies?
	A	No
155	Q	Will you require HIPPA Compliance?
	A	Yes
156	Q	When will the contract be awarded?
	A	As soon as the bids are evaluated after the bid opening date. Contract shall not start before the expiration of current contracts.
157	Q	How will placements be distributed between the selected vendors?

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	A	Agencies will be directed to use the lowest cost vendor who is available to perform their collection service.
158	Q	Can two (2) vendors from the same parent company bid?
	A	We place no restrictions on vendors who meet the mandatory specifications bidding.
159	Q	Must the vendor have an office in/near your location?
	A	No
160	Q	Does location make a difference in scoring?
	A	No – no scoring
161	Q	Are there any rate guidelines for vendors?
	A	No – only those maximums as allowed by West Virginia code.
162	Q	Your fee is capped at 33 1/3% (38 1/3% for colleges and universities). Do you have a sliding scale to evaluate the proposed fees? If yes, please provide this scale.
	A	No
163	Q	May vendors accept monthly payment plans in order to retain the accounts?
	A	Yes, if the payments are made monthly.
164	Q	Who determines that an account is uncollectible?
	A	The State Agency may make that determination. If you have an account that you feel is uncollectible, you should contact the agency.
165	Q	How long after the contract is terminated will paying and legal accounts remain open with the selected vendor?
	A	The length of time that is allowed for the type of collection that has been placed with the collection agency.
	Q	For each type of debt to be placed:
166	Q	a. What is the estimated annual placement volume in dollars?
	A	Refer to question 10.
167	Q	b. What is the average balance of accounts in each category?
	A	Refer to question 10.
168	Q	c. What is the estimated placement total, per agency, by debt type?
	A	Refer to question 10.

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169	Q	d. Will there be an initial one time dump?
	A	Not planned; agency may make a decision to move some collections.
170	Q	e. What is the estimated monthly placement volume in dollars for each vendor? How many accounts?
	A	Refer to question 10.
171	Q	f. What is the estimated delinquent amount?
	A	Refer to question 10.
172	Q	g. What is the expected liquidation rate for each debt type?
	A	Unknown
173	Q	How old are accounts and when are they placed?
	A	Could vary based on State Agency policies, workload, etc.
174	Q	What collection activity is performed on each debt type prior to placing with an outside vendor?
	A	Unknown – Could be different for each agency.
175	Q	Besides the debt types listed in the RFP, are there any others that you might be placing, either now or in the future? If yes, what are they?
	A	Unknown
176	Q	What is the average balance?
	A	Refer to question 10.
177	Q	What are the anticipated volumes?
	A	Refer to question 10.
178	Q	What are your historical liquidation rates on these types of accounts once placed with a vendor?
	A	Refer to question 10.