



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
DEBT10

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
JO ANN ADKINS 304-558-8802

VENDOR

RFQ COPY
 TYPE NAME/ADDRESS HERE

SHIP TO

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

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
08/30/2010				

BID OPENING DATE: 09/08/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
***** ADDENDUM NO. 1 *****						
1. DEBT10 PRICING PAGE, REVISED AND ATTACHED.						
2. QUESTION AND ANSWERS, ATTACHED.						
3. END OF QUESTION AND ANSWER PERIOD.						
***** END OF ADDENDUM NO.1 *****						
0001	1	%		946-33-99-000		
DEBT COLLECTION SERVICE						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS			
SIGNATURE	TELEPHONE	DATE	
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE	

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. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, 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.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at www.state.wv.us/admin/purchase/vrc/hipaa.htm and is hereby made part of the agreement. Provided that the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
14. **CONFIDENTIALITY:** The vendor agrees that he or she 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/noticeConfidentiality.pdf>.
15. **LICENSING:** Vendors 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, and the West Virginia Insurance Commission. The vendor must provide all necessary releases to obtain information to enable the director or spending unit to verify that the vendor is licensed and in good standing with the above entities.
16. **ANTITRUST:** In submitting a bid to any agency for the State of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will 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 the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, or person or entity submitting a bid for the same material, supplies, equipment or services and is in all respects fair and without collusion or Fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. 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. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. 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: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.R. §148-1-6.6).



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 Purchasing Division
 2019 Washington Street East
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LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** THIS IS THE END OF RFQ DEBT10 ***** TOTAL:						

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DEBT10 - PRICING PAGE

VENDOR MUST COMPLETE THIS SCHEDULE

**THE FEE STRUCTURE SUBMITTED TO THE STATE OF WEST VIRGINIA IS
AS FOLLOWS:**

AGENCY	TYPE OF ACCOUNT	% OF AMOUNT COLLECTED
1. Colleges & Universities:	Per Debt	
2. Worker's Compensation:	Default Account	
3. WV Department of Tax and Revenue:	New Accounts	
	Levy Account - where our employee is instrumental in the preparation of the levies.	
4. Division of Environmental Protection:	Per Debt	
5. Other Spending Units:	Per Debt Colleges	
6. Rate of Second Placement	Per Debt Colleges	

BIDDER CONTACT INFORMATION

Vendor: _____

Bidder Name (Print): _____

Contact Name (Print): _____

Phone: _____ Fax: _____

E-mail: _____

Bidders Signature: _____

DEBT10

Questions and Answers

1Q	Have all of the current incumbents received placements? If not, which have?
1A	Not available
2Q	Why did you remove second placements from the contract since they were included in 2007?
2A	DEBT10 Pricing Page has been revised and includes second placement
3Q	Have you required reporting from vendors since 2007 and can you share any historical data about the contract?
3A	Year to date the State of West Virginia have received invoices from the DEBT07 vendors at approximately \$200,000.00
4Q	What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?
4A	See 3A
5Q	What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?
5A	This office has no information on the debt collections that might be needed.
6Q	What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?
6A	See 5A
7Q	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?
7A	Not available
8Q	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?
8A	No. The placements will be permitted to run their course. These contracts would be for new placements.
9Q	Will the two low bidders for each category receive a contract award?
9A	See 44A
10Q	Will you be holding a BAFO process?

DEBT10
Questions and Answers

10A	Only in the event of tie bids.
11Q	Who is the current vendor?
11A	Current vendors are listed at: www.state.wv.us/admin/purchase/swc click on DEBT
12Q	Is the collection agency fee to be an add-on fee, or is the fee a contingency and taken from the amount collected?
12A	It is deducted from the amount collected.
13Q	If applicable, how long has the current vendor been under contract?
13A	The current contracts have gone full term (1 year with two(2) one year renewals)
14Q	If applicable, what is the current vendor's overall collection rate?
14A	This office does not have this information.
15Q	If applicable, what fee is charged by the current vendor?
15A	Colleges & Universities 7.5% and 9.0% Workers Compensation (default) 1.9% and 7.5% WV Dept of Tax & Revenue (new acct) 6.24% and 6.49% WV Dept of Tax & Revenue (levy acct) 1.0% and 4.24% Division of Environmental Protection 7.5% and 7.9% Other Spending Units 7.5% and 8.48%
16Q	If applicable, how much has been paid annually to the current vendor in fees for their services since contract inception?
16A	See 3A
17Q	How many dollars have been collected by the current vendor and over what period of time?
17A	See 3A
18Q	Does the current vendor provide legal/litigation services?
18A	No
19Q	What is the anticipated start up date for the contract?
19A	September 15, 2010
20Q	What is the anticipated award date for the contract
20A	Prior to September 15, 2010
21Q	Is the selected Service Provider required to have a local office?

DEBT10
Questions and Answers

21A	No
22Q	What, if any, historically underutilized (or minority/female owned) business policies apply to this RFP? What are the specific terms/provisions?
22A	The State of West Virginia applies preference to in-state vendors. In State vendors can submit a vendor preference certificate
23Q	What are the in-house collection methods used on the referred accounts prior to turnover to the selected vendor?
23A	Not available
24Q	Will accounts held by the current vendor (backlog) be moved to the selected vendor?
24A	See 8A
25Q	Will the location of the proposer's facilities (call centers, main offices, etc.) have bearing on the award? If yes, to what extent
25A	No
26Q	What is the age of the oldest accounts in the portfolio?
26A	Unknown
27Q	Is the selected Service Provider required to provide bankruptcy services on accounts that are subject to bankruptcy proceedings?
27A	No
28Q	Does the current vendor provide bankruptcy services on accounts that are subject to bankruptcy proceedings?
28A	No
29Q	Why are proposal being sought at this time?
29A	The current contract is due to expire and debt collection service is needed.
30Q	Regarding the Department of Taxation - could you please clarify what type of taxes will be placed for collection?
30A	Not available
31Q	Is an "add on" fee allowed for collection of accounts from the Department of Taxation?
31A	No, see 12A
32Q	Who is the incumbent vendor that provides these services?

DEBT10
Questions and Answers

32A	See 11A
33Q	What is the estimated value of this contract?
33A	See 3A
34Q	Why is the contract out for bid at this time?
34A	See 13A
35Q	Will accounts be primary placements, not having been serviced by any other outside collection agency or law firm?
35A	See 2A
36Q	What is the historical average age of accounts at placement by category if relevant or possible
36A	Not available
37Q	What is the anticipated monthly account placement?
37A	Not available
38Q	What is the anticipated monthly dollar placement to be referred?
38A	Not available
39Q	What is the average balance of account?
39A	Not available
40Q	What areas, processes and/or results are you looking to improve or enhance under this new contract?
40A	Quarterly reports and annual summaries are mandatory for all awarded vendors. Non submittal of these required reports will be grounds for contract termination.
41Q	Historical rate of return or liquidation rate either provided by any incumbent(s) or anticipated as a result of this procurement?
41A	Not available
42Q	What bearing will the vendor's location have on award of contract?
42A	None

DEBT10
Questions and Answers

43Q	What is the current fee being charged for services?
43A	See 15A
44Q	How many agencies will be selected?
44A	Two per Type Account

45Q	What is the average balance of a College or University Student Loan?
45A	No available
46Q	What is the average balance on accounts for all other spending units?
46A	Not available
47Q	Will the agencies fees need added to the amount of all spending unit accounts?
47A	See 12A
48Q	Will the spending units accounts be loaded onto the Collection agencies system or will the agency log onto the State spending units system to work accounts?
48A	This office does not utilize this contract, therefore we do not have this information.
49Q	Can the State give a breakdown by percentages of the types of account that will be submitted by the different spending units and/or by the agencies listed on the Pricing Page?
49A	Not available
50Q	Can the State disclose who are the current vendors for the State and give their pricing?
50A	See 15A
51Q	Will agencies be permitted to bid on specific segments of the State's portfolio (i.e. university debt only, tax debt only, etc.)?
51A	Yes
52Q	Can agencies propose fee rates on individual segments of the State's portfolio? For example, can an agency submit fee rates for university debt if that is the only segment of debt they are proposing to collect?
52A	Yes
53Q	RFQ page 14: The RFQ states that " <i>The West Virginia State Government HIPAA Business Associate Agreement (BAA), approved by the Attorney General, is hereby made part of the Request for Quotation. Any Collection Agency doing business with any State Agency that is bound by the Health</i>

	<i>Insurance Portability and Accountability Act of 1996 (HIPAA) must sign the attached agreement and return prior to award.” Please confirm that an agency that bids on a segment of the State’s portfolio that is not bound by HIPAA (non-medical related debt), are therefore not required to sign and return a BAA.</i>
53A	Bidders must sign the HIPPA form
54Q	On average, how many accounts (including dollar amount) do State Agencies place with vendors on a yearly basis?
54A	See 3A
55Q	What are the current vendors’ historical recovery percentages (liquidity) on
55A	See 3A
56Q	West Virginia Code Ann. §§46A-2-128(c), which regulates debt collector conduct, states the addition of the debt collector’s fee or charge for services is a violation of the statute and that reasonable collection costs and charges for the collection of higher education loans may be recovered when the terms of the obligation so provide. This implies that if the debt collector adds the collection costs after the account is placed, a violation could be found. In the collection industry, the best practices approach to avoid such a violation is for the Creditor to provide collection cost amounts in the placement (separately itemizing principal, interest, collection costs and any other amounts). Will West Virginia employ this practice with its awarded collection agency vendors? If not, how will West Virginia alert awarded vendors as to when collection costs should be assessed to accounts?
56A	Accounts are managed by individual agencies.