



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

Purchase Order

PURCHASE ORDER NO.
 DEBT04A

PAGE
 1

04 ^{D 3}
^{R 691}

BLANKET RELEASE
 00

CORRECT PURCHASE ORDER NUMBER
 MUST APPEAR ON ALL PACKAGES,
 INVOICES, AND SHIPPING PAPERS.
 QUESTIONS CONCERNING THIS PUR-
 CHASE ORDER SHOULD BE DIRECTED
 TO THE BUYER AS NOTED BELOW.

CHANGE ORDER

**SEE REVERSE SIDE FOR
 TERMS AND CONDITIONS**

Purchasing Division's File Copy

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

*709064756 713-776-6839
 GC SERVICES LIMITED PARTNERSHI
 6330 GULFTON
 HOUSTON TX 77081

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

DATE PRINTED	TERMS OF SALE	FEIN/SSN	FUND
01/22/2004	NET 30	760199626	
SHIP VIA	F.O.B.	FREIGHT TERMS	ACCOUNT NUMBER
BEST WAY	DESTINATION	PREPAID	MUL-MUL

LINE	QUANTITY	UOP	VENDOR ITEM NO.	UNIT PRICE	AMOUNT
	DELIVERY DATE	CAT. NO.	ITEM NUMBER		
0001	11/30/2003	JB	946-33-99-000	.00000	
	DEBT COLLECTION SERVICE				
	STATEWIDE CONTRACT				
	TO COLLECT DEBTS ON BEHALF OF THE STATE OF WEST VIRGINIA AND/OR ITS SPENDING UNITS PER THE ATTACHED SPECIFICATIONS.				
	RETURNED TO BUYER DATE: 2/24/04				
	MICROFILMED FEB 24 2004				
	WV STATE PURCHASING DIVISION ADMINISTRATION UNIT CERTIFIED ENCUMBERED FEB 11 2004 Beverly Toler				
	ENTERED				

IF APPROVAL AS TO FORM IS REQUIRED BY ATTORNEY GENERAL, CHECK HERE *NEW 1-23-4*

APPROVED FOR ONE FISCAL YEAR
Dan Wayfield
 APPROVED AS TO FORM BY ASSISTANT ATTORNEY GENERAL

EVAN WILLIAMS
 BY *[Signature]*
 PURCHASING DIVISION AUTHORIZED SIGNATURE

OPEN END

TOTAL
 304-558-2316

2/2/04

**GENERAL TERMS & CONDITIONS
PURCHASE ORDER/CONTRACT**

1. **ACCEPTANCE:** Seller shall be bound by this order and its terms and conditions upon receipt of this order.
2. **APPLICABLE LAW:** 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.
3. **NON-FUNDING:** All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the terms 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.
4. **COMPLIANCE:** Seller shall comply with all Federal, State and local laws, regulations and ordinances including, but not limited to, the prevailing wage rates of the WV Division of Labor.
5. **MODIFICATIONS:** This writing is the parties final expression of intent. No modification of this order shall be binding unless agreed to in writing by the Buyer.
6. **ASSIGNMENT:** Neither this Order nor any monies due, or to become due hereunder may be assigned by the Seller without the Buyer's consent.
7. **WARRANTY:** The Seller expressly warrants that the goods and/or services covered by this Order will: [a] conform to the specifications, drawings, samples or other description furnished or specified by the Buyer; [b] be merchantable and fit for the purpose intended; and/or [c] be free from defect in material and workmanship.
8. **CANCELLATION:** The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the Seller.
9. **SHIPPING, BILLING & PRICES:** Prices are those stated in this order. No price increase will be accepted without written authority from the Buyer. All goods or services shall be shipped on or before the date specified in this Order.
10. **LATE PAYMENTS:** Payments may only be made after the delivery of goods or services. Interest may be paid on late payments in accordance with the *West Virginia Code*.
11. **TAXES:** The State of West Virginia is exempt from Federal and State taxes and will not pay or reimburse such taxes.
12. **RENEWAL:** 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.

BLANKET PURCHASE ORDER - DEBT04

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.

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.

These spending units are:

Marshall University
Huntington, West Virginia

West Virginia State College
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, West Virginia

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 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 and the only contacts with residents of this State for the collection of debts is by letters and telephone calls, 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 15th 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 15th 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

Balance 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.

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 the information requested on.

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:

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 maintains an office within the State of West Virginia, specifying its location, including address and telephone number. If multiple offices are located within the State, please list each location, address and telephone number.

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.

Vendor will describe its experience and capability in providing the services needed and required by the State of West Virginia in collecting claims due it. 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 will describe in detail the services it will provide to the State of West Virginia and its spending. 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 will specify 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 low bidder (#1 in the table below) for their agency first. If this vendor is unable to perform the service, the agency should go to the second low bidder (#2 in the table below).

	Tax	Colleges and Universities	Workers Comp.	DEP	Other
GC Services	1				
OSI	2	1		1	1
MSB		2	2	2	2
Risk Management			1		

PURCHASING CONTINUATION SHEET

Buyer:	Page	Req. or P.O. No.:
Spending Unit:		

Vendor:

LIFE OF CONTRACT: This contract becomes effective on February 15, 2004 and extends for a period of one (1) year or until such "reasonable time" thereafter as is necessary to obtain a new contract or renew the original contract. The "reasonable time" period shall not exceed twelve (12) months. During this "reasonable time" the vendor may terminate this contract for any reason upon giving the Director of Purchasing 30 days written notice.

Unless specific provisions are stipulated elsewhere in this contract document, the terms, conditions, and pricing set herein are firm for the life of the contract.

RENEWAL: This contract may be renewed upon the mutual written consent of the Spending Unit and Vendor, submitted to the Director of Purchasing thirty (30) days prior to the expiration date. Such renewal shall be in accordance with the terms and conditions of the original contract and shall be limited to two (2) one (1) year periods.

CANCELLATION: The Director of Purchasing reserves the right to cancel this contract immediately upon written notice to the vendor if the commodities and/or services supplied are of an inferior quality or do not conform to the specifications of the bid and contract herein.

OPEN MARKET CLAUSE: The Director of Purchasing may authorize a Spending Unit to purchase on the open market, without the filing of a requisition or cost estimate, items specified on this contract for immediate delivery in emergencies due to unforeseen causes (including but not limited to delays in transportation or an unanticipated increase in the volume of work).

QUANTITIES: Quantities listed in the requisition are approximations only, based on estimates supplied by the State Spending Unit. It is understood and agreed that the contract shall cover the quantities actually ordered for delivery during the term of contract, whether more or less than the quantities shown.

ORDERING PROCEDURE: Spending Unit(s) shall issue a written State Contract Order (form number WV-39) to the Vendor for commodities covered by this contract. The original copy of the WV-39 shall be mailed to the Vendor as authorization for shipment, a second copy mailed to the Purchasing Division, and a third copy retained by the Spending Unit.

DEBT04 BID SCHEDULE

C. FOR THE WV DEPARTMENT of TAX and REVENUE:

New accounts * % of amount collected per debt *10.9
Levy accounts-where our employee is instrumental
in the preparation of the levies ** % of amount **9.0
collected per debt