

ADDENDUM NO. 1

This Addendum No. 1 is issued for the Statewide Collection Services for Court-Ordered Debt, which was issued on April 30, 2004.

Summary of this Addendum:

- The Key Date for the Letter of Intent from Proposer to Participate in the Pre-Proposal Conference has been changed to May 21, 2004;
- Clarify how proposals from joint ventures or partnerships need to be submitted;
- Change the Minimum Qualification for collection services revenue from \$10M to \$3M;
- Update Appendix D with additional information;
- List the questions asked of this solicitation with answers.

The Administrative Office of the Courts has issued each page in this Addendum package to allow for full replacement of existing pages in the RFP document. Changes or additions to the text are in red-lined form for easy identification.

The following pages are hereby replaced: 3, 7 and 8.

Appendix D is hereby replaced with Appendix D, Revision 1.

II PROCUREMENT AND EVALUATION PROCESS

2.1 Procurement Schedule and General Instructions

The AOC has developed the following list of key events from RFP issuance through contract negotiations. All deadlines are subject to change at the AOC’s discretion.

<u>No.</u>	<u>EVENTS</u>	<u>Key Dates</u>
1	Issue RFP	April 30, 2004
2	Letter of Intent from Bidder-Proposer to Participate in Pre-Proposal Conference	May 14 21, 2004, 5 pm
3	Pre-Proposal Conference	June 2, 2004, 10:00 am – 12:00 pm
4	Deadline for Vendor Requests for Clarifications, Modifications or Questions	June 11, 2004, 5 pm
5	Clarifications, Modifications and/or Answers to Questions posted on Courtinfo website noted in <u>Section 2.1.1</u>	June 21, 2004, 5 pm
6	Proposal Due Date and time	July 13, 2004, 1 pm (Pacific Time)
7	Negotiations (estimated)	July & August 2004
8	Notice of Intent to Award (estimated)	August 23, 2004
9	Notice of Award (estimated)	August 27, 2004

2.1.1 The RFP and any addenda that may be issued will be available on the following websites:

<http://www.courtinfo.ca.gov/reference/rfp/> (“Courtinfo website”)

2.1.2 RFP Not a Contract

The RFP does not constitute a contract or an offer for employment. In addition, any contract awarded as a result of this RFP is subject to any additional restriction, limitation, or condition enacted by the Legislature or established by the Judicial Council of California or a County Board of Supervisors that may affect the provisions, funding, or terms of the contract in any manner. The AOC reserves the right to make one award, multiple awards, or to reject all proposals, in whole or in part, submitted in response to this RFP. The AOC further reserves the right to make no award, and to modify or cancel, in whole or in part, this RFP.

The hard copies and electronic copies of the Technical Proposal should not include any pricing information. Proposals received prior to the Proposal Closing Time that are marked properly will be securely kept, unopened until the Proposal Closing Time. Late proposals will not be considered.

Proposals from partnerships or joint ventures will be accepted. However one firm must act as the prime contractor and the other firms must be subcontractors to that prime; i.e., any Master Agreement resulting from this solicitation will only be executed with one legal entity.

2.3.2 Amendment or Withdrawal of Proposals

A Vendor may amend its proposal only in writing that is received by the AOC prior to the Proposal Closing Time, which conforms to the requirements for proposal submission.

A Vendor may withdraw its proposal at any time prior to the Proposal Closing Time by notifying the AOC in writing of its withdrawal. Amendments or withdrawals offered in any other manner, oral or written, will not be considered. Proposals cannot be amended or withdrawn after the Proposal Closing Time.

2.3.3 Authorized Signatures, Validity Period of Proposals

Proposals must include the Vendor name and address, and be signed by a duly authorized officer or employee of the Vendor.

If the Proposal is made by a sole owner, it shall be signed by the sole owner; if it is made by a partnership, it shall be signed by a member of the partnership and include the name and address of each member of the partnership; and if it is made by a corporation, it shall be signed by **two** officers of the corporation, consisting of one of each of the following: (1) the chairman of the board, president, or vice president, and (2) the secretary, assistant secretary, chief financial officer, or assistant financial officer. If the proposal made by a corporation is signed by a person other than an officer, or by only one officer, there must be attached to the proposal satisfactory evidence that the person signing is authorized by the corporation to execute contracts and bind the corporation on its behalf (e.g., certified copy of a corporation resolution or copy of appropriate corporate bylaws). If the proposal is made by a joint venture, it shall be signed on behalf of each participating company by officers or other individuals who have the full and proper authorization so to do as noted above.

Proposals will be valid for 90 calendar days following the Proposal Closing Date ("Proposal Validity End Date"). In the event a final contract has not been awarded by the Proposal Validity End Date, the AOC reserves the right to negotiate extensions to the validity period.

2.3.4 Knowledge of Requirements

Proposers shall be responsible for knowledge of all items and conditions contained in their proposals and in this RFP, including any AOC issued clarifications or modifications. The AOC will post addenda and clarifications to the AOC's Courtinfo website, however, it is the Proposer's responsibility to ascertain that the proposal includes all addenda issued prior to the Proposal Due Date.

2.4 Overview of Evaluation Process

2.4.1 Evaluation Committee

The AOC will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. All proposals received from Vendors will be reviewed and evaluated by a committee of qualified personnel. The Evaluation Committee will first review and screen all proposals submitted, except for the Cost Proposals, according to the **minimum qualifications set forth in Section 2.5**.

Vendors satisfying the minimum qualifications will then be evaluated in accordance with the evaluation criteria set forth in Section 2.6. The Evaluation Committee will first review and complete the evaluation of the technical proposals, without the Cost Proposal. Thereafter, the Cost Proposals will be opened, reviewed and evaluated to determine an overall evaluation score.

2.4.2 Reservation of Rights

The AOC, in its complete discretion, may eliminate proposals that have not scored adequately in relation to other proposals to warrant further consideration. The AOC reserves the right to reject any or all proposals, in whole or in part, and may or may not waive an immaterial deviation or defect in a proposal. The AOC’s waiver of an immaterial deviation or defect shall in no way modify the solicitation document or excuse a Vendor from full compliance with solicitation document specifications.

2.4.3 Requests for Additional Information

The AOC reserves the right to seek clarification or additional information from any Vendor throughout the solicitation process.

2.5 Minimum Qualifications

To be considered for full evaluation and possible award, Proposers must first meet the threshold minimum qualification requirements listed in the following table (Minimum requirements can be met by combining experience, expertise, and resources of Vendor and Subcontractor (s)):

No.	Minimum Qualifications
1.	Must have a comprehensive collections program that meets the requirements of Penal Code Section 1463.007.
2.	Collection services revenue greater than \$ 10 <u>3</u> million per year each of the last three years
3.	Three or more years experience working with government entities/ Public Sector, preferably for court-ordered debt
4.	Will provide full time on-site staff for collection efforts at courts/counties requesting such presence
5.	Neither Vendor nor any of its proposed subcontractors are currently under suspension or debarment by any state or federal government agency and neither Vendor nor any of its proposed subcontractors are tax delinquent with the State of California or Federal Government (Ref. <u>Appendix B</u>)

QUESTIONS AND ANSWERS

QUESTION	ANSWER
<p>What will happen to court collections contracts in place prior to the release of this RFP?</p>	<p>The court collections contracts that are currently in place will continue at least until a Master Agreement(s) is/are fully executed.</p> <p>A court or county that has outsourced its court-ordered debt collections may or may not decide to utilize the Master Agreement(s) that results from this solicitation once the court or county's contract has expired.</p> <p>It will be up to each court or county to decide whether it wants to terminate its contract in accordance with any termination provisions of its contract.</p>
<p>Can a court/county elect to contract with a vendor not part of this contract?</p>	<p>As stated in the RFP, courts and counties are not mandated to utilize the Master Agreement(s) that result from this solicitation; a court/county may elect to retain a current vendor (if applicable), may elect to continue to utilize in-house resources for all or part of its collections efforts (if applicable), or may elect to enter into a contract with a vendor other than that (or those) selected as a result of this solicitation.</p> <p>If a court or county's current vendor is the same as the one that executes a Master Agreement resulting from this solicitation, we expect the vendor to offer that court or county the same fees from the Master Agreement if those fees provide cost savings to the court or county.</p>

QUESTION	ANSWER
<p>Section 2.2.3 states that a prospective proposer may not have contact with a court or county regarding this RFP. Depending upon the answer to my second question, this would mean, in essence, that there is a moratorium on collection agencies marketing their services to California courts. The California Court Association has their annual conference in San Francisco on May 21-22. Many collection agencies marketing their services to courts are scheduled to be exhibitors at this conference. Could you please clarify this situation and, specifically, whether it is acceptable to participate in the conference?</p>	<p>There is no moratorium on collection agencies marketing their services to California courts.</p> <p>However, a vendor that wishes to propose on this RFP may not ask questions or otherwise discuss the requirements of this particular solicitation with any court or county as it may provide an unfair advantage to that vendor to have information not available to other proposers, or may provide incorrect data to a vendor resulting in a proposal that may not properly address the requirements of the RFP.</p> <p>This solicitation does not restrict participation in the conference; however, as noted above, the requirements of this solicitation should not be discussed with a court or county.</p>
<p>Section 2.5 states that an agency must have revenue greater than \$10 million per year for each of the past three years. I request that this provision be waived or modified.</p>	<p>The minimum qualification criteria of \$10 million per year for each of the past three years has been changed to \$3 million per year.</p>
<p>I am submitting a request to have one of the Minimum Qualifications, Item 2.5 of the Statewide Collection Services RFP, considered for revision or removal.</p>	<p>The minimum qualification criteria of \$10 million per year for each of the past three years has been changed to \$3 million per year.</p>
<p>Our law firm is requesting permission to continue our “contacts” with all Counties and Cities as it relates to our contract with DGS in connection with our MSA and other types of contracts with California counties.</p>	<p>Section 2.2.3 of the RFP requests that vendors not contact courts or counties for meetings, conferences or technical discussions that are specifically related to the RFP (emphasis on "specifically related to the RFP").</p> <p>We do not have a concern with vendors continuing to perform services related to existing contracts. Our group's intention was to not have vendors meet with courts and counties to discuss this particular procurement.</p>

QUESTION	ANSWER
<p>Can you give me an estimate of aggregate total monies to be collected on an annual basis?</p>	<p>No. As the RFP states, the Master Agreement(s) resulting from this solicitation will not be mandated to the courts or counties.</p> <p>We've posted a sampling of the hard-to-collect accounts (Part II of the RFP's services) to give vendors an idea of what may be available; that Appendix is being updated with this Addendum.</p> <p>Vendors will need to make their own estimates as to what may be available.</p>
<p>How do I peruse some Public information regarding the applicable collectibility factors of collections that this RFP will be targeting?</p>	<p>A vendor may select whatever method it prefers in collecting public information. Note that there is no central database on court or county court-ordered-debt collections.</p>
<p>What kind of historical percentages can you provide me of monies collected internally by your existing collections staff?</p>	<p>That information is not available and would require a significant effort by the 58 courts or counties to collect that data. As part of SB940, the Administrative Office of the Courts hopes to collect that data. Another subcommittee is trying to look at standards so that information collected is similar in nature.</p>
<p>Is it possible for me to do some due diligence of my own on the current contractor in place doing your collections or is this the first attempt to go outside to a third party collection agency for your respective collections?</p>	<p>The courts and counties that do outsource these services use a number of different vendors. You can do your own due diligence as long as you don't contact any of the courts or counties to discuss the requirements of this solicitation (a requirement of the RFP).</p>