

SEDGWICK COUNTY, KANSAS DIVISION OF FINANCE PURCHASING DEPARTMENT

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http://sedgwickcounty.org/finance/purchasing.asp

REQUEST FOR PROPOSAL #17-0081 CHECK COLLECTION SERVICES ADDENDUM #1

September 7, 2017

The following is to ensure that vendors have complete information prior to submitting a proposal. Here are some clarifications regarding the proposal for CHECK COLLECTION SERVICES. Questions and/or statements of clarification are in **bold** font, and answers to specific questions are *italicized*.

- 1. Proposals are due by 1:45 p.m. CDT, Tuesday September 12, 2017.
- 2. The county has no renewal terms left with the current vendor.
- 3. No system changes are currently planned.
- 4. The bid tabulation from the last proposal is attached and includes all pricing information.
- 5. There are no mandatory software requirements outlined in this RFP.

Firms interested in submitting a proposal, must respond with complete information and all supplementary materials and **deliver on or before 1:45 p.m. (CDT), Tuesday, September 12, 2017.** Late proposals will not be accepted and will not receive consideration for final award.

PLEASE ACKNOWLEDGE RECEIPT OF THIS ADDENDUM ON THE PROPOSAL RESPONSE PAGE

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Kristen McGovern Senior Purchasing Agent

ITEMS REQUIRING BOCC APPROVAL 5 Items

1. CHECK COLLECTION SERVICES - VARIOUS COUNTY DEPARTMENTS <u>FUNDING -- VARIOUS COUNTY DEPARTMENTS</u>

(Request sent to 30 vendors) RFP #11-0198

	Account Recovery Specialists, Inc	Client Services, Inc	Kansas Counselor's, Inc	Recheck, Inc	United Adjustment Corporation
	Face Value	Face Value	Face Value	Face Value	Face Value
1. Amount of check returned to County	of Check	of Check	of Check	of Check	of Check
2. Vendor Collection Fee (Non-Litigation)	\$30	20%	\$30	\$20	13.5%
3. Vendor Collection Fee (Litigation)	\$30, plus 50% of award and 100% of attorney fees awarded	30% of award	50% of award	50% of award	25% of award, plus court costs
No Bids	Linebarger, Goggan, Blair & Sampson	Acumen Business Connections	Asset Management Professionals		

On the recommendation of Angee Sisco, on behalf of various County departments, Linda Kizzire moved to accept the proposal from Recheck, Inc and establish contract rates as identified above for a period of two (2) years with two (2) one-year options to renew. Irene Hart seconded the motion. The motion passed unanimously.

This contract will be used at the sole discretion of individual departments for the purpose of recovering checks written to accounts with insufficient funds. This contract will include typical debt collection activities including telephone calls, letters and legal action.

A review committee consisting of Jo Hillman and Linda Kizzire, Treasurer's Office and Angee Sisco, Purchasing reviewed all proposals submitted and unanimously agreed on the recommendation. Recheck meets all of the minimum qualifications and references provided positive feedback. The \$20 fee proposed by Recheck will allow the County to receive a \$10 rebate in addition to the face value of each check collected.* In addition, the Recheck proposed rates include all court related costs.

This service is not currently on contract. The County averages approximately two (2) returned checks daily with an annual value estimated at \$200,000.00. Treasurer will be the primary user of this service, although other departments such as COMCARE, Health Department and District Court will also be able to utilize the services as well.

*KSA 60-2610 allows users to collect up to \$30 in returned check fees from customers. Recheck will collect \$30, keep \$20 and pass on \$10 to the County.

Question: What is our current practice for check recovery? Each department has administrative staff that will follow up on checks returned due to insufficient funds.

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Question: What is our current rate of recovery? The Treasurer's Office has a recovery rate of approximately 65%. Other departments' rates are unknown. Question: Have other departments been notified of the impending contract? Yes.