

3. CHECK COLLECTION SERVICES – VARIOUS DEPARTMENTS

FUNDING – TREASURER

(Request sent to 35 vendors)

RFP #22-0024 Contract

	Butler & Associates, P.A.	CBK, Inc.	RECHECK, Inc.	TSI	Value Recovery Holding, LLC
Amount of Non-sufficient funds check returned to county	100%	100%	100%	100%	100%
Vendor Collection Fee (non-litigation)	\$30.00 check fee and 50% of interest collected	\$30.00 check fee	\$20.00 check fee	\$13.25 per debtor assigned	\$30.00 check fee
Vendor Collection Fee (litigation)	\$30.00 check fee, attorney fees, and 50% of interest and damages to Butler & Associates	\$30.00 check fee, attorney fees, and 50% of interest and damages to CBK, Inc.	\$20.00 Check Fee 50% of all civil damages awarded in civil judgment. Kahrs Law Offices will retain any attorney fees awarded at judgment as required under law. County receives 50% of all civil damages awarded in civil judgment. Damages awarded are equal to three times the amount of the check not to exceed the amount of the check by more than \$500.00 or a minimum of \$100.00	Phase 2 Collection - 35% of total assignment Litigation - 50% of total assignment (Typically must be over \$500.00 to pursue) Mailskips/Bad Addresses - 50% of total assignment	50% of the awarded judgment county receives 50% of the awarded judgment + \$30.00 check fee
No Bid	American Municipal Services		Central States Recovery	Client Services, Inc.	

On the recommendation of Jaimee Wittmer, on behalf of various departments, Jennifer Blasi moved to accept the proposal from RECHECK, Inc. at the rates listed above for a period of two (2) years with two (2) one (1) year options to renew. Anna Meyerhoff-Cole seconded the motion. The motion passed 4-5 with Brandi Baily abstaining.

A committee comprised of Jeremy Gibbs, Amber Burnett, and Christine Wilson - Treasurer's Office; Brad Ashens - Health Department; Maria Bias - Metropolitan Area Building and Construction Department (MABCD); and Jaimee Witmer - Purchasing, evaluated all proposal responses based on the criteria set forth in the RFP. The committee unanimously agreed to accept the proposal from RECHECK, Inc.

Annually, Sedgwick County employees collect a variety of real estate, vehicle, and special taxes, as well as fees for services throughout many county departments. Sedgwick County currently accepts cash, check, and credit card payments. This solicitation is seeking a qualified firm to provide check collection services for the recovery of returned checks. Sedgwick County has historically utilized check collection services for the Treasurer's Office (Tag and Tax), Health Department, EMS, Metropolitan Area Building and Construction Department (MABCD), and COMCARE (Community Mental Health Center), although any tax or fee accepting department may utilize the contract.

The county averages about two (2) returned checks each day with a total annual value of approximately \$200,000.00, although either of these amounts could fluctuate greatly. Approximately 90% of the returned checks are private with the remaining 10% commercial.

Notes:

This is a proposal and not a bid. Proposals are scored based on criteria set forth in the RFP. There are five (5) components to this RFP:

Component	Points
a. Meeting or exceeding all solicitation conditions and instructions as outlined herein to include clarity, completeness, and comprehensiveness of the response	20
b. Ability to meet or exceed all requirements and scope of work	20
c. Proven ability to provide high quality service	20
d. Qualifications and expertise	20
e. The most advantageous and prudent methodology and costs as determined by the county	20
Total Points	100

Questions and Answers from the July 21, 2022 Board of Bids and Contracts

Greg Gann: I see the proposal refunds the amount of nonsufficient checks returned to the county at 100%. I'm assuming the vendor's fee is \$20.00? Is that how they make their money?

Jaimee Witmer: Yes. They keep that \$20.00 fee. It's actually a \$30.00 fee per the State of Kansas but they are only keeping \$20.00 of that. It's actually not as much as they could be charging.

Russell Leeds: So that's an additional cost to the consumer?

Jaimee Witmer: Correct.

Russell Leeds: Who is our current vendor since we've used services for this before?

Jaimee Witmer: RECHECK, Inc. is the current vendor.

Tim Myers: Have we been happy with RECHECK, Inc.'s performance up to this point?

Jeremy Gibbs: Yes. We've been happy with their performance and what they have done for us.

Questions and Answers from the July 28, 2022 Board of Bids and Contracts

Joe Thomas: Last week the Board of Bids and Contracts approved this item and it was deferred yesterday at BoCC. Shortly after the approval of this item, it was brought to our attention by the vendor that the category listed as Vendor Collection Fee (litigation) was missing some important pieces that were implied but not explicitly stated. It is industry standard as you can see from the other vendors listed. This clarification was then relayed, since it is a proposal, and presented back to the evaluation committee team to see if it would affect the overall score and the award of the contract. They still had the better pricing in this category and it affected the point system very little. The overall difference between RECHECK, Inc. and the next vendor was still considerable, and that is why the recommendation is made again for RECHECK, Inc. This is an example of some information that came to light, and we want to bring it back. Legal helped us to appreciate the need to bring this back to your attention so you would have all of the facts as we make the recommendation again.

Russel Leeds: It says law offices will retain any attorney fees awarded at judgment as required under law, is that in fact the case and that would apply to all five (5) of these proposals? There are statutory requirements that attorney fees would apply to all of these, correct? This is the only one that uses the language "as required by law".

Joe Thomas: I am not sure, Jeremy are you on the line?

Russel Leeds: Some of the others do not necessarily speak to attorney fees; it suggests we will get half of whatever it is. They do not indicate if this is after attorney fees or before attorney fees so, I am assuming it is the same for all.

Joe Thomas: I do not know if it is industry standard or statute driven, I believe it is industry standard, that is my guess but I was not a part of the evaluation committee.