



Judicial Council of California,
Administrative Office of the Courts

Statewide Collection Services
for Court-Ordered and other Debt

Date:
October 8, 2008

To:
Potential Contractors

From:
Administrative Office of the Courts

Subject:
Request for Proposals, Statewide
Collection Services for Court-Ordered
and Other Debt

Action Requested:
You are invited to review and respond with a
Proposal

Project Title:
RFP number: **ECU-2008-01**

Proposal Due Date and Time:
1 p.m. on December 2, 2008
(see Section 2.1 of the RFP)

Send Proposals to/AOC Contact:
Judicial Council of California
Administrative Office of the Courts
Attn: Ms. Nadine McFadden
455 Golden Gate Avenue, 7th Floor
San Francisco, CA 94102
(Indicate Project Title on lower left corner of
envelope)
solicitations@jud.ca.gov

TABLE OF CONTENTS

I.	Introduction - Summary of the Intended Procurement	1
1.1	Issuing Body and Coordinated Procurement	1
1.2	Project Overview	1
II.	Procurement And Evaluation Process.....	2
2.1	Procurement Schedule and General Instructions	2
2.2	Mandatory Pre-Proposal Conference.....	3
2.3	Evaluation Process	3
2.4	Evaluation Criteria.....	4
2.5	Interviews and Negotiations	5
2.6	Award of Contract.....	5
III.	Proposal Format and Content.....	6
3.1	Information/Contact.....	6
3.2	Authorized Signatures, Validity Period of Proposals	6
3.3	Proposal Contents	6
3.4	Project Pricing.....	10
3.5	Acceptance of Terms	10
IV.	Statement Of Work	10
4.1	Required Account Services.....	10
4.2	On-site Personnel (At Option of Participating Entity).....	12
4.3	FTB Transfer Services (At Option of Participating Entity).....	12
4.4	Account Recall.....	13
4.5	Reporting Requirements	13
4.6	Contractor Computer Systems	16
4.7	Transition Services.....	16

4.9 Procurement Process – Use of Master Agreement 17

4.10 Historical Data 17

4.11 Pricing Structure 17

Appendix A - Pricing Proposal

Appendix B - Certification Form

Appendix C - Report Samples

Appendix D - Collections Reporting Data

Appendix E - Administrative Rules

Appendix F - Form of Master Agreement

Appendix G - Form of Participating Agreement

I. Introduction - Summary of the Intended Procurement

1.1 Issuing Body and Coordinated Procurement

This Request for Proposals ("RFP") is being issued by the Judicial Council of California, Administrative Office of the Courts ("AOC").

This RFP seeks proposals from highly qualified collection agencies to assist various judicial branch entities, and other governmental entities, with the collection of court-ordered and other debt due and payable from members of the public ("Accounts").

The AOC intends to award one or more master agreements ("Master Agreements") to selected proposers ("Contractors") who will agree to provide specified collections services on the terms and conditions set forth in the Master Agreement to any one or more of any of (1) the superior courts of the State of California, (2) the counties of the State of California, and (3) other governmental or regulatory entities identified for inclusion by the AOC (together, the "Participating Entities"). The Master Agreement(s) will be for an initial two-year term with three one-year options to extend the agreement(s). However, the AOC reserves the right to make only one award, multiple awards, to reject any or all proposals, in whole or in part, submitted in response to this RFP, or to make no award.

Any of the Participating Entities may have performed previous collection activity on Accounts to be transferred to the Contractor(s). Participating Entities may or may not have in-house collections units, and previous collection activity may range from the generation of courtesy notices (including second and third notices) indicating amount owed, to telephone campaigns, to referral of the Account to a private collection agency or to the Franchise Tax Board. Each Participating Entity has sole discretion in identifying the Accounts which it elects to transfer to Contractor. Participating Entities also have sole discretion in the scope of supplemental collection activity it desires to have Contractor perform, and whether the Participating Entity will retain all or a portion of its previous collection activity with respect to any Account.

1.2 Project Overview

Penal Code Section 1463.010 calls for the development of a comprehensive collections program in each county of the State, and requires each superior court and its respective county government to cooperate in the development and implementation of a program to ensure the prompt, efficient, and effective collection of court-ordered, fees, fines, forfeitures, penalties, restitution, and assessments, as well as certain other amounts due and payable to the superior court. Further, the section recognizes that the enforcement of court orders and the collection of debt owed to the superior courts is an important element of California's judicial system.

This RFP is a product of the requirements of Penal Code Section 1463.010, which charges the Judicial Council with adopting guidelines for a comprehensive program for collections, and provides for the establishment of standard agreements for collection services.

Any Master Agreement(s) entered into as a result of this RFP will allow Participating Entities to utilize a Contractor's services to supplement its current collection efforts. The

Contractor(s) under the Master Agreement(s) will follow the procedures outlined and make collections services available to a Participating Entity on the terms and conditions set forth in the Master Agreement(s). To initiate services from a Contractor, each Participating Entity will enter into a separate agreement (“Participating Agreement”) with the Contractor, which will define the Accounts to be transferred to Contractor, and the schedule of transfer, and will describe the differences, if any, in the service Contractor is to provide from the services and procedures set forth in the Master Agreement. Participating Entities may or may not choose to retain all or a portion of collections functions in-house or pursuant to an arrangement with a vendor other than Contractor. The AOC requires that with respect to material terms Participating Agreements be in substantially similar form to the form attached hereto as Appendix G.

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.

Information regarding this RFP and procurement, including any addenda, modification, or clarification, will post to the following (the “RFP Website”):

<http://www.courtinfo.ca.gov/rfp/>

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 RFP website.

<u>No.</u>	<u>EVENTS</u>	<u>Key Dates</u>
1.	Issue RFP	October 9, 2008
2.	Notice of intent from Bidder to Participate in Mandatory Pre-Proposal Conference, noted in Section 2.2	October 17, 2008
3.	Mandatory Pre-Proposal Conference	October 22, 2008, 1 pm Pacific Time (PT)
4.	Deadline for Bidder Requests for Clarifications, Modifications or Questions	October 31, 2008, 5 pm PT
5.	Clarifications, Modifications and/or Answers to Questions posted on RFP website.	November 14, 2008, 5 pm PT
6.	Proposal Due Date and time	December 2, 2008, 1 pm PT
7.	Notice of Intent to Award (estimated)	December 12, 2008
8.	Negotiations (estimated)	December 15-30, 2008
9.	Notice of Award (estimated)	December 31, 2008

2.2 Mandatory Pre-Proposal Conference

A mandatory pre-proposal conference to answer questions related to this RFP will be held on the date and time set forth in the schedule above at the following address:

Administrative Office of the Courts, Southern Regional Office
2255 North Ontario Street, Suite 200
Burbank, CA 91504

Proposals from potential bidders who did not attend the pre-proposal conference will not be accepted and will be returned unopened.

To facilitate conference arrangements, each pre-proposal conference participant must deliver a notice of intent to participate to the AOC Contact via email (solicitations@jud.ca.gov) by the date specified in the schedule above, indicating the number of individuals who plan on attending the conference.

The AOC will prepare a summary of questions and answers from the pre-proposal conference, as an addendum, which will be posted on the RFP Website.

2.3 Evaluation Process

2.3.1 Evaluation Committee

The AOC will conduct a comprehensive, fair, and impartial evaluation of Proposals received in response to this RFP.

The Contracting Officer will evaluate all Proposals received in response to this RFP for compliance with the submittal requirements set out in this RFP, and for Proposers' demonstrated minimum qualifications per Section 2.3.3. All compliant Proposals demonstrating the minimum qualifications will be forwarded to a committee of qualified personnel for review and evaluation. The Proposals, without Appendix A - Pricing Proposals, will be forwarded to the Evaluation Committee for review. After completion of the evaluation of the non-pricing sections of the Proposal, the Evaluation Committee will review each Appendix A- Pricing Proposal. The Committee will evaluate the Proposals as a whole in accordance with the evaluation criteria set forth in Section 2.4. The Committee will then make a final recommendation for award, if any.

2.3.2 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 a deviation or defect in a Proposal. The AOC's waiver of a deviation or defect shall in no way modify the solicitation document or excuse a Proposer from full compliance with other solicitation document specifications. The AOC reserves the right to seek clarification or additional information from any Proposer throughout the solicitation process.

2.3.3 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 Qualifications	
1.	Proposer’s comprehensive collections program meets the requirements of Penal Code Section 1463.007.
2.	Proposer has collection services revenue greater than \$3 million per year each of the last three years.
3.	Proposer has three or more years experience working with government or public sector entities, preferably for court-ordered debt.
4.	Proposer is capable of providing full time on-site staff for collection efforts at Participating Entities requesting such presence.
5.	Proposer is not currently under suspension or debarment by any state or federal government agency and is not tax delinquent with the State of California (Ref. <u>Appendix B</u>).
6.	Proposer has all required licenses and permits for states where it performs collection services.
7.	Proposer carries the insurance coverage required in the form Master Agreement attached hereto as <u>Appendix F</u> .

Subject to the AOC’s right in its complete discretion to waive deviations or defects it deems immaterial, only those proposals that meet all of the foregoing minimum qualifications shall be considered for a full evaluation and a possible contract award. Proposers who fail to meet any of the listed minimum qualifications will be notified in writing, and will have two (2) business days from receipt of such notification to file proof that all such qualifications are met.

2.4 Evaluation Criteria

Proposals will be evaluated based upon the following criteria. Although some factors are weighted more than others, all are considered necessary, and the Proposal must be technically acceptable in each area to be eligible for award.

2.4.1 Technical Understanding and Approach: 30%

Proposers will be evaluated on their ability to understand the nuances of collections of the Accounts and to implement an effective collections program. Proposers will be evaluated on their proposed staff, including the project manager, lead collectors, and information technology staff proposed to interface with a Participating Entity’s case management and/or accounting system(s).

2.4.2 Company Experience: 25%

Proposers will be evaluated on their experience performing services comparable to that described in Section IV-Statement of Work, as well as their staffing qualifications, company experience and size, and success in providing like services in an efficient manner to groups with similar requirements to the Participating Entities. The AOC may contact a local

Chamber of Commerce, the Better Business Bureau, the Federal Trade Commission, the California State Attorney General-Public Inquiry Unit, or other references as part of its reference check.

2.4.3 Financial Viability and Stability: 5%

Proposers will be evaluated on their ability to perform successfully based on financial strength, significant organizational events of the company, and outstanding legal issues.

2.4.4 Cost/Pricing Factors: 30%

Proposers must submit a pricing proposal in the form attached hereto as Appendix A- Pricing Proposal. Proposals must be submitted as a percentage commission fee charged for each category of collection services, plus an hourly rate for optional on-site personnel, or additional services offered. If they choose, Proposers may submit an alternative pricing structure, in addition to the percentage commission fee structure, for AOC's consideration.

2.4.5 Contract Risk: 10%

Willingness to accept the form Master Agreement, with minor clarifications, shall be an affirmative factor in the evaluation of the Proposal. By contrast, significant exceptions to the Master Agreement shall be a negative factor in the evaluation.

2.5 Interviews and Negotiations

AOC reserves the right to require, and each Proposer must be prepared to conduct, oral presentations and other discussions (written or verbal) on the content of its Proposal. The AOC requires that the proposed Project Manager be present during the interviews. The AOC reserves the right to interview one or more Proposers, or none. Proposers will be responsible for all costs related to the interview, which, at the AOC's sole discretion, may be in person and/or by teleconference.

If the AOC desires to enter into negotiations, it will do so with one or more Proposers, at its discretion. The AOC reserves the right to award a contract, if any, without negotiations.

2.6 Award of Contract

The Evaluation Committee will make a final recommendation for award of one or more Master Agreements to the Administrative Office of the Courts' Business Services Unit. A Notice of Intent to Award will be posted to the RFP Website at least three (3) business days prior to the date that action to award the contract will be taken. Upon award, the successful Proposer(s) will be required to execute a Master Agreement in substantially the same form as that attached as Appendix F hereto. The successful Proposer must forward the required insurance endorsements to the AOC within ten (10) business days following the award.

III. Proposal Format and Content

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the minimum qualifications and mandatory requirements and desired features of this RFP. Excessive information in response to a question may impair the AOC's ability to properly evaluate the Proposal.

3.1 Information/Contact

All information issued by the AOC with respect to this solicitation, including amendments or clarifications to this RFP, will be posted on the RFP Website. Inquiries and requests must be submitted in writing to the AOC Contact and comply with the Administrative Rules attached hereto as Appendix E.

3.2 Authorized Signatures, Validity Period of Proposals

Proposals must be signed by a duly authorized officer or employee of the Proposer. 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 to do so.

Proposals will be valid for 120 calendar days following the Proposal Due Date, provided that the AOC reserves the right to negotiate an extension of the validity period if a final contract has not been awarded by the 120th calendar day following the Proposal Due Date.

3.3 Proposal Contents

Proposals must be provided in a response format in accordance with this Section 3.3, in tabbed sections as indicated below. Proposals received prior to the Proposal Due Date that are marked properly will be securely kept and remain unopened until the Proposal Due Date. Late proposals will not be considered. Proposals from partnerships or joint ventures will be accepted; however, one firm must be identified as the prime contractor for the purposes of this RFP and any Participating Agreements, and the other firms will be considered subcontractors.

Proposals shall be submitted in the number and format as follows:

- One original Contractor Certification Form (Appendix B);
- Certificates of insurance for all insurances required;
- Statement of acceptance of the terms and conditions of the Master Agreement; if Proposer is unwilling to fully accept the terms and conditions of the Master Agreement, any exceptions to terms must be provided in "redline" with statement of intent as noted in Section 3.5;
- ten (10) hard copies and one (1) electronic format copy, on a CD or DVD, of the entire Proposal minus Appendix A- Pricing Proposal in MS Word; and

- ten (10) hard copies and (1) electronic format, on a CD or DVD of Appendix A- Pricing Proposal in a separately sealed envelope, clearly marked with “Appendix A- Pricing Proposal” and the Proposer’s name.

3.3.1 Executive Summary - Tab 1

The Proposer must provide an Executive Summary of its Proposal. The Executive Summary should be a “high-level,” general overview of how the Proposer proposes to accomplish the requirements of this RFP. Proposer shall also provide a short description of its company, not to exceed three pages. The description must list all of its California locations and shall include a statement as to whether the Proposer can provide services to all Participating Entities, or if not all, the counties where Proposer is proposing to provide services.

The Proposer must state specifically in its Executive Summary how it complies with each minimum qualification specified in Section 2.3.3 above.

3.3.2 Financial Viability and Stability - Tab 2

The AOC requires the Contractor to be a reputable company of strong financial standing experienced in court-ordered debt collection services. Proposers must provide the following information (if Proposer is a joint venture, the following information is required for each joint venture partner):

- (a) Complete name and address;
- (b) Federal identification and/or social security number;
- (c) If incorporated, state in which incorporated;
- (d) A short narrative description of the Proposer’s organization; including organization charts and list of company officers;.
- (e) Principal type of business;
- (f) Total number of years in business;
- (g) List of states in which Proposer is licensed;
- (h) Number of years providing services similar in size and scope to those requested in this RFP;
- (i) Any previous and current engagements Proposer has for:
 - i) Collection of court-ordered and other debt within California;
 - ii) Collection of court-ordered and other debt outside of California;
 - iii) Collection of any debt or accounts due to federal, state, or local government entities; and
- (j) A profit and loss statement and balance sheet, in accordance with American Institute of Certified Public Accountants (AICPA) reporting standards, for the Proposer’s last three (3) fiscal years;

- (k) Significant organizational events in the past five (5) years such as:
 - i) Bankruptcies;
 - ii) Mergers;
 - iii) Acquisitions;
 - iv) Initial Public Offerings (IPOs);
- (l) Annual contract value of the Proposer's three (3) largest collections contracts in the past three (3) years;
- (m) Percent of turnover of client service staff in the division or department that would be responsible for the services described in this RFP during each of the last three (3) years; and
- (n) If subcontractors are proposed for this RFP, the Proposer's contract management process for subcontractors, together with copies of any signed formal agreements (e.g., teaming agreement or any other legally binding document) between Proposer and each proposed subcontractor.

3.3.3 Experience and Qualifications - Tab 3

The AOC requires the Proposer to have prior experience in all aspects of the services described in this RFP for clients similar to the Participating Entities, or for clients with accounts of similar size, or requiring services of similar complexity and scope.

- (a) Proposers must provide information for a minimum of three (3) and a maximum of five (5) engagements within the past three (3) years under which Proposer collected court-ordered debt or accounts similar in size, complexity, and scope to those required under this RFP. Include the following information for each such engagement:
 - i) Client name and address;
 - ii) Contact person;
 - iii) Phone number;
 - iv) Time available for contact in regards to references;
 - v) Type of work performed;
 - vi) Period work was performed;
 - vii) Subcontractor(s) utilized; and
 - viii) Brief description of scope of work.
- (b) Proposers must list any litigation pending and/or engagements for any services that have been terminated prior to normal contract expiration in the past three (3) years, explain the reasons for early termination, and provide the following information for each such terminated engagement:
 - i) Client name and address;
 - ii) Contact person; and
 - iii) Phone number.

3.3.4 Work Plan and Methodology - Tab 4

Proposer must indicate its work plan and methods for the services described in the Statement of Work, including descriptions of the following:

- (a) proposed project management methodology;
- (b) proposed project organization structure, including identification of key personnel, roles and responsibilities;
- (c) summary of proposed collection activities. (Use examples of collection letters, telephone contact, skiptrace techniques, day and evening collection staff, etc.);
- (d) details of its methodology for handling debtors' questions, problems and disputes;
- (e) details of its methodology for handling non-English speaking debtors, the hearing impaired, or blind debtors;
- (f) description of Proposer's plan for transitioning a Participating Entity's current collections services contract (if any);
- (g) description of how Proposer currently reports data to or otherwise coordinates with any credit agencies or licensing boards; and
- (h) details of how Proposer's work plan meets the requirements of a comprehensive collections program under Penal Code Section 1463.007.

3.3.5 Computer Systems –Tab 5

Proposer must provide the following information:

- (a) A brief description of its computer system and its update capabilities.
- (b) An indication whether its terminal access will be made available for on-line inquiry, including location(s) of terminal(s) and how access will be supplied.
- (c) A brief description of its ability to maintain records of placements, collections recovery, producing reports, and billing of an unlimited number of debtors.
- (d) A brief description of its computer backup capabilities and what methods are used to ensure the safety and security of all Participating Entity's records and documents.
- (e) A brief description of the modes of data transmission employed by the Proposer in the conduct of business with the reference entities.
- (f) A brief description of how it proposes to connect to a Participating Entity's case management or accounting system(s).
- (g) A brief description of its security procedures to ensure the security of a Participating Entity's data and computer systems (e.g., encryption methods, firewalls, etc.), including security requirements for access to its systems by Participating Entity's employees.

(h) Details of other automated systems Proposer proposes to use to enhance collection activities (such as interactive voice response systems, Web-based credit and/or debit card systems, and call distributors).

3.3.6 Key Personnel - Tab 6

Proposer must identify the project manager, lead collectors, lead information technology personnel for interfacing with a Participating Entity's case management and/or accounting system(s), and other key personnel proposed for the project, providing names, qualifications, experience, certifications, degrees, references, and proposed roles.

3.4 Project Pricing

The AOC intends to award contracts to one or more Contractors for collection services whose contracts as negotiated represent the best value in accordance with the factors stated in this RFP. A Proposer meeting all RFP requirements with the lowest fee may not be selected if award to a higher priced proposal provides best value in the judgment of the AOC.

3.5 Acceptance of Terms

If a Proposer takes exception to any term of the form Master Agreement attached as Appendix F hereto, the Proposal must include a statement to that effect, including a "redlined" version of the term or condition showing exact proposed modifications to contract language proposed by the Proposer including a statement as to the intent of the modification. Proposers will be deemed to have accepted the form Master Agreement unless the Proposal expressly states otherwise.

IV. Statement Of Work

4.1 Required Account Services

Any Proposer selected by the AOC ("Contractor") will be required to provide comprehensive collection services for Accounts due and payable from members of the public to a Participating Entity, including but not limited to the following:

- (a) Fees, fines, forfeitures, penalties, and assessments arising from infractions, misdemeanor, felony, and traffic proceedings or actions;
- (b) criminal justice related fees, reimbursements, and other legally enforceable debts;
- (c) civil, family law, and juvenile law fees, including filing fees;
- (d) probation, guardianship, conservatorships, and public defender fees;
- (e) sanctions imposed by the California Superior Courts, the California Courts of Appeal, and the California Supreme Court;
- (f) direct restitution to victim ordered pursuant to California Penal Code section 1202.4 (a) 1;

- (g) victim restitution fund fines ordered pursuant to California Penal Code section 1202.4 (b) 1;
- (h) reimbursements owed or as ordered by a court pursuant to California Family Code section 3150 et seq.;
- (i) reimbursement owed to the California Supreme Court for overcharges for representation of indigent defendants in death penalty cases;
- (j) fees, penalties, fines, or reimbursements owed to the California State Bar pursuant to California Rule of Court, rule 9.10(g), and California Business and Professions Code sections 6086.10(a) and 6140.5(a); and
- (k) any other legally enforceable debt owed to a Participating Entity or that a Participating Entity has a right to collect.

4.1.1 Contractor will, in the collection of Accounts:

- (a) employ skip tracing and other standard collection techniques to locate debtors, including the capability to: (1) communicate in Spanish, both orally and in written form; and (2) pursue debtors residing within the boundaries of the United States, including military bases and tribal lands;
- (b) report outstanding receivables on behalf of the Participating Entity to a nationally available credit history reporting database (credit bureau) approved by the Participating Entity; there shall be no additional fee for this service;
- (c) transfer funds electronically, and be able to receive Accounts on a daily basis, Monday through Friday, except days which are not business days for the relevant Participating Entity;
- (d) monitor bankruptcy cases nationwide;
- (e) if requested by a Participating Entity, provide staff, including bilingual individuals, and necessary equipment, at public counter areas to assist the public (e.g. accept payments, answer questions, set-up payment arrangements, etc.) during all hours the Participating Entity is open to the public;
- (f) provide various and multiple reports in an electronic or hardcopy format on a daily, weekly, and/or monthly basis, as requested by the Participating Entity;
- (g) comply with the reporting requirements set forth in Penal Code Section 1463.010, and as required by the Judicial Council, and any future reporting requirements resulting from legislation or changes in law;
- (h) adjust the receivable record within two (2) business days of any information transferred by the Participating Entity;
- (i) remit the entire gross amount of all receivables collected to the Participating Entity preferably in electronic format on a daily, weekly or monthly basis at the discretion of the Participating Entity, together with supporting documentation;

(j) ensure that all data it receives from, processes, or transmits to any Participating Entity is not stored, accessed from, or transmitted outside the United States;

(k) Contractor will be responsible for all start-up and on-going operational costs, including all cost associated with the transfer of paper records to electronic data;

(l) Contractor will provide computer terminals or dial-up or internet access for access to its system, and all necessary phones and related equipment, at its own cost and expense, including phone charges and supplies, and will provide all additional equipment necessary for the conduct of its business except that equipment specifically provided by the Participating Entity; and

(m) Contractor will provide fully functional on-line inquiry capability into its collection system to designated Participating Entity staff at any requested Participating Entity's location

4.2 On-site Personnel (At Option of Participating Entity)

(a) At a Participating Entity's option, Contractor shall provide on-site staff at public counter areas to assist the public (e.g. accept payments, answer questions, set-up payment arrangements, etc.) during all hours the Participating Entity is open to the public, including night hours. The night hours for each Participating Entity will be specified in the Participating Agreement.

(b) Contractor shall provide sufficient on-site staff to ensure the waiting time for assistance averages no more than ten (10) minutes. If the Participating Entity determines that the waiting time is too lengthy, the Contractor shall provide additional staff and other resources necessary to bring the waiting time to a level acceptable by the Participating Entity.

(c) At a Participating Entity's option, Contractor shall provide sufficient bilingual staff (Spanish speaking) to meet the waiting time requirement at each location during all hours the Participating Entity is open to the public, including night hours.

(d) Contractor shall have sufficient trained staff available locally to cover unexpected absences and staff emergencies.

(e) Contractor shall provide staff and equipment to Participating Entities as specified in the Participating Agreement, at the rates set forth in the Master Agreement or as otherwise provided in the Participating Agreement.

4.3 FTB Transfer Services (At Option of Participating Entity)

A Participating Entity may request Contractor to transfer any or all accounts, including accounts transferred to Contractor for collection, to the FTB for further collection efforts in a format described by that Participating Entity. Upon such a referral to the FTB, Contractor will cease all collection work on the account, but will remain responsible for canceling and adjusting all accounts, as appropriate, and answering inquiries related to the FTP from debtors. If a Participating Entity selects these optional services, the Contractor will be responsible for all

programming costs associated with the identification, transfer, and separate reporting of accounts referred to the FTB.

4.4 Account Recall

A Participating Entity may recall an Account transferred for collection without a charge or penalty imposed, if during the past six (6) months no payments have been received, no new payment has been agreed to by the debtor, and no adjustments have been made by the Court. Recall of other Accounts will be on the terms and conditions agreed by the parties in a Participating Agreement. Each Participating Entity shall prescribe the criteria and procedures for returning uncollected Accounts.

4.5 Reporting Requirements

(a) Contractor shall comply with the then-current reporting requirements set forth in Penal Code Section 1463.010, any other applicable state law or regulation, and as specified by the Judicial Council/ AOC.

(b) Unless otherwise set forth by a Participating Entity in its Participating Agreement, Contractor will provide the reports described in this Section 4.5 to each Participating Entity, in the form attached hereto as Appendix C, and will agree to provide any additional reports required by the Participating Entity. At the Participating Entity's option, the reports may be electronically transferred or provided in hardcopy format.

(c) For Participating Entities that are courts, separate reports must be provided for each location with division reports for account reconciliation and court-wide summaries for court-wide analysis and strategic planning.

(d) Unless otherwise indicated, all information must be reported by category with subtotals per category and a grand total. Whenever debtors' names are displayed, they will be displayed last name first.

(e) The Contractor will provide sample reports to the Participating Entity for approval prior to implementation and as changes are made during the term of the Participating Agreement.

4.5.1 Account Payment History

Contractor shall supply an account payment history for each Account on the Participating Entity's request. An account payment history shall include the following:

(a) Debtor's name and case number.

(b) The amount of bail and/or fine referred, the amount applied to the bail and/or fine and any balance remaining.

(c) The amount of civil assessment added (separate from the bail and/or fine), the amount applied to the civil assessment and any balance remaining.

(d) A chronological list of payments.

4.5.2 Acknowledgment Report

Upon request, Contractor will provide a complete list to the respective Participating Entity of all Accounts by account category each time a Participating Entity refers Accounts to it. The report will be provided within two business days following the date the Contractor can access the referrals, and will list as applicable: 1) debtor's name; 2) case number; 3) appearance date or fine due date; 4) amount of bail, fine, or debt referred; 5) total item count; and 6) total bail, fine, or debt amount referred.

4.5.3 Daily Payment Transmittal Report

Upon request, Contractor will provide each Participating Entity a daily payment information report, on the next business day, reflecting the prior day's payments. The daily payment transmittal report will include a listing of every account upon which a payment has been made, and for each such account, where applicable: 1) debtor's name; 2) case number; 3) balance owed; 4) previous amount paid; 5) amount of current payment; 6) total paid; and 7) balance due. The daily payment transmittal report will also indicate how the current payment was distributed; e.g., amount applied to bail and/or fine, amount applied to civil assessment. The last line will be the total of all amounts in each column. The daily payment transmittal report will be sorted first by account category, then alphabetically, beginning with the debtor's last name.

4.5.4 Daily Adjustment Report

Upon request, on the business day following the processing of any adjustment on any Account, Contractor will provide the relevant Participating Entity with a daily report of each Account where an adjustment has been made to any previously applied payment or amount referred or owed. In addition, the report will summarize each day's adjustment reasons by category of "Cash" or "Non-Cash". Examples of adjustment reasons in each category are listed below (a Participating Entity may add other adjustment reasons or categories in the future).

- (a) Cash-related Adjustment Reasons include:
 - Returned Check
 - Misapplied Payment
 - Overpayment
- (b) Non-Cash-related Adjustment reasons include:
 - Referred in Error by the Participating Entity
 - Incorrect Amount Referred
 - Payment collected by the Participating Entity
 - Reduced by lawful court order
 - Increased by lawful court order
 - Assigned to Public Work Service

The daily adjustment report will include the following information, as applicable: 1) Debtor's name (sorted by last name); 2) case number; 3) adjustment reason code (2 or 3 characters); 4) original bail, fine, or debt amount referred or owed; 5) new bail, fine, or debt amount owed; 6) type of change (increase or decrease); 7) original civil assessment owed; and 8) the new civil assessment owed. The report will contain an adjustment reason code legend.

4.5.5 Summary of Account Activity Report

Within five (5) business days after the end of each calendar month, Contractor will provide each Participating Entity a summary of Account activity for that month. The report will display all information by group with subtotals for each group and a grand total.

4.5.6 Agency Activity Report

Within five (5) business days after the end of each calendar month, Contractor will provide each Participating Entity a summary of the activity performed by Contractor on the Participating Entity's Accounts. The information contained on the report may be used to measure performance goals and compliance with any performance standards established by the Participating Entity or as approved by the Judicial Council.

4.5.7 Collection Analysis Report

Within five (5) business days after the end of each calendar month, Contractor will provide a summary of collections for the month and include referrals in numbers and dollar value, gross collections in dollars and percentages matched against the month the account was placed, non-cash adjustments and commission expense in dollars and percents, and Accounts remaining.

4.5.8 Account Status Report

Within five (5) business days of the end of each calendar month, Contractor will provide each Participating Entity a complete listing of all such Participating Entity's Accounts, by location, currently held by the Contractor. The report shall be on disc or other electronic media that does not require the Contractor or the Participating Entity to produce a hard copy report. The account status report will include, as applicable, 1) the debtor's name; 2) case number; 3) referral; 4) beginning balance; 5) total payments and adjustments; and 6) the current balance. The account status report will be sorted alphabetically by debtor's last name.

4.5.9 Other Reports to the AOC

Contractor shall notify the AOC within ten (10) business days of entering into an agreement with a California Superior Court for collections services under this Master Agreement. The Contractor shall provide copies of the executed Participating Agreement or at minimum the contract execution date and commission rate(s).

On an annual basis, the superior courts of the State of California and the counties of the State of California are required to complete and submit to the AOC a *Collections Reporting Template* with aggregate referred and collected amount for all court/county collections programs to which Contractor is providing collections services under the Statewide Master

Agreement. At no additional costs to the courts and counties, Contractor shall provide the required data to the courts and counties. The current data that needs to be provided is included in Appendix D - Collections Reporting Data.

Contractor shall notify the AOC within ten (10) business days of any leadership position changes within the organization that occurs after the execution of the Master Agreement.

Contractor shall notify the AOC within thirty (30) business days of lawsuits not disclosed in the proposal that occur after the execution of the Master Agreement.

4.6 Contractor Computer Systems

(a) Contractor's computer system will be capable of interfacing, and will interface its computer system, with the Participating Entity's existing criminal, traffic, minor offense and/or Participating Entity's accounting systems.

(b) Contractor's computer system must also be capable of interfacing, and will interface its computer system, with each Participating Entity's planned replacement for its case management or accounting systems. As such, it must, at a minimum, be capable of processing a standard formatted file with the following information:

- i) Case number
- ii) Debtor name, address, phone number & demographics
- iii) Account type and status
- iv) Case balance
- v) Next payment

4.7 Transition Services

A Participating Entity may request Contractor to transfer accounts to a new Contractor in a format described by that Participating Entity. The Participating Entity shall have the right to withhold Contractor's last payment until accounts have been transferred in a format acceptable to the Participating Entity. Upon expiration or termination of a Master Agreement or Participating Agreement, Contractor will:

- (a) destroy all hard copy account information of the affected Participating Entity;
- (b) delete all electronic account information from its computer systems, including backup copies;
- (c) send a letter to all Accounts notifying them that Contractor will no longer be handling the Account;
- (d) Contractor will continue to forward all payments sent to it by any Account to the Participating Entity. If payment is forwarded to the Participating Entity within 60 calendar days of expiration or termination of the Master Agreement or Participation Agreement, the Participating Entity will pay Contractor the fee identified in

the Master Agreement. If the Contractor forwards payment to the Participating Entity after 60 calendar days of expiration or termination of the Master Agreement or Participation Agreement, the Contractor will no longer be due, nor will the Participating Entity pay, a fee.

4.8 Procurement Process – Use of Master Agreement

After award of a Master Agreement(s), Contractor will issue Participating Agreements to each Participating Entity requesting collection services. Contractor will negotiate individual Participating Agreements that will reference the Master Agreement and incorporate the terms and conditions of the Master Agreement unless the parties agree otherwise by specific reference to provisions of the Master Agreement. The Participating Agreement will take precedence over the terms and conditions of any contract or terms and conditions included on an invoice or like document.

4.9 Historical Data

	Non-Forthwith Gross Revenue	Number of Outstanding Cases	Outstanding Court Ordered Debt (Accounts Receivable) (1)	Reporting Programs (2)
Fiscal Year 2004-05	\$933,976,593	7,869,438	\$4,293,480,383	49
Fiscal Year 2005-06	\$814,219,210	7,088,343	\$4,638,087,649	48
Fiscal Year 2006-07	\$811,038,314	7,625,613	\$4,831,775,501	48
Age: 0-7 yrs. *			\$4,309,037,809	
Age: 7 yrs. or more			\$522,737,692	

Notes:

All numbers provided are estimates and are based solely on data reported by the court and/or county on the *Court/County Collections Program Report*.

(1) FY2006-07 accounts receivables includes payments related to court ordered fines, fees, penalties, and assessments whether or not delinquent. Includes delinquent payments (whether or not on installment plans) and non-delinquent installment payments. Does not include forthwith payments or victim restitution paid directly to victim.

(2) There are 58 courts/counties in California.

*Case age was not tracked in FY2004-05 and 2005-06.

4.10 Pricing Structure

4.10.1 Contractor will accept all Accounts referred by a Participating Entity on a contingency fee basis, understanding that compensation will be paid only from those monies collected by the Contractor and allocated as noted below.

4.10.2 Except for services described in Section 4.3, for which Contractor will propose a separate fee structure, Contractor’s sole payment for all of the services set out in this Section IV, including any required equipment, staff, or work necessary to enable Contractor to

perform or a Participating Entity to receive the services, will be the percentage commission set out in Appendix A- Pricing Proposal.

4.10.3 For victim restitution fund fines, Contractor's fee will be limited to the 10% administration fee allowed by statute and if authorized by a resolution by a county Board of Supervisors. Contractor will not be entitled to invoice a Participating Entity for this fee until the victim's restitution has been paid in full.

4.10.4 For the optional services described in Section 4.3, Contractor will invoice the Participating Entity, and will be compensated for collections performed by and received from FTB, at the rate identified in Appendix A-Pricing Proposal, which will be calculated on the amount received from the FTB net of FTB's commission.

4.10.5 Contractor understands that the California Department of Motor Vehicles (DMV), and the California Franchise Tax Board (FTB) under its Tax Intercept Program, will sometimes collect the money due on an Account that has been referred to the Contractor. The DMV and FTB will transmit these monies directly to the Court or County. Absent a specific agreement with the Participating Entity, Contractor shall receive no compensation from those accounts where monies are collected by the DMV or the FTB; i.e., no fee will be paid to Contractor if the debt is paid through the DMV or collected by the FTB.

**Appendix A
Pricing Proposal**

Newly Delinquent = Accounts not fully paid 30 days past its stated due date, or on which an installment payment has not been paid 30 days past its stated due date.

Up to 1 year (2 years, etc.) = Accounts that remain with an outstanding balance 360 days (or 720, etc.) following the determination of delinquency.

Commission Fees: Fees, fines, forfeitures, penalties, and assessments arising from infractions, misdemeanor, felony, and traffic proceedings or actions (see Section 4.1(a))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Criminal justice related fees, reimbursements, and other legally enforceable debts (see Section 4.1(b))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Civil, family law, and juvenile law fees, including filing fees (see Section 4.1(c))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Probation, guardianship, conservatorships, and public defender fees (see Section 4.1(d))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Sanctions imposed by the California Superior Courts, the California Courts of Appeal, and the California Supreme Court (see Section 4.1(e))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Direct restitution to victim ordered pursuant to California Penal Code section 1202.4 (a) 1 (see Section 4.1(f))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Victim restitution fund fines ordered pursuant to California Penal Code section 1202.4 (b) 1 (see Section 4.1(g))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Reimbursements owed or as ordered by a court pursuant to California Family Code section 3150 et seq. (see Section 4.1(h))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Reimbursement owed to the California Supreme Court for overcharges for representation of indigent defendants in death penalty cases (see Section 4.1(i))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Fees, penalties, fines, or reimbursements owed to the California State Bar pursuant to California Rule of Court, rule 9.10(g), and California Business and Professions Code sections 6086.10(a) and 6140.5(a) (see Section 4.1(j))						
Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Commission Fees: Any other legally enforceable debt owed to a Participating Entity or that a Participating Entity has a right to collect (see Section 4.1(k))

Newly Delinquent	Up to 1 year old	1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Over 5 years old

Victim Restitution – Commission Fee set at 10% (see Section 4.11.3). Note: Collection of this debt is not at the option of the Contractor

Fee for FTB transfer services as described in Section 4.3, FTB Transfer Services

___ % of Commission Fee of net collected by FTB or flat fee of \$_____

**Appendix B
Certification Form**

Confidential

I certify that neither _____ (Proposer) nor any of its proposed subcontractors are currently under suspension or debarment by any state or federal government agency, and that neither Bidder nor any of its proposed subcontractors are tax delinquent with the State of California. I have listed all contracts with government or commercial customers during the five years preceding submission of this Proposal that have been terminated for cause or default. I have also provided a list of all pending criminal litigation.

I acknowledge that if Proposer or any of its subcontractors subsequently are placed under suspension or debarment by a local, state or federal government entity, or if Bidder or any of its subcontractors subsequently become delinquent in California taxes, our Proposal may be disqualified.

Signature

Printed Name

Title

Date

On separate pages attached hereto:

- 1. List all Contracts with Government or Commercial Customers during the Five Years preceding Submission of this Proposal that have been Terminated for Cause or Default**
- 2. List all Pending Criminal Litigation**

**APPENDIX C
REPORT SAMPLES**

Acknowledgement Report – [Category] - Date XXXXXX

Acknowledgement of Referrals Received			
Case Number	Last Name, First Name, MI	Appearance or Fine Due Date	Bail/Fine Amount
Total Item Count			Total Amount Referred

Daily Payment Transmittal Report – [Category] - Date XXXXXX

Payment ID		Payment Application					Payment Distribution			
NAME Last, First MI	Case #	Bail/Fine Amount	Assessment Amount	Comm. Expense	Payment Total	Amount Referred	Previous Amt Paid	Payment Amount	Total Paid	E Due
Total		\$	\$	\$	\$	\$	\$	\$	\$	\$

Daily Adjustment Report (Date)

NAME Last, First MI	Case #	Adj. Code	Original Bail or Fine Amount	New Bail or Fine Amount	Change (+/-)	Original Civil Assessment Amount	New Civil Assessment Amount	Change (+/-)	Net Change (+/-)
			Total	Total	Calc	Total	Total	Calc	

Summary of Account Activity
 For the Period of _____

	No. of Accounts	Bail or Fine	Assessment	TOTAL
Account Category: Group ID				
Beginning Balance (+)				
Accounts Transferred to Contractor (+)				
Accounts Paid in Full (-)				
Accounts satisfied by Adjustments (-)				
Accounts returned as uncollectable (-)				
Ending Balance				
Accounts with Partial Payments				
Accounts with Partial Adjustments				
SUBTOTAL				
Repeat for Each Category				
TOTAL				

Collection Analysis Report
For the Period Ending: _____

CASES AND AMOUNT REFERRED FOR CIVIL ASSESSMENT					COLLECTIONS						TOTAL COLLECTIONS (Including Non-Cash)			ACCOUNTS REMAINING	
Month/Yr. of Ref	# of Accts Ref	Bail/Fine Amt. Ref	Civil Assessment Added	Total Amt. Ref	Collections - Current Month	Bail/Fine Paid to Date	Civil Assessment Paid to Date	Total Paid to Date	Total Paid as % of Referrals	Cost	Non-Cash Adj.'s	Total Deducted from Amt. Ref (Paid + Adj.'s)	Total Deducted as a % of Referrals	Number of Remain Accts	Dollar Value of Remain Accts
Y Total															
Cum. Total															

Bail/Fine received during the Month: _____

Civil Assessment received during the Month: _____

Commission earned during the Month: _____

Total collected during the month _____

APPENDIX D
COLLECTIONS REPORTING DATA
(attached as a separate Excel file)

APPENDIX E

**JUDICIAL COUNCIL OF CALIFORNIA
ADMINISTRATIVE OFFICE OF THE COURTS**

ADMINISTRATIVE RULES GOVERNING

A. General

The Request for Proposals (RFP), the evaluation of proposals, and the award of any contract shall conform to these Administrative Rules. A service provider's proposal is an irrevocable offer for 120 days following the deadline for its submission.

B. Errors/Amendments/Clarifications to the RFP

1. If a prospective service provider discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, the prospective service provider should immediately give the AOC a written notice of the problem and request that the RFP be clarified or modified.
2. If a prospective service provider determines that one or more of the RFP's requirements, either as originally posted or as amended, is unfair, or unnecessarily onerous, or restrictive, or precludes less costly or alternative solutions, the prospective service provider may submit a written request that the RFP be modified, setting forth the recommended modification, and the prospective service provider's reasons for proposing the change.
3. Any request to clarify or modify the RFP must be submitted to the AOC by the proposal due date and time, and addressed to the contact person listed on the cover sheet to the RFP.
4. If prior to the proposal due date and time a prospective service provider submitting a proposal knows of or should have known of an error in the RFP but fails to notify the AOC of the error, the prospective service provider submits a proposal at its own risk. If the prospective service provider is awarded a contract for services, it will not be entitled to additional compensation, time to perform work, or any other advantage by reason of the error or, at the AOC's option, its later correction.
5. The AOC may modify the RFP for any reason prior to the proposal due date and time by posting an addendum to a publicly available website, provided prospective service providers have been directed to the particular website for RFP information.
6. If a prospective service provider's question relates to a proprietary aspect of its proposal and the question would expose proprietary information if disclosed to competitors, the prospective service provider may submit the question in writing, conspicuously marking it as "CONFIDENTIAL." With the question, the prospective service provider must

submit a statement explaining why the question is sensitive. If the AOC concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered, and both the question and answer will be kept in confidence. If the AOC does not concur regarding the proprietary nature of the question, the question will not be answered in this manner and the prospective service provider will be notified.

C. Withdrawal and Resubmission/Modification of Proposal

A prospective service provider may withdraw its proposal at any time prior to the deadline for submitting proposals by notifying the AOC in writing of its withdrawal. The notice must be signed by the prospective service provider. The prospective service provider may thereafter submit a new or modified proposal, provided that it is received at the AOC no later than the proposal due date and time. Modifications offered in any other manner, oral or written, will not be considered. Proposals cannot be changed or withdrawn after the proposal due date and time. Nothing in this paragraph affects the ability of the AOC to consider additional information submitted via interview, reference, or otherwise, as set forth in these Administrative Rules.

D. Evaluation Process

1. An evaluation team will review all proposals that are received to determine the extent to which they comply with the RFP's requirements.
2. AOC reserves the right to review the proposals, as well as supplemental information collected in the course of the evaluation process, including but not limited to information submitted to clarify any information in the proposal, and information gained in interviews and reference checks.
3. Proposals that fail to meet requirements of the RFP may be rejected. However, AOC reserves the right to evaluate any proposal submitted, regardless of whether such proposal fails to meet any requirement of the solicitation document.
4. Proposals that in the opinion of the AOC contain false or misleading statements may be rejected. During the evaluation process, the AOC may require a prospective service provider's representative to answer questions with regard to its proposal. Failure to demonstrate that any statement or representation made in a proposal are in fact true may be cause for rejection of a proposal, or of deeming the proposal non-responsive to the RFP. Failure of a prospective service provider to respond to questions is sufficient cause to reject a proposal.

E. Rejection of Proposals

The AOC may reject any or all proposals and may or may not waive any deviation or defect in a proposal. The AOC's waiver of a deviation or defect shall in no way modify the RFP or excuse a prospective service provider from full compliance with the RFP's specifications. The AOC reserves the right to accept or reject any or all of the Services in a proposal, to award a contract for Services or select for the Pre-Qualified List a service provider for all or part of the

Services, to award a contract for any or all of the Services, or negotiate any or all items with prospective service providers if it is deemed in the AOC's best interest. Moreover, the AOC reserves the right to make no selection from among respondents to this RFP.

F. Award of Contract

1. Award of the contract, if made, will be in accordance with the RFP to a responsible service provider determined by the AOC to be substantially compliant with all the requirements of the RFP and any addenda thereto, except deviations or defects waived by the AOC. Determination of whether a proposal substantially complies with the RFP requirements is in the sole discretion of the AOC.
2. Questions regarding the AOC's award of any business on the basis of proposals submitted in response to the RFP, or on any related matter, should be addressed to the contact person listed on the cover sheet of the RFP.

G. Execution of Contracts

Prospective service providers selected to provide services will be required to execute an AOC standard form contract, and will not be able to use their own contract form.

H. Protest Procedure

1. General. Failure to comply with the protest procedures set forth in this Section H will render a protest inadequate and noncompliant, and will result in rejection of the protest.
2. Protest Prior to Proposal Due Date and Time. An interested party that is an actual or prospective service provider with a direct economic interest in the procurement may file a protest based on allegedly restrictive or defective specifications or other improprieties in the solicitation process that are apparent, or should have been reasonably discovered prior to its submission of a proposal. Such protest must be received prior to the proposal due date and time. The protestor must have exhausted all administrative remedies discussed in these Administrative Rules prior to submitting the protest. Failure to do so may be grounds for denying the protest.
3. Protest After Selection. A prospective service provider that submitted a proposal may protest the selection of another service provider based on allegations of improprieties occurring during the evaluation process, if the protest meets all of the following conditions:
 - a. The prospective service provider has submitted a proposal that it believes to be responsive to the RFP;
 - b. The prospective service provider believes that its proposal meets the administrative and technical requirements of the RFP, and proposes services of proven quality and performance;
 - c. The service provider believes that its proposal offers services at a competitive cost to the AOC; and,

- d. The prospective service provider believes that the AOC has incorrectly chosen not to select it for contract award.

Protests must be received no later than five (5) business days after the AOC posts the Notice of Intent to Award or other indication of selection of a service provider, as specified in the RFP.

5. Form of Protest. Protests must be submitted to the contact person listed on the cover sheet to the RFP, who will forward the protest to an appropriate contract officer for review and determination. An appropriate contract officer is one who was not, or will not be, a voting member of the evaluation team for the RFP. Protests must meet the following requirements to be considered:
 - a. The protest must be in writing and sent by certified, or registered mail, or overnight delivery service (with proof of delivery), or delivered personally to the address noted above. If the protest is hand-delivered, a receipt must be requested;
 - b. The protest must include the name, address, telephone and facsimile numbers, and email address of the party protesting or their representative;
 - c. The protest must include the title of the RFP under which the protest is submitted;
 - d. The protest must include a detailed description of the specific legal and factual grounds of protest, together with any supporting documentation; and
 - e. The protest must include the specific ruling or relief requested.

The AOC, at its discretion, may make a decision regarding the protest without requesting further information or documents from the protestor. Therefore, the initial protest submittal must include all grounds for the protest and all evidence available at the time the protest is submitted. If the protesting party later raises new grounds or evidence that was not included in the initial protest but which could have been raised at that time, the AOC will not consider such new grounds or new evidence.

6. Determination of Protests Prior to Proposal Due Date and Time. Upon receipt of a timely and proper protest based on allegedly restrictive or defective specifications or other improprieties in the solicitation process that are apparent, or should have been reasonably discovered prior to the submission of a proposal, the AOC will provide a written determination to the protesting party prior to the proposal due date and time. If required, the AOC may extend the proposal due date and time to allow for a reasonable time to review the protest.

If the protesting party elects to appeal a decision on its protest, the protesting party will follow the appeals process outlined below. The AOC, at its sole discretion, may elect to withhold the contract award until the protest is resolved or denied, or proceed with the award and implementation of the contract.

7. Determination of Protests of Selection and Award. Upon receipt of a timely and proper protest, the AOC will investigate the protest and will provide a written response to

the protesting party within a reasonable time. If the AOC requires additional time to review the protest and is not able to provide a response within ten (10) business days, the AOC will notify the protesting party. The AOC, at its sole discretion, may elect to withhold the selection, or contract award, until the protest is resolved or denied, or proceed with the selection, or the award and implementation of the contract. If the protesting party elects to appeal the decision on its protest, the protesting party will follow the appeals process outlined below.

8. Appeals Process. The contracting officer's decision on the protest shall be considered the final action by the AOC unless the protesting party thereafter seeks an appeal of the decision by filing a request for appeal with the AOC's Business Services Manager. Appeals must be submitted to the contact person listed on the cover sheet to the RFP within five (5) business days of the issuance of the AOC's determination on the protest.

The justification for appeal is specifically limited to:

- a. Facts and/or information related to the protest, as previously submitted, that were not available at the time the protest was originally submitted;
- b. The contracting officer's determination on the protest contained errors of fact, and that such errors of fact were significant and material factors in the contracting officer's decision; or
- c. The decision of the contracting officer was in error of law or regulation.

The protesting party's request for appeal shall include:

- a. the name, address telephone and facsimile numbers, and email address of the protesting party filing the appeal or their representative;
- b. A copy of the contracting officer's decision;
- c. The legal and factual basis for the appeal; and
- d. The ruling or relief requested.

Issues that could have been raised earlier will not be considered on appeal.

Upon receipt of a request for appeal, the AOC's Business Services Manager will review the request and the decision of the contracting officer and shall issue a final decision. The decision of the AOC's Business Services Manager shall constitute the final action of the AOC.

9. Protest Remedies. If the protest is upheld, the AOC will consider all circumstances surrounding the procurement in its decision for a fair and reasonable remedy, including the seriousness of the procurement deficiency, the degree of prejudice to the protesting party or to the integrity of the competitive procurement system, the good faith efforts of the parties, the extent of performance, the cost to the AOC, the urgency of the procurement, and the impact of the recommendation(s) on the AOC. The AOC may pursue any combination of the following remedies:

- a. Terminate the contract for convenience;
- b. Re-solicit the requirement;
- c. Issue a new solicitation;
- d. Refrain from exercising options to extend the term under the contract, if applicable;
- e. Award a contract consistent with statute or regulation; or
- f. Apply other such remedies as may be required to promote compliance.

Notwithstanding that a protest is upheld, AOC reserves the right, upon consideration of the circumstances as set forth in this section, to proceed with the protested selection or award of contract, and to implement a contract with the firm selected or awarded the contract.

I. News Releases

News releases pertaining to the award of a contract may not be made without prior written approval of the AOC's Business Services Manager.

J. Disposition of Materials

All materials submitted in response to this RFP will become the property of the AOC and will be returned only at the AOC's option and at the expense of the prospective service provider submitting the material. One copy of a submitted proposal will be retained for official files, subject to disclosure in accordance with the RFP.

K. Payment

1. Payment terms will be specified in any agreement that may ensue as a result of this RFP.
2. **UNDER NO CIRCUMSTANCES WILL THE AOC PAY RETAINERS OR MAKE ANY OTHER ADVANCE PAYMENT FOR SERVICES.** Payment is normally made based upon satisfactory completion of tasks as provided in the agreement between the AOC and the selected service provider. The AOC reserves the right to accept alternative billing methods set forth in the selected service provider's proposal, or negotiate others. The AOC may withhold ten percent of each invoice, and may withhold payment of invoices, until receipt and acceptance of the service or work product. The amount withheld may depend upon the length of the project and the payment schedule provided in the agreement between the AOC and the selected service provider.

END OF APPENDIX E

APPENDIX F

FORM OF MASTER AGREEMENT

(attached as a separate Word file)

APPENDIX G

FORM OF PARTICIPATING AGREEMENT

SUPERIOR COURT OF CALIFORNIA, COUNTY OF _____ AND

THIS PARTICIPATING AGREEMENT ("Agreement"), is made and entered into as of this ____ day of ____, 200_, by and between the SUPERIOR COURT OF CALIFORNIA, COUNTY OF _____, an entity organized under Article VI of the California Constitution, [address] ("Court"), and _____, a corporation with offices at [address] ("Contractor").

WHEREAS, Contractor and the Judicial Council of California, Administrative Office of the Courts, on behalf of the superior courts and counties of the State of California, are parties to that Master Agreement No. _____ ("Master Agreement") for collections services dated _____;

WHEREAS, the Master Agreement sets forth the terms and conditions upon which Contractor will provide collections services to the superior courts, counties, and certain other designated entities in the State of California, should any such party desire to engage Contractor for such services;

WHEREAS, Court pursues initial collection efforts on all accounts it establishes for unpaid fees, fines, forfeitures, penalties and assessments arising from criminal and traffic actions or proceedings;

WHEREAS, Court desires to engage Contractor to perform collection services ("Services") in accordance with the Master Agreement on selected accounts established by the Court and not fully paid 30 or more days from the date of their assessment or imposition, or on which an installment payment is not fully paid within 30 days of the date such payment was due under an installment payment plan ("Accounts").

AGREEMENT

NOW, THEREFORE, the parties agree as follows:

1. Participation of Court/Employment of Contractor. Court engages Contractor to perform additional collection services on Accounts transferred to Contractor by Court according to **Schedule A** hereto, and Contractor will provide such services to Court, on the same terms and conditions and as if such services were provided by Contractor under the Master Agreement, except where specifically stated herein. Terms defined in the Master Agreement will have the same meaning when used herein.

2. Scope of Services. Accounts transferred to Contractor for collection services under this Agreement will qualify for Services.

a. **Collection Services.** Contractor will perform collections activities on the Accounts transferred to it as set forth in Section(s) _____ of the Master Agreement.

b. **Court Ordered Debt Program.** Contractor will refer Accounts it receives to the FTB Court Ordered Debt ("COD") Program, liaise with FTB regarding such Accounts, and

administer such Accounts under the terms and conditions set forth in Section of the Master Agreement.

- c. Contractor will refer to the FTB COD Program Accounts that meet the criteria set forth in Revenue and Taxation Code Section 19280, and all of the following criteria:
 - i. The remaining balance owed on the case is [\$100] or more;
 - ii. Court records regarding the Account indicate that, during the past [six (6) months, no payments have been received, no new payment plan has been agreed to by the defendant, and no adjustments have been made by the Court on the Account; or
 - iii. the Account has been rejected by the FTB COD Program for any reason, or returned to the Court as uncollectible.
- d. Tax Intercept Program. In addition to other Services provided hereunder, Contractor shall prepare an electronic file transfer for those accounts forwarded from Court that are eligible for the FTB Tax Intercept Program. Court will forward eligible Accounts to the FTB, liaise with FTB regarding such Accounts, and perform the equivalent administrative functions regarding such Accounts as that set forth in Section ___ of the Master Agreement. Court staff will integrate the file with Court records also being sent. Court staff will assist with written instructions and procedures as necessary, which Contractor will follow.

Contractor will forward to Court by the 5th day of each calendar month during the term of this Agreement via electronic transfer or remittance check representing the total amount of funds received by Contractor on Accounts during such period, with accompanying statements.

3. **Contacts.** Each of the Court and the Contractor will appoint a Project Manager, who will be authorized to make day-to-day decisions related to the implementation of this Agreement that do not substantially limit rights or expand the responsibilities of the Court or the Contractor, subject to paragraph 12 below. The respective Project Managers and their contact information is as follows:

<u>Court Project Manager</u>	<u>Contractor Project Manager</u>
Name:	Name:
Title:	Title:
Address:	Address:
Phone:	Phone:
E-mail:	E-mail:

4. **Payment and Pricing Structure.** Contractor shall invoice Court on a monthly basis for Commission Fees charged for its collections services under this Agreement, which will be the following percentage, calculated each month on the total funds collected during such month on all Accounts transferred to Contractor under this Agreement.

5. **On-site personnel.** Contractor [is/is not] required to perform services under this Agreement on-site at Court locations.

6. **Reporting Requirements.** Notwithstanding the required reports and schedule of reports set forth in Section _____ of the Master Agreement, the parties hereto agree that Contractor will provide reports on the following schedule:

Contractor will provide additional reports upon request by the Court.

7. **Term.** The respective duties and obligations of the parties hereto shall commence on the date first written above, and shall automatically renew for the option periods described in Paragraph 1 of the Coversheet of the Master Agreement unless the options to extend are not renewed by the AOC or the Master Agreement is earlier terminated. Notwithstanding the foregoing, either party may terminate all or any of the services under this Agreement by giving ninety (90) days written notice to the other party. In addition, this Agreement is expressly conditioned upon the ability of the Court under currently applicable California state law and policy to pay Contractor for services hereunder from revenue collected by Contractor on the Accounts. If any applicable law or policy is amended or enacted such that the revenue under this Agreement may not be applied to Court's obligations under this Agreement, the Court may, by written notice, terminate this Agreement on the effective date of such amended or enacted law or policy.

8. **Credit Reporting.** Contractor will be able to report outstanding receivables on behalf of the Court to the three nationally available credit history reporting databases (credit bureaus). There will be no additional fee for this service.

9. **Independent Contractor.** Contractor is, for all purposes, an independent contractor and shall not be deemed an employee of the Court.

- a. The Contractor specifically acknowledges that it controls the manner and means by which the product is accomplished, agrees to hold itself out as an independent contractor, and waives any rights to claim that it is an employee of the Court under the common law agency test, the economic realities test, or any other legal test.
- b. It is expressly understood and agreed that the Contractor shall in no event, as a result of this contract or any work performed under this contract, be entitled to any benefits to which Court employees are entitled, including but not limited to overtime or other pay differentials, retirement benefits, social security benefits, disability insurance benefits, unemployment compensation or insurance, workers' compensation benefits, and injury, vacation, sick, or other leave or employment benefits. The Contractor expressly agrees that all legal recourse for performance and severance of the relationship between it and the Court is set forth in this Agreement, and not in any statutes or case law relating to rights of employees.
- c. The Contractor agrees to notify its own employees that they are not employees of the Court and are not entitled to any benefits to which Court employees are entitled, as set forth above. The Contractor furthermore agrees to indemnify, defend and hold harmless the Court, its judges, subordinate judicial officers, officers and employees, from any such claims made by employees of the Contractor.

10. **Indemnification.** Contractor shall indemnify and save harmless Court and its respective judges, subordinate judicial officers, officers, agents and employees from and against any and all loss, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Contractor or loss of or damage to property, resulting directly or indirectly from

Contractor's performance of this Agreement, including, but not limited to, the use of Contractor's facilities or equipment provided by Court or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on Court, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of Court and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors or either's agent or employee.

11. Entire Agreement. This Agreement and the incorporated documents constitute the entire understanding between the parties and supersede any and all prior understandings and agreements, oral or written, relating to the subject matter of this Agreement. Each party acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not included in this Agreement, and no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

12. Amendment. No alteration or amendment to the terms of this Agreement shall be valid unless it is made in writing and is signed by the parties, and no oral understanding or agreement shall be binding on the parties.

13. Assignment. Inasmuch as this Agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate or sublet any interest herein without the prior written consent of Court.

14. Governing Law. This Agreement will be construed under the laws of the state of California, without regard to its conflict of law provisions.

15. Waiver. Any waiver by either party of a breach of any of the terms of this Agreement will not be construed as a waiver of any succeeding breach of the same or other term of this Agreement.

16. Further Assurances. Each party hereto agrees to cooperate with the other, and to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and to take all such other actions as may be reasonably requested of it from time to time to effectuate the provisions and purposes of this Agreement.

17. Severability. If any part of this Agreement is held unenforceable, all other parts remain enforceable.

17. Time. Time is of the essence in the performance of services under this Agreement.

18. Counterparts. This Agreement may be executed in counterparts, each of which is considered an original.

STATEWIDE COLLECTION SERVICES FOR COURT-ORDERED AND OTHER DEBT
ADMINISTRATIVE OFFICE OF THE COURTS REQUEST FOR PROPOSAL NO. ECU-2008-01

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

SUPERIOR COURT OF CALIFORNIA, _____
COUNTY OF _____

By: _____
Name:
Title:

By: _____
Name:
Title: