

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT		1. Solicitation Number CFOPD-24-R-033		Page of Pages	
				1	Attachments
2. Amendment/Modification Number Amendment No. 2		3. Effective Date See Box 16C		4. Requisition/Purchase Request No.	
				5. Solicitation Caption Delinquent Debt Collection Services	
6. Issued by: Office of the Chief Financial Officer Office of Contracts 1100 4 th Street SW Suite E620 Washington, DC 20024			7. Administered by (If other than line 6)		
8. Name and Address of Contractor (No. street, city, county, state and zip code) ALL POTENTIAL OFFERORS Code Facility			X		
			9A. Amendment of Solicitation No. CFOPD-24-R-033		
			9B. Dated (See Item 11) August 12, 2024		
			10A. Modification of Contract/Order No.		
			10B. Dated (See Item 13)		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input checked="" type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning a <u>1</u> written copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) BY separate letter or fax which includes a reference to the solicitation and amendment number. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such may be made by letter or fax, provided each letter or telegram makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. Accounting and Appropriation Data (If Required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14					
A. This change order is issued pursuant to (Specify Authority):					
B. The above-numbered contract/order is modified to reflect the administrative changes.					
C. This supplemental agreement is entered into pursuant to authority of:					
D. Other (Specify type of modification and authority) Administrative					
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return 1 copy to the issuing office.					
14. Description of Amendment/Modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.) The above referenced solicitation to provide Delinquent Debt Collection Services is hereby amended to incorporate changes (Attachment A) and respond to inquiries received (Attachment B). <div style="text-align: center; padding: 10px;">ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED</div>					
Except as provided herein, all terms and conditions of the document is referenced in Item 9A or 10A remain unchanged and in full force and effect.					
15A. Name and Title of Signer (Type or print)			16A. Name of Contracting Officer Drakus Wiggins CPPB, CPPO		
15B. Name of Contractor (Signature of person authorized to sign)		15C. Date Signed		16B. District of Columbia <i>Drakus Wiggins</i> (Signature of Contracting Officer)	
				16C. Date Signed 09/30/2024	

Attachment A

The following changes are hereby incorporated into the solicitation.

- 1. Section L.2 is hereby amended to extend the deadline for vendor inquiries and questions to October 10, 2024, at 2:00 pm.**
- 2. The proposal due date is hereby extended to November 7, 2024, at 2:00 pm.**
3. Section C.6.2 is hereby amended to add the following sentence to the end of the section:

“All collections, processing, reporting, recording must follow the Generally Accepted Accounting Principles (GAAP).”
4. Section C.7.1 is hereby amended to add the following:
 - a. At a minimum, the following correspondence shall be available to be sent to the debtor:
 - i. Original Notice of Debt
 - ii. A follow Up Letter
 - iii. A Final Demand Letter
 - b. The accounts shall be worked regularly including text messaging, phone call and emails.
 - c. At least one successful contact per week from assignment of the debt for delinquent collections.
5. Section C.14.4 is deleted in its entirety and replaced as follows to remove reference to referrals to credit bureaus:

C.14.4 The Contractor’s installment payment plan shall include the suspension of collection activity.
6. Section C.34.3, Reporting Requirements #R11 is hereby amended to remove Attribute “R. Sample of customer service calls”.
7. Section C.42.3 is deleted in its entirety and replaced as follows to amend the strategy requirements:

C.42.3 The collection strategy shall include a customized approach for debt for out of state photo, moving, and parking tickets and the collection strategy methodology shall strive for a collection rate that is in the high range for the industry.

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8. Section C.45.1 is deleted in its entirety and replaced as follows to remove the requirement to use the District's payment portal:

C.45.1 The Contractor shall maintain a secured payment portal for the benefit of debtors for the purpose of payment collection through electronic methods, including credit and debit cards and e-check (checking account debit).

9. Section C.46.2 is deleted in its entirety and replaced as follows to amend the annual cycle required:

C.46.2 The SSAE 16 Report shall, at minimum, be a SSAE16 SOC 1, Type 2 report. The annual reporting cycle shall be a consecutive 12-month cycle, without interruption.

10. Section C.50.4 is hereby amended to correctly change the reference of "C.51.6" in Measure #2 to "C.50.6".
11. Section L.3.2.3.I.k. is hereby replaced with "RESERVED" to remove the Offeror's approach to provide credit bureau notices as requested information of the technical evaluation criteria.

Attachment B

The following are responses to inquiries received.

- Question 1: Regarding B.1 General Information on page 2 of the RFP: Offerors are advised that “The District will ultimately convert to an in-house collection team and a system of record and will require secondary collection services only (Scope B).” Can/will the District provide a more precise target date for when they plan to implement the new system of record?
- Response 1: Currently, the District is not in a position to schedule or provide a specific date for transition to Scope B.
- Question 2: Regarding C.14.3 on page 18 of the RFP: Does “resolution” stated here refer to the District providing an alternate solution to a debtor’s payment plan needs? In these instances, if the District secures an initial down payment, will the contracted Offeror administer the balance of the payment plan and, if so, will the contracted Offeror be eligible for a fee for each payment collected?
- Response 2: No, the debt will be considered returned back to the CCU for all collection activities and the Contractor will not be entitled to the Contingency Fee.
- Question 3: Regarding C.36.1 on page 29 of the RFP: Please clarify whether the District is requiring hours of operation of 8 am to 6 pm Eastern on Saturdays.
- Response 3: Yes, confirmed.
- Question 4: Regarding C.43.2 on page 32 of the RFP: Can the contracted Offeror assess District debtors with any related fees for debit and credit card use?
- Response 4: No.
- Question 5: Regarding C.45.1 on page 33 of the RFP:
- a. Please clarify if the scenario described here means that debtors will have both options available (pay through the District portal AND through the Contractor portal) or whether such a change would mean debit/credit payments would be made ONLY through the District portal and no longer through the Contractor portal.
 - b. How would this change affect the Contractor’s ability to still offer debtors means of paying by debit or credit through Contractor mobile options? Would mobile options need to be reconfigured to point to the District payment portal?
 - c. Please confirm that under this scenario, the Contractor will still receive a payment fee for payments made via the District portal.
 - d. We promote the debtor payment portal in all correspondence with debtors. How much advance notice would the Contractor receive if the District elects to have

debtors pay through the District payment portal instead of the Contractor's payment portal?

Response 5: Responses (a) (d) See Attachment A, Item 8. The contractor shall utilize its payment portal for its receipt of payments. The District has an exclusive contract for merchant services and the Contractor must utilize this payment processor per Section C.32. The District will provide the contractor the access to utilize the payment processing of the District's vendor, therefore, not limiting any collection activity of the Contractor. (b) The Contractor's use of the District's merchant processor should not impact the Contractor's means of mobile options. The Contractor will be responsible for configurations with the District's merchant processor. (c) The contractor will be entitled to receive its contingency fee, in accordance with the contract, when using the District's merchant processor via the contractor's payment portal.

Question 6: Regarding Section L > L.3.1 on page 91 of the RFP: The District here prescribes four volumes to be submitted, including one to be called "Redacted Proposal" which is to comprise redacted versions of an Offeror's Technical Proposal and Price Proposal. Is the District directing Offerors to combine these redacted versions into a single file for upload to the Gateway portal? Typically, these volumes are kept separate from one another. Please clarify the intent here and/or if Offerors should submit five volumes instead of four, accounting for separate redacted versions of Technical and Price.

Response 6: An Offeror's redacted technical proposal and redacted price proposal are expected to be updated in a single zip folder per L.12.1.3.

Question 7: What is the anticipated award date?

Response 7: The District anticipates an award in March 2025.

Question 8: What is the anticipated contract start date?

Response 8: The District anticipates a start date in March 2025.

Question 9: What is the anticipated start date to implement Scope B?

Response 9: See Response 1.

Question 10: Please provide a list of current agencies that will be served under this contract.

Response 10: CCU is statutorily empowered to collect all delinquent debt of all the District agencies. The volume of debtor files may vary greatly by agency. List of current agencies:

1. ABRA – Alcoholic Beverage and Cannabis Administration
2. BEGA – Board of Ethics and Government Accountability
3. DHCD – Department of Housing and Community Development
4. DLCP – Department of Licensing and Consumer Protection
5. DMV – Department of Motor Vehicles
6. DOB – Department of Buildings

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7. DOEE – Department of Energy and Environment
8. FEMS – Fire and Emergency Medical Services
9. MPD – Metropolitan Police Department
10. OAG – Office of Attorney General
11. OLG – Office of Lottery and Gaming
12. OP – Office of Planning
13. OSSE – Office of the State Superintendent of Education

Question 11: Please provide a list of future agencies that will be served under this contract.

Response 11: See Response 10. CCU will identify the agencies with delinquent debt to be added in the future based on the amount and type of debt the agencies have.

Question 12: Can you please provide recovery rates broken out by the District agency that placed the debt?

Response 12: Overall, the collection rate throughout the contract has approximately been between 8 – 14%. The rate varies based on the agency schedule/frequency for placing debt with CCU. Due to this variance and frequency, we currently do not have a clear and uniform schedule of collections and collection rates.

Question 13: What is the overall liquidation/recovery rate after 180 days? 365 days?

Response 13: Due to the vast difference in number of delinquent files by agency as well as frequency of files by agency the liquidation recovery rate varies greatly by agency. The overall collection rate has been between 8-14%.

Question 14: Can you please provide how much debt has been placed by each agency over the current contract?

Response 14: Approximately 7.9 million accounts have been referred to CCU for collection overall since the beginning of the contract with approximately \$1.5 Billion in account balance in total. The District does not have audited figures around placements by each agency.

Question 15: What is the average age of the current debt? What is the total backlog and average age of backlog debt?

Response 15: We are unable to provide the average age of the current debt because of the lack of the integrity of data due to amnesty program run by the District.

Question 16: What is the average account balance?

Response 16: \$290.00

Question 17: What is the anticipated date for adding additional agencies?

Response 17: Depends on the type and amount of debt as it becomes delinquent and determined by the agencies. There is no anticipated time for adding new agency delinquent debt at this time.

Question 18: For the Optional Interface pricing in item B.7.2, does this blended rate include **all the options** listed in section C.49 such as interfacing with kiosks, the Recorder of Deeds (ROD), Office of the Attorney General system, and the District Telephony system.

- a. Or Should we provide Optional Interface pricing **separately** for each option to reduce potential costs to the District if not all options are exercised?

Response 18: Optional Interface pricing may be provided separately for each option. Note, the B.7 Optional Interfaces prices will not be included in the M.3.2 price evaluation.

Question 19: What support from the contractor is needed to support District Kiosks?

Response 19: Only the ability to interface to communicate with the Kiosks either via API or via interface or both.

Question 20: Will the Optional Interfaces (C.49) be utilized in both Scope A and B options, or is this a potential option under scope B only?

Response 20: Yes, Optional Interfaces will be utilized for both Scope A & B.

Question 21: Will the District recall accounts after 6 months (180 days) if we have debtors under a payment plan?

Response 21: Only if the IPP is defaulted, the account will come back to the CCU.

Question 22: For debtors who are in repayment but fall out of their repayment plan, can you please confirm these accounts will be recalled after 180 days of non-payment, regardless of their length of placement with the collection agency?

Response 22: See Response 21.

Question 23: We are concerned that many debtors will not be able to meet the high deposit percentage requirements for repayment plans, which may overwhelm internal District collection staff with forwarded calls. Furthermore, the loss of fee on accounts that cannot afford payment plans will cause us to adjust our quoted fee to account for the lost revenue. Lastly, we expect increased debtor dissatisfaction being unable to resolve payment plans with agencies, and potential complaints if internal District staff can accept lower or no deposit amounts for payment plans. With these factors in mind, Would the District consider lowering the deposit requirements for payment plans, and/or consider allowing repayment plans based on household income and expenses for debtors who are struggling financially and cannot afford deposit requirements but want to repay their obligation?

Response 23: We have found that 25% deposit is not insurmountable on overall percentage of debtor account and therefore will not reduce the criteria for the deposit.

Question 24: Over the last year, what was the total dollar amount of debt offset by the debtor's tax refund/treasury offset?

Response 24: \$6,928,189.04

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Question 25: It appears that the debt collected experienced a significant increase in FY 2023, can the District explain this increase?

Response 25: The District resumed normal debt collection activities post pandemic. There was a freeze in place for any new debt to be assigned that expired in late 2022.

Question 26: How much debt has been collected in FY2024 year to date?

Response 26: \$41,967,568.22

Question 27: Please define what packeted accounts are in item R.10?

Response 27: When a customer has multiple accounts possibly across multiple agencies.

Question 28: Is the contractor required to have an office in the District? Per C.36.1 The Contractor shall perform the required services at the Contractor's facility. For the 2023 solicitation Q&A, the District confirmed that contractors did not need to have an office in Washington DC. Can you please confirm this answer remains unchanged for this bid release?

Response 28: No, the contractor is not required to have an office in the District.

Question 29: Are remote workers allowed?

Response 29: Yes.

Question 30: Are there contractor key personnel/position descriptions that are required by the District? Or is it at our discretion?

Response 30: Refer to Section C.37 of the RFP for the required key personnel. The District expects to see in Offeror's technical proposal their staffing plan in response to Section L.3.2.3.I.o and the qualifications of key personnel in response to Section L.3.2.3.III.b.

Question 31: As a part of our proposal should we provide position descriptions and resumes? (C.38.1)

Response 31: Yes, see Response 30.

Question 32: Is the SSAE 16 Report, SOC 1 Type 2 report due with our proposal? (C.46.2)

Response 32: No.

Question 33: Do we need to submit our contract with the subcontractor with our proposal or only upon award? (H.3.7)

Response 33: The contractor shall submit its contract with the subcontractor(s) only upon award.

Question 34: What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement?

Response 34: Historical rate of return is approximately 8 – 14%, anticipated rate of return is 35%.

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Question 35: Does the District allow digital communications with debtors including text, email, digital letters, etc.?

Response 35: Yes, in accordance with applicable laws and regulations.

Question 36: How many vendors do you anticipate to award for Scope A? How many vendors do you anticipate to award for Scope B? If multiple how will vendors compete for market share?

Response 36: As per Section M.1.1, the District intends to award a single contract. The contractor will perform Scope A and Scope B when the CCU transitions to Scope B services.

Question 37: Can an Offeror include a Cover Letter to precede the Technical Approach Proposal?

Response 37: Yes.

Question 38: May we use J.4 Contractor Performance Evaluation Forms, completed for the previous bid, as it seems the information requested on the form has not changed?

Response 38: Yes.

Question 39: The Required Service Level Measures item 2 includes a reference to C.51.6, is this a typo for section C.50.6? If not, please provide the service levels for C.51.6.

Response 39: The correct reference should be C.50.6. See Attachment A, Item 10.

Question 40: The District is asking for the Source Code in Escrow, please confirm this is only required for Custom Products not Existing Products? We don't have the core application source code, but we can provide any customizations with the software itself. Would that be sufficient?

Response 40: Confirmed, the Source Code in Escrow requirement of Section I.18.E is only required for Custom Products not Existing Products. For Scope A, providing customizations with the software itself will be sufficient as long as the District requirements are met for scope and timeline.

Question 41: Regarding the chart shown in Section C.2.4, what were the contributing factors as to why the total number of calls received nearly doubled from FY 2020 to FY 2021, yet the amount of debt collected only went up by \$100k+? Additionally, what were the contributing factors leading to an \$11 million+ increase in debt collected in FY 2023 compared to FY 2021, even though there were nearly 17,000 less calls received in FY 2023?

Response 41: See Response 25.

Question 42: Are insurance certificates due only upon contract award?

Response 42: Yes, per Section I.30.H, evidence of insurance shall be submitted as directed in the District's notification of award to the contractor.

Question 43: Why was the District's 2023 RFP cancelled, and the new bid issued?

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Response 43: Solicitation No. CFOPD-23-R-036 for Delinquent Debt Collection Services was cancelled due there being no responsive proposal received in response to the solicitation. The services are re-solicited due to the pending expiration of the existing contract.

Question 44: Per F.3.2 contractors are required to abide by the 51% District Residents New Hires Requirements and First Source Employment Agreement. Can we meet this requirement by hiring remote staff who live in Washington DC as was clarified and approved under the prior solicitation questions and answers?

Response 44: The 51% District resident new hire compliance is monitored by the Department of Employment Services (DOES). Offerors may contact Carlton Morrison with DOES at 202-698-6993 or carlton.morrison@dc.gov for information or the DOES main office at 202-724-7000.

Question 45: C.16.1 requests that the contractor maintain a Disaster Recovery Plan. Can the District please advise if contractor means only after contract award, or should proposers supply the District with this plan in our submittal? If a Disaster Recovery Plan is required, are there any other plans attributed to the contractor in the RFP that should be submitted by respondents?

Response 45: In response to Section L.3.2.3.I.h, Offerors are to describe their Disaster Recovery Plan in their technical proposal. After the contract award, a Disaster Recovery Plan is required per Sections C.16 and C.26.

Question 46: How many calls did CCU personnel receive over the past year on accounts that were assigned to the collection agency?

Response 46: 22,558 calls received FY 24 to date.

Question 47: Can CCU internal collection staff accept payment plans without a deposit?

Response 47: Yes, CCU internal collection staff can. However, in 2023 CCU internal collection staff completed 2,376 payment plans with customers. Of those payment plans, there were no payment plans without a deposit.

Question 48: How much was collected by CCU internal staff for accounts assigned to collection agencies in which no fee was paid to the collection agency in 2024?2023?

Response 48: None.

Question 49: C.18.4: How many accounts are not in electronic copy (hardcopy) that must be converted to electronic copy?

- a. How many accounts per month does the District estimate will need to be converted electronically?

Response 49: Currently there are no accounts that provide manual debt files. All files are electronic. But there may be some in the future. Per Section C.18.4, the Contractor shall have the

ability to transform any paper documents into electronic format and upload in the system as determined by the COTR.

Question 50: C.32.1: We do not currently utilize Chase Paymentech as a merchant processor. Would the District allow us to use our current payment processor?

a. If no, can you please explain why?

Question 50: No, the District has an exclusive contract with the merchant processor.

Question 51: C.34.3 Reporting Requirements R11 – can the District please what is meant by item R of the Telephone Communication Report which says “Sample of custom service calls?” Is the District looking to receive daily recordings of calls for every collector working the portfolio, since item A of this report requests the Agents name? If not, can you please explain what the District is looking for in item R?

Response 51: Sample calls are no longer a requirement of the Telephone Communication Report - see Attachment A, Item 6. In accordance with Section C.44.8, access to the Contractor telephony system will be required so the daily recording of calls can be obtained for real time monitoring. The CCU may select random call recordings from the system.

Question 52: Who will be on the evaluation committee?

Response 52: OCFO employees will make up the evaluation committee.

Question 53: a) What collection software system capabilities are important to the District? b) What system qualities would be a great value add? c) How will the District be evaluating the collection software solutions?

Response 53: a) Omnichannel collection software. b) Reporting. c) Refer to M.3.1.2 Evaluation Factors.

Question 54: How long have the current Vendor provided collection services on behalf of the District?

Response 54: Approx 5 years.

Question 55: What are the dollar amounts and contingency fees paid to the incumbent Vendor over the last three years (please include by account type if applicable)?

Response 55: At 9.25% for FY 22 - \$2,795,707.57, FY23 – 3,309,600.03, FY 24- 3,082,796.18

Question 56: On average, how much does the current Vendor collect monthly (expressed as dollars recovered and liquidation rate)?

Response 56: \$3,209,588.22. Liquidation rate varies by agency.

Question 57: What are the current Vendor’s historical recovery rate (liquidity rates) on accounts over the last three years?

Response 57: The rate varies from 8 – 14%.

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Question 58: Please provide the list of the 13 agencies for whom debt collections would be provided for.

Response 58: See Response 10.

Question 59: Please provide a timeline for debt transfer on the 13 agencies for whom debt collections would be provided for.

Response 59: The District anticipates no more than 30 days to transfer the existing debt to any new contractor. The District expects to fully transfer the debt within the required 60-day initial transition goal per C.47.2. The District will coordinate the transfer with the contractor's implementation plan.

Question 60: Please clarify Subsection H.3.3, which is referring to the Subcontracting Plan. Should it be attached to the proposal itself or is an additional proposal submission required before October 25, 2024?

Response 60: The Subcontracting Plan shall be submitted in part 4, Attachments of the Offeror's proposal per Section L.3.5. No conditions should be on the subcontracting plan. The District will reject any proposal that fails to include a subcontracting plan that is required by law, pursuant to Section H.3.

Question 61: Please confirm subcontractor contracts can be submitted after contract award.

Response 61: See Response 33.

Question 62: What is the latest date by which the District will issue any amendments related to this RFP?

Response 62: See Attachment A, Item 1 regarding the amended deadline for questions. The District expects to respond to final questions within two weeks of the deadline for questions. No further amendments are contemplated.

Question 63: The RFP states credit bureau reporting is a scope requirement; however, in 2015, three of the largest Credit Reporting Agencies (Equifax, Transunion, and Experian) determined they would no longer accept trade lines from collection agencies that do not arise from a consumer agreement, including government fines and fees and medical-related debts such as EMS ambulance debts. Please confirm, if the debt type is not accepted by the credit bureaus, that credit bureau reporting will not be required to be performed by Vendors.

Response 63: The District currently does not report delinquent debt to the credit reporting bureaus. See Attachment A, Items 5 and 11. However, we require the contractor to have the capability of reporting to the bureaus should we decide to pursue reporting in the future. The District will only require the contractor to provide reporting of debt acceptable to the bureaus, pursuant to C.42.2.g.

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Question 64: Are you able to provide more detail regarding the cancellation of RFP CFOPD-23-R-036? The cancellation notice states no responsive proposals were received. In which particular areas did the District find responses to be deficient?

Response 64: More details may be sought through a Freedom of Information Act (FOIA) Requests at <https://cfo.dc.gov/service/freedom-information-act-foia-requests-cfo>.

Question 65: We were unable to find RFP documentation via the District's Contracts and Procurement portal or the OCFO's Contracts Public Website Search relating to the current contract (CFOPD-19-C-003). Under what circumstances was the current contract awarded? Was a competitive RFP conducted, but somehow not archived online?

Response 65: The current contract was awarded through a competitive RFP process. The RFP documentation may be sought through a Freedom of Information Act (FOIA) Requests at <https://cfo.dc.gov/service/freedom-information-act-foia-requests-cfo>.

Question 66: What is the current total volume (number and dollar value) of outstanding collection accounts held by the CCU?

Response 66: 6.38 million records, \$1.5 Billion.

Question 67: Is the contractor permitted to use electronic communication methods (i.e., text and email) to contact debtors? If so, will the email address and cell phone information in placement files have consent associated with them?

Response 67: Yes, in accordance with applicable laws and regulations.

Question 68: B.4.3 (page 2): The contract asks for pricing to provide a system and outlines those requirements very clearly but given that the District has not identified the present system in place, nor provided a scope for conversion, the current pricing structure is severely lacking consideration of bidders' ability to estimate and incorporate the costs of supporting a conversion in its pricing.

Response 68: Acknowledged. Offerors may submit questions that will give the Offeror its best ability to estimate costs for its pricing. See Attachment A, Item 1.

Question 69: B.5 (page 3): Please confirm the contingency fee rates (%) we propose in the tables provided are the fees we will be paid for successful collections and are separate from collection fee rate assessed by the District to be paid by debtors. What is the collection fee rate to be charged by the District to the debtors?

Response 69: Confirmed, the proposed contingency fee is what the District will pay the contractor for actual, successful collections. District collections fee of 20% will be added to the total debt.

Question 70: B.7.1 (page 7): Should pricing for optional interfaces be based on the operational interfaces discussed in C.49 on page 36?

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Response 70: Yes.

Question 71: C.2.3 (page 8): Is there a targeted timeline for getting the remainder of the District's agencies implemented with the CCU?

Response 71: See Response 17. Our goal is to have all agencies participate. Understanding, however, that there is a vast difference between the number of debt records for each agency. For example, the number of debt records and total debt for DC Public Library would be a fraction of the records and total debt of DMV.

Question 72: C.2.3 (page 8): What does the process for onboarding new District agencies into the CCU look like? How much of the process is the responsibility of the contractor and how much is the responsibility of the CCU?

Response 72: The responsibility lies on CCU to instruct the agency how to transfer their debt to CCU and the correct file format necessary to provide the information to the contractor. Due to the different agencies, volume and frequency varies greatly. However, the Contractor will work with the agencies to ensure that the expected files are received at an agreed upon frequency and in case of any errors or omissions, the Contractor will work with the agency to resolve the issues. The CCU staff will be notified and copied on all communication between the Contractor and the District agency.

Question 73: C.2.4 (page 8): Please provide context for the call and collection volumes provided in the table. Are these representatives of what is received by the CCU directly, its contracted collection agency, or both?

Response 73: Volume in the table reflects mostly the contractor's collection efforts.

Question 74: C.3.4 (page 9): This suggests more than one collection agency will be working accounts. Please confirm the District intends to select just one contractor to fulfill both Scope A and Scope B of this contract.

Response 74: See Response 36. Note, no accounts will be simultaneously worked by more than one contractor including CCU.

Question 75: C.6.3 (page 12): Is the contractor expected to provide computers for CCU staff to connect to the system?

Response 75: No.

Question 76: C.7.1 (page 12): What collection software/system is currently in use by the CCU? Is the software provided and supported by your current collection contractor? Is it proprietary software that was specifically developed for the CCU?

Response 76: The current software is CUBS - Columbia Ultimate Debt Collection System, provided by the current contractor.

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Question 77: C.7.3 (page 12): Confirm the CCU is seeking the ability to design new templates at will, as opposed to the ability to generate/print form letters using system templates?

Response 77: Yes, CCU needs the ability to modify the system templates as well as the ability to design new custom templates as per the District needs.

Question 78: C.7.3 (page 12): Please provide copies of system letters, forms, templates, and other correspondence that the CCU requires to be generated through the system. At a minimum, please provide a list of data points required for each.

Response 78: Data points required: Debtor name, address, date of infraction, date of assignment (when the debt is sent to CCU for collection), agency assigning the debts, cure date, the balance. There may be additional data added a later date. The copies of the templates currently used will be provided to the selected Contractor after contract award.

Question 79: C.8.7 (page 13): What data points will the CCU provide to ensure successful SSN/EIN matches?

Response 79: Name, address.

Question 80: C.9.1 (page 14): What software does the DMV operate? How is real-time interfacing currently being accomplished?

Response 80: The DMV utilizes eTIMS (Electronic Ticket Information Management System). Currently, the contractor is communicating via batch process of the payment update files with the agencies including DMV every day. Real time interface is currently viewed as batch process every two hours during regular operating hours. Section C.5.10 of this RFP defines Real Time Data Processing and the lag time allowed for the new contract.

Question 81: C.10.2 (page 15): For debts placed without collection fees, what is the collection fee rate (%) and formula the contractor will use to add collection fees to debt balances?

Response 81: If the collection fees are not added to any debt file by the agency, the contractor will need to add 20% fee, on behalf of the CCU, to the total debt.

Question 82: C.11.2 (page 15): As there is no way to guarantee the accuracy of SSN/EIN search results, will the contractor be held accountable if results provided are later determined incorrect?

Response 82: No.

Question 83: C.14.1 (page 18) and C.24.1 (page 22): The installment plan structure doesn't offer sufficient flexibility for the contractor to reasonably work within debtors' personal financial means to reach viable payment agreements. Requiring a 25-50% down payment—particularly on larger balances—forces the contractor to refer debtors who cannot afford one of the fixed payment tiers back to CCU staff (C.14.2 and C.24.2). This will result in an excessively high volume of CCU referrals and negates the advantage of

contracting with a debt collection agency. Is the CCU willing to relax or expand this installment structure, so the contractor can retain and work the bulk of accounts?

Response 83: See Response 23.

Question 84: C.14.4 (page 18): If the contractor reports debts to credit bureaus as a third-party collection agency, it is not possible to suspend reporting for payment plans. However, a trade line can be deleted when the account either has been reported in error or is being deleted due to fraud.

Response 84: OK.

Question 85: C.14.8 (page 18): Are the credit card processing fees paid by the CCU? If not, please confirm that the CCU and contractor are each only responsible for its own processing fees. If the contractor is responsible for credit card fees on its transactions, please indicate how are processing fees calculated and billed?

Response 85: Credit Card processing fees are not paid by the CCU. The fees are paid by the contractor, however the Contractor must utilize the District merchant processor. An account must be set up with the District's merchant processor, who will bill the contractor once a month for the processing fees.

Question 86: C.18.4 (page 20): Under what circumstances might hardcopy records need conversion? What is the anticipated volume and frequency of this need?

Response 86: See Response 49.

Question 87: C.31.1 (page 25): In item #2, what kind of "investigation" is the contractor expected to perform?

Response 87: Skip Tracing or possible credit check.

Question 88: C.31.1 (page 25): In item #3, what are possible consequences of non-response?

Response 88: Bank Levies, garnishments, liens, judgements and any other collection activities.

Question 89: C.32.1 (page 25): Please further define expectations regarding use of the District's merchant processor. Will debtor payments processed through the contractor's collection system use the District's merchant ID, thus depositing debtor funds directly into a CCU-managed bank account?

Response 89: Monies have to be transmitted to CCU account by next business day. Accounts need to be established with the merchant service provider. The Contractor takes payment from the debtor thru the District's merchant processor. Payments will be deposited into the District's account by the District's merchant processor.

Question 90: C.36.1 (page 29): Do the stated business hours apply to work performed by the contractor under both Scope A and Scope B?

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Response 90: Yes.

Question 91: C.36.2 (page 29): What are examples of special initiatives that may require expanded business hours? What hours might the contract be required to observe during these periods?

Response 91: Any unforeseen emergencies that require the district to change its normal operating hours as stated in 36.1

Question 92: C.40.6 (page 31): What are the District's expectations regarding the number of calls per collector that must be scored using the District's scorecard each month?

Response 92: The number of calls per collector will be based on the number of collectors working on accounts.

Question 93: C.40.6 (page 31): Please provide an example of the QA scorecard in use.

Response 93: Please see Exhibit A.

Question 94: C.44.6 (page 33): What are the District's expectations regarding the number of calls to be audited monthly for the Telephone Communication Audit?

Response 94: 10 – 50 calls based on volume and agency.

Question 95: C.45.1 (page 33): Under what circumstances would the contractor be required to utilize the District's payment portal? Will the contractor receive commission on payments made through the District's portal?

Response 95: See Response 5.

Question 96: C.46.2 (page 34): Explain the rationale behind requiring the contractor to align the timing of its SOC audit with the District. Is the District willing to allow the contractor to keep its current reporting schedule so as to avoid creating a gap between its old and new reporting cycle? Is the contractor allowed a grace period to comply?

Response 96: The goal of the District is to have current audit reports from the contractor. It would be best if the audited period matches that of the District as the contractor would be the "system of record" for the District. However, the District will accept a SOC Audit that covers a period that is within the last 12 months. See Attachment A, Item 9.

Question 97: C.47.2 (page 35): Given the anticipated complexity of this project's implementation and testing requirements, a 60-day implementation timeline seems unfeasible. Is there any flexibility in the District's timeline?

Response 97: No, there is no change to the requirement.

Question 98: C.47.2 (page 35): So that we may better understand the timeline for this project, please provide:

a. The date the District intends to announce an RFP award?

- b. The date the contract is anticipated to begin?
- c. The date the District expects to go live with contracted services?

Response 98: See Responses 7 and 8 and refer to Section C.47.2 for the timeframe for the contractor's staff and facility to be fully prepared.

Question 99: H.3.1 (page 52): Given the security requirements of protecting debtor's personally identifiable information, how much time would the contractor have to meet the 35% subcontracting requirement to qualified small business enterprises?

Response 99: See Response 60 that the Subcontracting Plan shall be submitted in the Offeror's proposal and the District will reject any proposal that fails to include a subcontracting plan. The Department of Small and Local Business Development (DSLBD) is responsible for monitoring the contractor's compliance to meet the 35% subcontracting requirement. The 35% subcontracting requirement must be met once DSLBD evaluates compliance at the end of each contract period. Offerors should contact DSLBD at (202) 727-3900 or at compliance.enforcement@dc.gov for specific information.

Question 100: H.3.5 (page 54): In the event a contractor determines a subcontractor is providing subpar or insufficient services may a request to amend a subcontracting plan be submitted in the midst of a period of performance to the Contracting Officer?

Response 100: A request to amend a subcontracting plan can be submitted in the midst of a period of performance to the Director of the Department of Small and Local Business Development.

Question 101: H.3.7 (page 54): To confirm, copies of subcontractor contracts are required upon award and are not due with our proposal response. Is this correct?

Response 101: See Response 33.

Question 102: H.3.7 (page 54): Does the DSLBD or OCFO provide a recommended contract template to be used by a contractor for a subcontract agreement?

Response 102: The Department of Small and Local Business Development (DSLBD) is responsible for monitoring the contractor's compliance with the subcontracting requirement. Offerors may contact DSLBD at (202) 727-3900 or at compliance.enforcement@dc.gov for any recommendations.

Question 103: H.7.4 (page 59): Regarding annual OCFO/OIO Integrity and Ethics Training, is a contractor or subcontractor able to choose between web-based and in-person training or will they be directed to participate in one form or the other?

Response 103: A contractor or subcontractor will be able to choose once in-person training is available; until then, only web-based is available.

Question 104: I.18, B, 1 (page 78): How many user licenses does the District/CCU anticipate needing under Scope A and Scope B?

Response 104: 50 Licenses.

Question 105: I.18, E, 1 (page 78): We are proposing the use of an existing third-party software platform and cannot provide the source code. However, we are fully capable of modifying the system to accommodate whatever contract-specific features and services the District requires. Is it absolutely necessary to be able to provide the source code for third-party software used in fulfillment of the scope of work for this contract?

Response 105: See Response 40.

Question 106: I.31.4 (page 85): If the contractor is able to perform services under the contract using its current staff, would the local hiring requirement apply?

Response 106: Offerors must submit Attachment J.7, Department of Employment Services First Source Employment Agreement and Plan. Pursuant to I.31 and the Employment Agreement, the Offeror is agreeing to first source from the District of Columbia Department of Employment Service's (DOES) First Source Register to fill all jobs created in order to perform the contract and to fill any vacancy covered by the Employment Agreement. If the contractor is using its current staff and does not create jobs or have any vacancy covered by the Employment Agreement, the contractor would not otherwise be required to hire locally. Also, See Response 44.

Question 107: What are you currently paying the incumbent(s)?

Response 107: 9.25% which is a public record.

Question 108: Can you provide guidance on how to acquire the waiver form for the subcontracting requirement?

Response 108: There is no waiver form. Per H.3.12, Offerors may request a waiver of the subcontracting requirements by timely filing a written email request with the point of contact on Page 1 of this solicitation, to the attention of the Contracting Officer detailing the reasons justifying a waiver, including the Offeror's good faith efforts to secure involvement by Certified Business Enterprises.

Question 109: How much debt was placed with each of the tiers in the previous/existing contract? Please detail the following about the collection inventory:

- o Volumes (by the number of debts and the total amount)
- o Average age of the debts
- o Average balance size
- o Past liquidation rate

- o Expected liquidation rate

Response 109: See Responses 12 through 16.

Question 110: Will you allow email and text communications along with calls and letters?

Response 110: See Response 35.

Question 111: What percentage of accounts have emails?

Response 111: Less than 1% overall, mostly due to the volume of the DMV files.

Question 112: Can this work be performed offshore (India)? If no, can support staff (posting, file processing, QA, etc.) be located offshore (India)? Can the programming/management of the accounts receivable system be located offshore (India)?

Response 112: Yes, but the OCFO will view it as some risk to the District for contractors who propose to provide offshore services.

Question 113: Can this work be performed remotely from home (onshore)?

Response 113: Yes

Question 114: Are there any requirements in Scope A on the number of written correspondences that is to be sent to the debtor?

Response 114 Yes, an Original Notice of Debt, a follow up letter and a final demand letter. See Attachment A, Item 4.

Question 115: Is there any existing debt collections process in place currently? How are delinquent accounts handled today?

Response 115: The existing debt collection is through the current contractor and all delinquent accounts are worked regularly. The existing contract is CFOPD-19-C-003. The contract number can be searched, and the contract can be downloaded for review of the existing requirements from the following link:
<https://dc.cobblestonesystems.com/public/default.aspx>.

Question 116: In Scope A, will the vendor serve as a 3rd party collection agency collecting as the vendor on behalf of the District of Columbia or would we collect as an extension of the District of Colombia and never mention our vendor name on verbal or written communication?

Response 116: The collection agency will be a 3rd party.

Question 117: In Scope A, will the individual departments refer callers to contact the selected Scope A vendor or will the departments access Scope A Vendor's accounts receivable system and handle the call themselves?

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Response 117: The agencies would refer all communications from debtors to the Contractor selected in Scope A. The Contractor in Scope A will process the information in their system and send updates back to the agency.

Question 118: Will the departments within the District of Columbia that are referring the accounts be able to provide validation of the debt if requested by the debtor, i.e., proof of the debt (itemized statement, signed agreements with the debtor, proof the debtor created the debt, etc.)?

Response 118: Yes.

Question 119: Will there be an initial larger placement of existing accounts from the backlog? If yes, what is the volume?

Response 119: All accounts currently held with the existing contractor will initially be transferred to any new contractor. Prior to conversion, the CCU will scrub the existing population to identify the accounts that need to be removed, withdrawn or written off. Currently, there are 7.9 million accounts in the current Contractor's system.

Question 120: What are the anticipated monthly placement volumes and amounts?

Response 120: Volume of accounts fluctuate drastically due to the different types of debtors and debt amounts. Because the District anticipates an increased collections rates of 35% on all of the debt types, a monthly projection of placement volumes and amounts for the new contract is to be determined. See Attachment A, Item 7.

Question 121: What is the average account balance by debt type?

Response 121: See Response 109.

Question 122: Is credit reporting expected/allowed?

Response 122: See Response 63.

Question 123: Would the collection agency be expected to add any fees or interest to the assigned placement amount?

Response 123: No.

Question 124: Do you have historical data by debt type or in whole, for the monthly liquidation rates, or at the 90 day and 180-day mark?

Response 124: See Response 12.

Question 125: Regarding the collection fee that we will add to the account, will this be the only amount the collection agency will retain as their commission/fee for collection of the account?
OR will we add the collection fee then take our contingency rate on the entire amount we collect?

Response 125: See Responses 70, 81, and 123.

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Question 126: For any meetings, can these be via conference call/webex or is physical presence required?

Response 126: Microsoft Teams is the preferred method of conference calls. In person meetings may be required periodically.

CCU CUSTOMER SERVICE CALL SCORECARD

CALL QUALITY Good

DATE OF CALL:

CUSTOMER NAME:

SCORER:

AGENT:

TOTAL SCORE:

#DIV/0!

OPENING CALL

SCORE

Used Standard Intro

Yes

Confirmed Details

Yes

INFORMATION COLLECTION

Address Verification

Yes

Contact Details Verified

Yes

Email Address Verification

Yes

CALL STRUCTURE

Policy Adherence and Knowledge

Yes

Confirmation of Assistance

Yes

Asked if anything else we can do

Yes

Confirmed Next Steps

Yes

GENERAL CUSTOMER SERVICE

EXHIBIT A

Positive Attitude	Yes
Friendly Manner	Yes
Use of First Name	Yes
Asked Hold Permission	No

WEIGHTING (1-5)

WEIGHTED SCORE

POTENTIAL SCORE
