



MARTIN O'MALLEY  
Governor

ANTHONY BROWN  
Lieutenant Governor

T. ELOISE FOSTER  
Secretary

**Amendment #1 to Request for Proposals (RFP)  
Central Collection Unit  
Debt Collection Services  
Solicitation No. F10B5400006  
October 17, 2014**

This Amendment is being issued to amend and clarify certain information contained in the above named RFP. All information contained herein is binding on all Offerors who respond to this RFP. Specific parts of the RFP have been amended. The following changes/additions are listed below. New language has been double underlined and marked in bold (ex. **new language**), and language deleted has been marked with a strikethrough (ex. ~~language deleted~~).

1. AMEND Section 1.2 to ADD the definition of Key Personnel as follows:

**1.2 v. ~~Key Personnel -- Key Personnel – Contractor employees to include its Contract Administrator, Collection Manager and any other personnel the Contractor designates as Key Personnel in its Proposal. Key Personnel are subject to the provisions of Section 1.23.~~**

2. AMEND Section 1.6 of the RFP as follows:

1.6 Contract Monitor

The Contract Monitor is:

Ms. Montez Foster  
Contract Monitor  
DBM, Central Collection Unit  
300 W. Preston St., Baltimore, MD 21201  
Phone: 410-767-~~7684~~ **1208**  
Fax: 410-333-5595  
Email: montez.foster@maryland.gov

3. AMEND Section 1.41.3 as follows:

1.4.1.3 VSBE Goals

A VSBE subcontract participation goal of 0.5% of the total Contract dollar amount of the Offeror's base commission rate **to exclude any earned incentive revenue** has been established for this procurement. By submitting a response to this solicitation, the Bidder or Offeror agrees that this

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percentage of the total dollar amount of the Contract will be performed by verified veteran-owned small business enterprises.

4. AMEND Section 2.1.2 as follows:

**2.1.2 The Offeror must have at least two years of experience within the last five years providing services that are similar in scope to those described in this RFP for at least one federal or state government entity within the U.S. or Canada that referred at least 25,000 accounts annually. As proof of meeting this qualification, the Offeror shall submit a reference(s) with the information required in Section 4.4.2.9 for each reference.** ~~The Offeror must have at least three years of experience within the last five years providing services that are similar in scope to those described in this RFP for three different state or federal government entities within the United States or Canada, which each referred at least 75,000 accounts per year to the Offeror. As proof of meeting this qualification, the Offeror shall submit references from three different state or federal government entities within the United States or Canada who can attest to the Offeror's experience as required in this Section 2.1.2. The Offeror shall submit the information required in Section 4.4.2.9 for each reference.~~

5. AMEND to ADD Section 2.1.3 as follows:

**2.1.3 The Offeror must also have provided services that are similar in scope to those described in this RFP for two additional clients within the last five years, who cumulatively referred 75,000 or more accounts to the Offeror in one year and who each referred at least 25,000 accounts in that same year. As proof of meeting this qualification, the Offeror shall submit references with the information required in Section 4.4.2.9 for each reference.**

6. AMEND to STRIKE Section 3.2.3.2 and renumber Section 3.2.3.3 as follows:

~~3.2.3.2 Credit or Debit Card Processing Fees~~

~~The Contractor may not subtract any credit or debit card processing fee(s) from the amount of the payer's debt payment. The Contractor may propose a credit card/debit card processing fee, not to exceed 2.5%, in addition to the debt payment amount.~~

**3.2.3.32 Debtor Insufficient Funds**

The Contractor will receive notification by facsimile or email of all checks from debtors returned unpaid to CCU for insufficient funds (NSF, account closed, stopped payment, disputed by the account holder, etc.) on a daily basis. CCU will add back any such insufficient funds payments to the debtor's Account and subtract the payments from a subsequent Contractor invoice. Additionally, CCU, at its discretion, may withhold payment of any commissions until the reimbursement is paid to the CCU.

7. AMEND to ADD Section 3.2.13.2 as follows:

**3.2.13.2 As part of its staff, the Offeror shall provide a Contract Administrator and Collections Manager who will be designated as Key Personnel and subject to the provisions of Section 1.23.**

**The Contract Administrator and Collections Manager shall have the following qualifications (Note: If the same individual fills both positions, that individual shall meet the qualifications for both positions.):**

**3.2.13.2.1 Contract Administrator: The Contract Administrator shall possess a bachelor's degree, or two years of debt collection experience.**

**3.2.13.2.2 Collections Manager: The Collections Manager shall possess three years of debt collection experience.**

**8. AMEND Section 3.2.14.2 as follows:**

3.2.14.2 The successful Offeror's blanket bond may **must** provide coverage for State approved subcontractors **providing debt collection services**. ~~In this instance, It~~ is not necessary for subcontractors to obtain separate bonding. ~~However, if the Contractor's blanket bond is limited solely to the Contractor, all approved subcontractors (including those utilized to fulfill the Minority Business Enterprises goal) assigned work by the Contractor will also be required to maintain in full force and effect, during the Contract term and any period thereafter during which the subcontractor has in its possession any Accounts forwarded to it by the Contractor on behalf of CCU, a blanket bond in an amount of not less than \$250,000.~~

**9. AMEND Section 3.2.15.4 as follows:**

3.2.15.4 Incentive Commissions

In addition to ~~the bid~~ **its proposed** commission rate, the Contractor may earn an increase to its commission rate for achieving certain collection thresholds. The Department will pay a graduated incentive commission of 1.5% for every five hundred thousand dollars, or part thereof, that the Contractor receives in net collections above two million dollars in a single Contract year. **The graduated incentive commission will be paid only on the net collections achieved within each incentive bracket; for example, if a Contractor recovers \$3,000,000 in net collections, the Contractor will receive its base commission rate as proposed in its Financial Proposal Form, Attachment F, for all collections up to \$2,000,000, an additional 1.5 percent on its base commission rate on the half million dollars collected in the \$2,000,000 to \$2,500,000 bracket, and an additional 3 percent on its base commission rate for the half million dollars collected in the \$2,500,000 to \$3,000,000 bracket.** The total of all commissions shall not exceed 25% of monies collected in a single Contract Year. The incentive commission structure is as follows up to 25%:

Net Collections	Incentive Commission above Commission Rate as Proposed on Attachment F
\$2,000,000.01 to \$2,500,000.00	1.5%
\$2,500,000.01 to \$3,000,000.00	3%
\$3,000,000.01 to \$3,500,000.00	4.5%

\$3,500,000.01 to \$4,000,000.00	6%
\$4,000,000.01 to \$4,500,000.00	7.5%
\$4,500,000.01 to \$5,000,000.00	9%
\$5,000,000.01 to \$5,500,000.00	10.5%
\$5,500,000.01 to \$6,000,000.00	12%
\$6,000,000.01 to \$6,500,000.00	13.5%
\$6,500,000.01 to \$7,000,000.00	15%
\$7,000,000.01 to \$7,500,000.00	16.5%
\$7,500,000.01 to \$8,000,000.00	<u>18</u> 7%
\$8,000,000.01 to \$8,500,000.00	<u>19</u> 7.5%, etc.

10. AMEND Sections 5.2.2 and 5.2.3 as follows:

- 5.2.2 **Offeror Qualifications and Capabilities, including proposed Subcontractors (See RFP § 4.4.2.8 – 4.4.2.14)** Experience and Qualifications of Proposed Staff (See RFP § 4.4.2.7)
- 5.2.3 **Experience and Qualifications of Proposed Staff (See RFP § 4.4.2.7)** Offeror Qualifications and Capabilities, including proposed Subcontractors (See RFP § 4.4.2.8 – 4.4.2.14)

Issued and authorized by

<signed>  
 Rachel Hershey  
 Procurement Officer