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Governor

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Secretary

**Amendment #5 to Request for Proposals (RFP)  
Central Collection Unit  
Debt Collection Services  
Solicitation # F10B5400006  
March 4, 2015**

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 have responded 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 strikeout (ex. ~~language deleted~~).

**1. AMEND Section 1.4.3 of the RFP as follows:**

1.4.3 As of the Go-Live Date contained in a Notice to Proceed (see Section 1.2 definition), the Contractor shall perform all activities required by the Contract, including the requirements of this solicitation, and the offerings in its Technical Proposal, for the compensation described in its Financial Proposal. The Go-Live Date is anticipated to be ~~May~~**July** 1, 2015.

**2. AMEND Section 3.2.15 of the RFP as follows:**

**3.2.15 Contractor Payment and Incentives**

**3.2.15.1 The Contractor will be paid on the basis of the commission rates it proposes for monies collected on referred Accounts as stated in its Financial Proposal (Attachment F). These commission rates and any incentive commission rate increase percentages earned per Section 3.2.15.4 will be the sole consideration paid to the Contractor. The Department will not reimburse the Contractor for costs or expenses incurred.**

**3.2.15.2 In cases when an Account has been assigned to the Contractor and CCU adjusts the amount of the Account, the commission generated by the Contractor for services rendered will be calculated on collections of the adjusted amount and not on the original amount assigned to the Contractor.**

**3.2.15.3 In any cases when an Account has been assigned to the Contractor and that Account becomes the subject of bankruptcy reorganization, State insolvency, receivership, probate or other proceeding, the Contractor shall immediately, on discovery, stop collections efforts on the Account and refer the Account back to CCU and no additional commission will be generated on the remaining balance of that Account.**

~Effective Resource Management~

### 3.2.15.4 Incentive Commissions

3.2.15.4.1 In addition to its proposed commission rates, the Contractor may earn an increase to its commission rates for achieving certain collection thresholds in separate commission brackets, one for toll Account collections, and one for all non-toll Account collections, hereafter referred to as “regular” Account collections. The Department will pay a graduated incentive commission of 2% for every “incentive bracket,” i.e. every million dollars or part thereof, that the Contractor reaches in collections above two million dollars for regular Accounts and above two million dollars for toll Account collections, per the charts in 3.2.15.4.2 and 3.2.15.4.3, in a single Contract Year. Each additional incentive commission percentage applies only to collections within that particular incentive bracket, i.e., that additional percentage is not applied to any lesser recovery levels. The graduated incentive commissions will be paid only on the collections achieved within each incentive bracket; for example, if a Contractor recovers \$3,500,000 in toll Account collections, the Contractor will receive its base commission rate on the amounts it collects for toll Accounts as proposed in its Financial Proposal Form, Attachment F, for all toll collections up to \$2,000,000, an additional 2 percent above its base toll Account commission rate on the million dollars collected in the \$2,000,000.01 to \$3,000,000 bracket, and an additional 4 percent above its base toll Account commission rate for the half million dollars collected in the \$3,000,000.01 to \$4,000,000 bracket.

#### 3.2.15.4.2 Incentive Commission Brackets for Regular Account:

The Contractor’s total compensation for regular Account collections shall not exceed 17% of regular Account collections in a single Contract Year. The incentive commission structure for regular Accounts is as follows:

<u>Incentive Brackets for Collections of Regular Accounts</u>	<u>Incentive Commission above Base Commission Rate for Regular Accounts as Proposed on Attachment F</u>
<u>1. \$2,000,000.01 to \$3,000,000.00</u>	<u>2%</u>
<u>2. \$3,000,000.01 to \$4,000,000.00</u>	<u>4%</u>
<u>3. \$4,000,000.01 to \$5,000,000.00</u>	<u>6%</u>
<u>4. \$5,000,000.01 to \$6,000,000.00</u>	<u>8%</u>
<u>5. \$6,000,000.01 to \$7,000,000.00</u>	<u>10%</u>
<u>6. \$7,000,000.01 to \$8,000,000.00</u>	<u>12%</u>
<u>7. \$8,000,000.01 to \$9,000,000.00</u>	<u>14%</u>
<u>8. \$9,000,000.01 to \$10,000,000.00</u>	<u>16%, etc.</u>

#### 3.2.15.4.3 Incentive Commission Brackets for Toll Accounts:

The Contractor’s total compensation for toll Account collections shall not exceed 17% of toll Account collections in a single Contract Year. The incentive commission structure for toll Accounts is as follows:

<u>Incentive Brackets for Collections of Toll Accounts</u>	<u>Incentive Commission above Base Commission Rate for Toll Accounts as Proposed on Attachment F</u>
<u>1. \$2,000,000.01 to \$3,000,000.00</u>	<u>2%</u>
<u>2. \$3,000,000.01 to \$4,000,000.00</u>	<u>4%</u>
<u>3. \$4,000,000.01 to \$5,000,000.00</u>	<u>6%</u>
<u>4. \$5,000,000.01 to \$6,000,000.00</u>	<u>8%</u>
<u>5. \$6,000,000.01 to \$7,000,000.00</u>	<u>10%</u>
<u>6. \$7,000,000.01 to \$8,000,000.00</u>	<u>12%</u>
<u>7. \$8,000,000.01 to \$9,000,000.00</u>	<u>14%</u>
<u>8. \$9,000,000.01 to \$10,000,000.00</u>	<u>16%, etc.</u>

### 3.2.15.5 Incentive Commission Payment

The incentive commissions will be paid separately from the base commissions. The Contractor shall list the incentive commission as a separate invoice item on the invoice submitted for the last month of each Contract Year. The incentive commission applies only to monies collected on Accounts referred after the Go-Live Date.

~~3.2.15.1 The Contractor will be paid on the basis of the commission rates it proposes for monies collected on referred Accounts as stated in its Financial Proposal (Attachment F). These commission rates and any incentive commission rate increase percentage earned per Section 3.2.15.4 will be the sole consideration paid to the Contractor. The Department will not reimburse the Contractor for costs or expenses incurred.~~

~~3.2.15.2 In cases where an Account has been assigned to the Contractor and CCU adjusts the amount of the Account, the commission generated by the Contractor for services rendered will be calculated on the adjusted amount and not on the original amount.~~

~~3.2.15.3 In any cases where an account has been assigned to the Contractor and that Account becomes the subject of bankruptcy reorganization, State insolvency, receivership, probate or other proceeding, the Contractor shall immediately, on discovery, refer the Account back to CCU and no additional commission will be generated on the remaining balance of that Account.~~

### ~~3.2.15.4 Incentive Commissions~~

~~In addition to the bid its proposed commission rates, the Contractor may earn an increase to its commission rates 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 commissions 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 rates on the amounts it collects for toll violations and other Accounts respectively 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 rates 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 rates 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 Rates 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	18%
\$8,000,000.01 to \$8,500,000.00	19.5%, etc.

~~3.2.15.3 Incentive Commission Payment~~ —

~~The incentive commissions will be paid separately from the regular commissions. The Contractor shall list the incentive commission as a separate invoice item on the invoice submitted in May for the April invoice period for each Contract Year. The incentive commission applies only to monies collected on Accounts referred after the Go-Live Date.~~

3. AMEND Section 3.1 of the State Contract, Attachment A, of the RFP as follows:

**3. Period of Performance.**

3.1 The term of this Contract begins on the date the Contract is signed by the Department following any required approvals of the Contract, including approval by the Board of Public Works, if such approval is required. The Contractor shall provide services under this Contract as of the Go-Live date contained in the written Notice to Proceed. From this Go-Live date, the Contract shall be for a period of approximately three years beginning ~~May~~ July 1, 2015, and ending on ~~April~~ June 30, 2018.

3.2 The Department, at its sole discretion, has the unilateral right to extend the term of the Contract for up to two additional, successive one-year terms at the prices quoted in the Financial Proposal for the Option Years.

3.3 Audit, confidentiality, document retention, and indemnification obligations under this Contract shall survive expiration or termination of the Contract.

Offerors are to acknowledge receipt of this amendment by providing a signed document via email to the Procurement Officer at the address provided in RFP Section 1.5 by 5:00 PM, March 10, 2015, stating that this Amendment #5 has been received and reviewed by the Offeror, and that the Offeror agrees to comply with all amended provisions. A hard copy of the document should be provided to the Procurement Officer by 5:00 PM March 12, 2015. Failure to acknowledge receipt of an amendment does not relieve the Offeror from complying with all terms of any such amendment.

Issued and authorized by

<signed>  
Rachel Hershey  
Procurement Officer