

## **Request for Proposal**

Town of Scarborough

### **Bid #0052006/Accounts Receivable Collection Agency Contract**

#### **I. INTRODUCTION**

Sealed proposals for furnishing the Town of Scarborough with its requirements for Accounts Receivable Collection, on an as needed basis for a one year period, as specified below will be received by the Town Purchasing Agent, Scarborough Municipal Building, 259 US Route One, Scarborough, Maine, 04070-0360 up until 3:00pm, Friday March 10<sup>th</sup>, 2006, at which time they will be publicly opened.

Bids shall be submitted in sealed envelopes plainly marked "Bid #0052006/Accounts Receivable Collection Agency Contract" and shall be addressed to the Purchasing Agent at the above address.

Questions regarding this Request for Proposal should be directed to Keith Matherne, Purchasing Agent. All questions by prospective bidders pertaining to this Proposal must be received, in writing, to the Purchasing Agent at least one (2) days before the date set for the opening of the Proposals. Any questions which, in the opinion of the Purchasing Agent, require interpretation, will be addressed by a written interpretation in the form of a numbered Addendum, sent by e-mail or by registered mail where email is not applicable to each person or firm who intends to submit a proposal no later than one (1) day prior to the scheduled opening of the Proposals.

Each bidder is required to state in its Proposal the bidder's name and place of business and the names of persons or parties interested as principals with it; that the Proposal is made without any connection with any other Proposer making any proposal for the same Services; and that no person acting for or employed by the Town is directly or indirectly interested in the Proposal or any agreement which may be entered into to which the Proposal relates or in any portion of the profits herefrom.

Before commencing work under the Services Agreement, the successful bidder shall produce evidence satisfactory to the Town that it and its subcontractors, if any, have secured public liability, automobile and workers' compensation insurance coverages and professional liability insurance coverage as set forth in the specifications. In addition, before signing the contract, the successful bidder shall provide a performance bond and payment bond, each in the full Contract Price, guaranteeing the CONTRACTOR's performance and payment.

No Proposals may be withdrawn within a period of (30) days after the opening of bids.

Bidders must submit their Proposals in triplicate. Proposal forms furnished by the Town or copies thereof shall be used, and strict compliance with the requirements of this Request for Proposals is necessary.

#### **II. SCOPE OF SERVICES**

The Scope of Services hereunder is described in the Specifications attached.

#### **III. ACCEPTANCE/REJECTION**

With your bid, you must submit proof from the Secretary of State's office that your foreign corporation, limited liability Company, limited partnership and or limited liability partnership is qualified in the State of Maine.

Where applicable, it is the custom of the Town of Scarborough to pay its bills within 30 days following delivery of and receipt of bills for all items covered by the purchase order. In submitting bids under attached specifications bidders should take into consideration all discounts, allowed in accordance with the above payment policy. All bidders should quote net prices, therefore, exclusive of all Federal Excise Taxes.

The Town of Scarborough, Maine reserves the right to waive all informalities in bids, to accept any bid or any portion thereof, or to reject any or all bids should it be deemed in its best interest to do so. Except as otherwise required by law or as specifically provided to the contrary herein, the award of this bid shall be governed by the Town's purchasing ordinance.

#### IV. REFERENCES

Each bidder must submit a list of customers, addresses, contact person and telephone number the Town can contact for references of performance satisfaction.

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## Specifications

The Town of Scarborough is seeking bids for Accounts Receivable Collection Services for various unpaid bills that adhere to the following service specifications:

The term Client for the purposes of these specifications shall mean the Town of Scarborough, its departments and officials.

The term Agency for the purposes of these specifications shall mean the collection agency submitting a proposal.

The following are to be considered minimum requirements:

- 1.) The Agency shall uphold any and all applicable local, state and federal laws including all those pertaining to the debtor's rights. Additionally, the Agency will comply with all HCFA and HIPAA regulations, both current and future.
- 2.) The Agency shall be duly licensed with the State of Maine to carry out said collections.
- 3.) The Agency shall indemnify and hold the Client harmless from and against any and all claims, demands, liabilities, suits, losses, damage, injuries or causes of action (including all reasonable expenses and attorney's fees incurred by or imposed upon the Client) that may occur in connection with the activities of the Agency. The Agency must be insured and bonded as appropriate to avoid litigation or claims against the Client. Proof of these must be submitted to the Client for review at the time of the proposal submission.
- 4.) The Client will be responsible for notifying the Agency that they should initiate collections. The Client will provide the Agency with any and all pertinent information on the account in accordance with any and all confidentiality laws. The Agency can expect that any accounts released to them have had 3 prior bills sent to them from the Client, 120 days has past and the Client has had no response from debtor.
- 5.) The Agency shall conduct its collections with the utmost professionalism and at no time use any threats, intimidation or harassment in the collections of accounts or violate any other applicable governmental law, regulation or guideline. At no time during the collection process will the name of the client be defamed in any way. The Agent shall use all legal means to effect collections of accounts referred for collection such as letters, telephone calls and notices.
- 6.) The Agency agrees that any information provided by the Client in regards to the debtor will be used for the sole purpose of skip tracing and /or collecting the account. This information will not be disclosed to any third party or used for any other purpose, without prior authorization from the Client.
- 7.) The Agency shall remit any and all applicable monies to the Client at the end of each month. This shall be done using a check made out to the Town of Scarborough and will indicate the month the payment is being made. Accompanying the monthly check, will be a list of the accounts and amount per account that the monthly check reflects. The Agency will provide an up to date list at the end of each month indicating the status of any and all outstanding accounts. The agency will be required to notify the Client that an account has been paid in full. This list shall indicate the debtor's name, account number, date(s) collected, amount collected and whether paid to the Agency or the Client. Additionally, the Agency's collected fee per account shall be listed.
- 8.) The Client reserves the right to confirm with the debtor the accuracy of all payments made to the Agency by direct contact with the debtor. The Agency shall maintain accurate and up to date records on all account activity in such a manner as to be audited by the Client at any time during the Agencies regular business hours.

- 9.) The Client agrees to report all payments made, bankruptcy notices and any and all communications from the debtor or representative, directly to the Agency.
- 10.) The Agency shall report any and all unpaid accounts with no payment activity greater than 6 months and \$50.00, to the appropriate credit bureaus.
- 11.) The Agency will notify the Client when they have exhausted all means, other than legal pursuits, in collecting debts for each account. They will provide an explanation to the Client why the account could not be collected.
- 12.) The Agency shall not be permitted to institute any legal proceedings against any debtor on behalf of the Client, without prior written authorization of the Client. The Client reserves the right to determine whether its claims shall be placed in litigation. The Client will authorize the Agent to retain an attorney only after being informed of the following: who the attorney will be handling the case, what his/her fees are, and how the remittance for those fees will be handled.
- 13.) The Agency shall state in writing, their entire fee schedules (commissions) prior to the signing of this agreement. No change in the fee schedule will be acceptable without prior written authorization of the Client. All payments made to the Client shall be free of any additional charges.
- 14.) The Agreement may be terminated at the option of either party by written notice given at least thirty (30) days prior to termination. The Agency agrees to surrender any and all outstanding account information at the time of Agreement termination.
- 15.) The Agency may not settle an account for more than the amount owed without prior authorization from the Client.
- 16.) The Agency will comply with all items outlined in the "boiler plate" of this document.
- 17.) The Agency submitting a proposal may submit additional recommendations for the Client's review.
- 18.) The Client requests a commencement date of July 1, 2006 for this contract.
- 19.) The Client requests the length of this contract to be one year and ending on June 30, 2007 with the option to extend the contract by one additional year by mutual agreement of the Client and Agency 30 days prior to the expiration date.
- 20.) The Client requests that the Agency submitting the proposal provide information on how the Agency electronically handles HIPPA information and the Protected Health Information.

