

# **CITY OF CLEVELAND**

## **TENNESSEE**

### **REQUEST FOR PROPOSALS**



**FOR COLLECTION AGENCY**

**FOR THE CITY OF CLEVELAND**

**Bids to be submitted at 2:00 P.M.  
local time, Tuesday, May 15, 2007,  
in the City Council Room,  
190 Church Street, N.E., Cleveland,  
TN 37311**

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**Melinda B. Carroll  
Purchasing Director**

## Request for Proposal

The City of Cleveland will be accepting Request for Proposals for a collection agency for delinquent City business taxes, City citations and any other miscellaneous assessments made by the City of Cleveland. The use of Collection Agency, Vendor, and/or Proposer is considered the same in this document. Information contained in this Request for Proposal (RFP) shall become part of the contract with the collection agency.

### **The Proposer shall:**

1. Provide an original and three copies of their proposal.
2. Provide and further authorize the below **Proposal Packet** items 1-9 on this form.
3. Proposers should note any deviation from items requested by this request for proposal.
4. Your firm's proposal must be signed and dated by a principal of the business.
5. Your proposal must be received by the established **Opening Time and Date**.
6. Return all pages signed and dated.

### **Proposal Packet** (original and three copies) shall include the following information:

1. Statement summarizing your proposal and fee structure (any changes in fee structure on extension of the contract for three years, if applicable).
2. Copy of current license issued by the Tennessee Collection Service Board.
3. Copy of the collection agency's bond.
4. Copy of business tax license.
5. Tape release agreements with at least two national credit-reporting services.
6. Sample collection service contract including fee schedule.
7. Sample of remittance reports.
8. Sample of correspondence to debtors.
9. Firm information including:
  - a. List of references
  - b. Years your firm has been in business
  - c. Experience in court related collections
  - d. Agency's staffing and experience
  - e. List the five (5) most recent projects that the company has provided collection agency services. List company name, contact person, phone numbers, and address.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Scope of the Contract

The contracts shall:

1. Be executed within 30 days after the City of Cleveland has notified the vendor and shall not extend past June 30, 2008.
2. Provided a notice of written cancellation of not more than 30 days in the event that either party wishes to exit the contract. No cause or justification shall be needed for the cancellation of the contract.
3. Provide for a renewal on a yearly basis up to three (3) additional years if agreed upon by both parties.
4. Insure that funds collected on the city's behalf shall be placed in a secured account to prevent loss of funds. Payments remitted to the City by the 10<sup>th</sup> of each month's collections with a detailed report
5. Stipulate that the Collection Agency is an independent contractor and not that of an agent, servant, or employee. The Collection Agency shall have no power or authorization to bind or otherwise obligate any city.
6. State the amount of the commission charge of the Collection Agency and that this charge shall be the total cost to the city.
7. Outline and stipulate the receiving and payment cycles on individual accounts and payment account to the city. This reporting shall be done on a monthly basis.
8. Shall state that the city shall have access and can audit the Collection Agency's books at anytime.
9. Shall state and insure that the city shall be protected and held harmless against any claims related to delinquent accounts.
10. Must provide electronic media access to the unpaid accounts, if requested.
11. Be able to report unpaid accounts to at least two of the national credit reporting repositories.
12. Shall insure that no compromise settlement shall be accepted by the Collection Agency without a written consent by the city.
13. Shall stipulate when accounts are no longer being sought for collection by the Collection Agency.
14. Shall provide proof of General Comprehensive Liability insurance with the city as named insurer.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Questionnaire:**

List the type of collections, which your agency handles:

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List any association, which your agency is a member:

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Provide the names, title, mailing address and telephone numbers of the persons who will function as the city's primary contact person and back-up contact person.

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List names of government clients and number of years your agency has been collecting for them. Indicate whether past or current clients.

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What kind of computerized collection system do you have?

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Please provide a description of your file transfer capabilities:

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\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**City's Scope of Work:**

1. It would be anticipated that accounts, which have no active payment for three (3) months should be turned over to the Collection Agency.
2. The city will have the option to turn over accounts at an earlier or later timeframe at their discretion.

The above information is provided as a baseline of services needed and expected by the Proposers. The Proposers are encouraged to submit additional information and outline of services and contract criteria. Proposers should note any deviation from items requested by this request for proposal.

**Proposals must be submitted:**

**To:** City of Cleveland Purchasing Department  
190 Church Street, N.E.  
Cleveland, Tennessee 37311

**or Mailed To:** City of Cleveland  
Attention: Melinda Carroll  
P.O. Box 1519  
Cleveland, Tennessee 37364-1519

**Opening Time and Date: Tuesday, May 15, 2007 at 2:00 p.m.**

**In:** Sealed Envelope noting on the outside of the envelope:

“Request for Proposal - Collection Services for the City of Cleveland, Tennessee”

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date